

What can be done to encourage young farmers and ranchers to return home to the farm if it means living in a rural area that does not provide the same amenities as a metropolitan community?

RURAL COMMUNITY BUILDING

Resources for Farm Bureaus to help improve the quality of life in rural communities.

AFBF Blog by Sabrina Matteson

<http://ruralcommunitybuilding.fb.org/>

<http://ruralcommunitybuilding.fb.org/category/farm-bureau-activities/>

Connected Nation – <http://connectednation.org/>

Rural Policy Research Institute Center for Rural Entrepreneurship -

<http://www.rupri.org/entrepreneurship.php>

Community Development Society – <http://www.comm-dev.org/>

National Rural Development Partnership <http://www.rurdev.usda.gov/nrdp/about/structure.html>

State Rural Dev Councils (SRDC <http://srdc.msstate.edu/>

Partners for Rural America <http://www.partnersforruralamerica.org/news.asp>

Cooperative Extension <http://www.extension.org/entrepreneurship>

USDA – RD - <http://www.rurdev.usda.gov/Home.html>

LOCAL FOOD SYSTEMS

National Agricultural Law Center

KNOW YOUR FARMER KNOW YOUR FOOD

USDA

Views On Local Food Systems And Rural Development

National Sustainable Ag Coalition

NSAC Food System Funding Guide

OMNIVORE’S DELUSION

Blake Hurst, MOFB president disputes Michael Pollan’s [Omnivore’s Dilemma](#)

GROWING OPPORTUNITY:

OUTLOOK FOR THE LOCAL FOOD SYSTEMS MARKETPLACE

2008

CULTIVATING THRIVING COMMUNITIES AND SUSTAINABLE FARMS

[Center for Environmental Farming Systems](#)

The Community Development Society provides leadership to professionals and citizens across the spectrum of community development. Members have multiple opportunities to learn what's new in the profession, to exchange ideas, to obtain the most current research and reference information available and to share professional expertise. Our annual conference, publications, and listservs offer:

- Professional development
- Networks
- Information on initiatives and job opportunities
- Recognition for outstanding contributions and achievements
- Opportunities for discussion and debate

CDS members represent a variety of fields: education, health care, social services, government, utilities, economic development practitioners, citizen groups, and more.

Over eighty percent of members practice in the United States with the remaining members coming from nearly 32 different countries around the globe.

For more information, visit the Community Development Society at <http://www.comm-dev.org/>.

Connected Nation believes that states, communities, families, and individuals can realize great economic and social advantages when we accelerate broadband availability in underserved areas and increase broadband use in all areas, rural and urban, alike.

How is Connected Nation, Inc. organized to meet its mission?

Connected Nation is a national non-profit 501(c)(3) organization that expands access to and use of broadband Internet and the related technologies that are enabled when individuals and communities have the opportunity and desire to connect. Connected Nation works in multiple states to engage community stakeholders, state leaders, and technology providers to develop and implement technology expansion programs with core competencies centered around our mission to improve digital inclusion for people and places previously underserved or overlooked.

What is No Child Left Offline and Computers for Kids?

No Child Left Offline and Computer for Kids are innovative projects that bring together public and private partners to help disadvantaged children and their families join the Information Age. The program is the most comprehensive initiative of its kind undertaken by any state as it is intended to help underprivileged individuals overcome the obstacles associated with the digital divide. This is accomplished by placing computers in the hands of disadvantaged populations so that they have access to abundant technological resources and can perform basic computing functions. Computers may be placed directly in a family's home, given to an individual child, or placed in community centers that provide services to underprivileged families.

Connected Nation has received support from a number of organizations for No Child Left Offline and Computers for Kids. Those organizations include the Appalachian Regional Commission, American Electric Power Foundation, AT&T Foundation, the Duke Energy Foundation, the State of Tennessee, the State of Ohio, and the Commonwealth of Kentucky.

What type of work does Connected Nation do in local communities?

Connected Nation uses grassroots techniques through our eCommunity Strategies effort to pinpoint underserved areas and create strategic technology plans for these locations. We work with community leadership to address communities challenges related to technology growth and implement the necessary programs to overcome these obstacles. eCommunity Strategies helps communities to effectively and efficiently leverage technology by identifying best technology practices and how to acquire such technology.

How does Connected Nation ensure its maps are accurate?

Connected Nation is regularly updating its maps with government, provider, and consumer updates. Connected Nation provides several avenues for consumer feedback including local leadership teams, telephone calls, e-mail requests, and on-line forms. The feedback is relayed to providers in the area to determine if service is available; if it is not, Connected Nation works with the provider to modify the coverage data to show a more accurate depiction of service. For those without broadband service available but are interested in it, Connected Nation documents these requests and utilizes the information to support the demand for service when discussing build-out with providers. To learn more about Connected Nation's maps, click [here](#).

Why is mapping important for Connected Nation's mission?

Connected Nation's comprehensive approach to broadband expansion begins with an inventory of existing broadband service providing a detailed picture of where broadband is and the gaps needing to be addressed. Connected Nation's mapping department works closely with broadband providers to

identify broadband availability and develop trustworthy relationship. Connected Nation Mapping Initiatives are designed to inform and advance the understanding and utilization of broadband services in the nation. The maps and analysis that Connected Nation produces for any given state or region are products that are imperative to good policy and informed business planning. These tools are advancing the understanding of the nation's broadband landscape and the needs of those in this country without broadband service available.

To view our statewide or local maps, click on the corresponding state below.

[Alaska's Broadband Landscape](#)

[Florida's Broadband Landscape](#)

[Illinois' Broadband Landscape](#)

[Iowa's Broadband Landscape](#)

[Kansas' Broadband Landscape](#)

[Michigan's Broadband Landscape](#)

[Minnesota's Broadband Landscape](#)

[Nevada's Broadband Landscape](#)

[Ohio's Broadband Landscape](#)

[Puerto Rico's Broadband Landscape](#)

[South Carolina's Broadband Landscape](#)

[Tennessee's Broadband Landscape](#)

[Texas' Broadband Landscape](#)

Who benefits from Connected Nation's programs?

Connected Nation's impact is far-reaching and effectively closing the digital divide. Connected Nation and our state-level effort make the cost of technology expansion go down and the demand for technology go up. It is a comprehensive approach that delivers dramatic results and creates new opportunities for Americans to live and work with more ease and benefit. What research does Connected Nation perform at national and state levels?

Connected Nation conducts research to enable deliberate policy analysis, effective program development, and sound measurement of our work toward digital inclusion. Connected Nation's survey research and data collection at the state and local levels provide a solid research basis for grassroots technology planning teams, state and federal policymakers, as well as Connected Nation's technology literacy programs such as our award-winning Computers for Kids.

Through Connected Nation's state and local programs, Connected Nation conducts primary statistical research, surveying businesses and residents in every county or county equivalent, to better understand the specific technology needs and challenges in each local area, thereby enabling targeted technology programs that make the most of scarce resources.

Who advises Connected Nation's work?

Connected Nation's Board of Directors and National Advisory Committee provide strategic and comprehensive oversight to our work on a federal level. Likewise, since Connected Nation's state-level programs involve a very local approach including community leaders who direct local efforts. Community leaders include locally elected officials, as well as representatives from K-12 education, healthcare, higher education, tourism, agriculture, libraries, and business, etc.

What is Connected Nation's relationship to broadband providers?

We are committed to meeting our mission through working with any and all providers of broadband service. We have an open door as to how to develop that relationship – with the extent and depth of that relationship often being defined by the provider themselves. Broadband providers actively

contribute to the Connected Nation Board of Directors, state-level steering committees, and local community leadership teams providing representation from cable and DSL providers.

How is Connected Nation funded?

Connected Nation is designed as a private-public partnership. At the national and state level we have private partners that share our commitment to our mission and enable our work through a variety of resource commitments. Our state programs meet our mission through a variety of federal and state grants and agreements.

Connected Nation Timeline

2001 – The Center for Information Technology Enterprise (CITE) was founded at Western Kentucky University in Bowling Green, Ky. to promote technology expansion in Kentucky.

2004 – CITE evolved into the ConnectKentucky program, a public-private initiative to conduct mapping and planning to spur broadband expansion in the Commonwealth.

2005 – No Child Left Offline (now known as Computers 4 Kids or ECO) was established to provide computer and technology access to disadvantaged families, libraries, schools, and community centers.

2005 – The Appalachian Regional Commission (ARC) granted \$900,000 to ConnectKentucky in support of the statewide broadband initiative, Prescription for Innovation. The funds were used to support ConnectKentucky's efforts toward the expansion of broadband infrastructure and technology adoption throughout the Appalachian region.

2007 – ConnectKentucky completed the grassroots community level project of preparing a Strategic Technology Planning blueprint for all 120 of Kentucky's counties. Broadband availability increased from 60 percent to 95 percent of households in the state.

2007 – Based on the successes of ConnectKentucky, neighboring state officials requested the formation of the Connected Tennessee and Connect Ohio programs under the umbrella of the newly formed Connected Nation parent organization.

2007 – Connect Kentucky's efforts [were featured in an article](#), Wiring Rural America, in *The Economist*. The article highlighted ConnectKentucky's public-private partnership model in expanding broadband availability in the state of Kentucky.

2007 - 2008 – The ConnectKentucky model was the basis for national legislation passed by Congress as the "Broadband Data Improvement Act."

2008 – [ConnectKentucky was honored](#) with the 2008 Susan G. Hadden Pioneer Award presented by the Alliance for Public Technology (APT), which honors individuals and organizations that advocate for widespread public access to advanced telecommunications.

2008 – In [a Wall Street Journal article](#) recognizing Kentucky as one of the world's seven outstanding economic development leaders, ConnectKentucky's efforts to bring high speed Internet (broadband) benefits to every Kentuckian was featured.

2009 – Connected Nation was chosen as the designated broadband mapping entity for 12 states and one territory under the American Recovery and Reinvestment Act-funded Broadband Data Improvement Act: Alaska, Florida, Iowa, Illinois, Ohio, Michigan, Minnesota, Nevada, Ohio, Puerto Rico, South Carolina, Tennessee, and Texas.

2009 - 2010 – Connected Nation partnered with Bill & Melinda Gates Foundation to work with public libraries in 20 states in a project called Opportunity Online, which brought together local libraries and community stakeholders to discuss and plan broadband sustainability efforts.

2009 – Connected Nation CEO Brian Mefford was appointed to a two-year term on the MSC Malaysia International Advisory Panel (IAP). Chaired by the Malaysian Prime Minister, the IAP provides advice and counsel to the Malaysian Government to set and prepare the agenda for the way forward in the

development and growth of the MSC Malaysia and the Information and Communications Technology (ICT) industry in Malaysia.

2010 – Connect Ohio launched Every Citizen Online, which provides free computer training sessions at public libraries, community colleges, community organizations, and educational centers throughout Ohio.

2010 – Connected Tennessee launched the Computers 4 Kids BTOP grant, which is an effort to increase sustainable broadband adoption and provide computers and training to more than 60,000 disadvantaged youth across Tennessee.

2011 – Connected Nation state initiatives contributed to the National Broadband Map data that covered approximately 42% of the nation’s landmass; reached 39.5 million households; and included more than 1,200 broadband service providers.

2011 – Connected Nation was named a key strategic advisor and partner in a major national public-private broadband adoption initiative called [“Connect to Compete”](#) aimed at boosting digital literacy and skills training and job creation.

2012 – Connected Nation marked 10 years of connecting the nation.



THE CENTER for ENVIRONMENTAL FARMING SYSTEMS

Cultivating Thriving Communities & Sustainable Farms

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The Promise of Local Agriculture

The Promise of Local Agriculture

- How important is the Local Food movement
- What's driving it (and what are the benefits)
- North Carolina's Farm to Fork initiative
- What are some of the opportunities for Community College engagement



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Center for Environmental Farming Systems

Mission: *To develop and promote agricultural systems that protect the environment, enhance rural and urban communities, and provide economic opportunities in North Carolina and beyond*

- Partnership initiated in 1994
 - NCSU
 - NCA&T SU
 - NCDA &CS

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Our approach...

- **2000 acre field facility** provides for collaborative and interdisciplinary research
- **Demonstration site** for farmers, extension agents, educators, and others
- **Engage young people** through farm apprentice program, internship program, agroecology program, food policy council, food corps and more
- **Developing a Sustainable Local Food Economy.** Connecting industries, business opportunities, consumers, farmers. **Farm-to-Fork approach**



Bringing Sustainable Pork to Market

Plenty of Farmers....Plenty of Markets

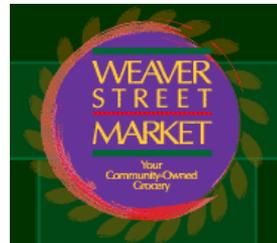
NC Choices
a Center for Environmental Farming Systems initiative



Food for today. Farming for tomorrow.

Barriers

- Infrastructure
- Processing
- Distribution issues
- Coordinated Supply
- Value Added



Retail and Food Service

WEBSITE



Significant Hurdles in the State

Local food system was broken.... No matter how good the production systems were we were developing, we had to address these issues so that our growers could take advantage of the growing opportunities.



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Changing Consumer Landscape

- Consumer interest: local, sustainable, organic, fresh
 - *70 percent of consumers want to know where their food comes from and would pay more for locally grown food if they could find it (packaged facts, 2007)*

First Come, First Serve
Other RTP company employees can sign up too!
First Come, First Serve



Farmers & RTI'ers enjoy delivery day (Hanes Parking Lot) RTI Main Campus

What if you could have fresh, organic & local produce, herbs, all-natural meats & eggs, homemade baked goods, cut flowers and other farm products delivered to your workplace?

You can at RTI!



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Everything is UP!

- Between 1997 and 2007, Direct to Consumer marketing **doubled** (to \$1.2 billion)
- Number of Farmers Markets **doubled**
- Number of CSAs **tripled** (from 2001-2005)
- Farm to School Programs have **quadrupled** since 2004.



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Local Foods

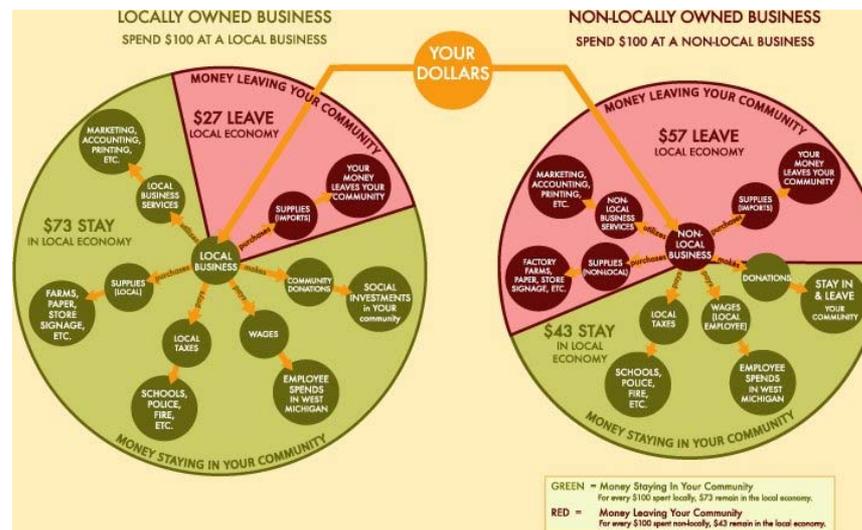
- Many now see local foods and sustainable agriculture at the heart of **rural revitalization, economic development, job creation, better health and nutrition, farmland preservation, environmental sustainability, and food security**
- It is also one of the fastest-growing, most entrepreneurial area of agriculture today



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Some Statistics

- We spend **\$35 billion per year** on food in NC
- **Multiplier effect:** Local businesses create more income, jobs, and wealth for a community as money is re-spent in the locale
- By consuming particularly fresh fruits and vegetables from local farms, we can **also** reduce the burden of spending more than **\$5 billion annually to treat obesity and diabetes in NC**



More money stays locally



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Around the Country

- If Iowans ate the recommended five servings of fruits and vegetables per day, and Iowa farmers supplied that produce for just three months of the year, the production and marketing of those additional crops would add \$300 million and 4,000 jobs to Iowa's economy. (Dave Swenson, ISU)



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Around the County

- Doubling the sales into local markets could yield 1889 jobs with an investment of \$9.5 million (approx. \$5000/job as compared to national average of \$15000/job)

Michigan Land Use Institute and CS Mott



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Around the County

- Wallace Center and Business Alliance for Local Living studied 24 local food enterprises nationally, and as reported by Washington Post, “local food enterprises as profitable startups that are key to economic growth and recovery”.
- “Two to four times the income, wealth and jobs than at an equivalent nonlocal business”



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Around the Country

- The Governor of Illinois recently signed a bill that sets a goal of 20% of all food purchased by state-owned facilities (e.g., universities and prisons) and 10% of all food purchased by state-funded facilities (e.g., schools and hospitals) be produced in Illinois.



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Around the Country

- USDA thrust announced by Secretary Vilsack under the leadership of Deputy Secretary **“Know your Farmer Know your Food”**
- \$65 million program will "begin a national conversation to help develop local and regional food systems and spur economic opportunity."



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Building a Local Food Economy in North Carolina



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Farm to Fork

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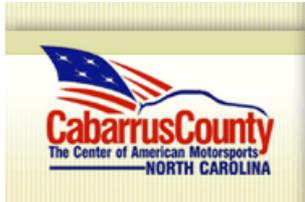
www.cefs.ncsu.edu

THE

FARMING SYSTEMS

Cultivating Thriving Communities & Sustainable Farms

Across the State We Saw: Community Leadership, Business Entrepreneurship, Regional Planning



Southeastern NC Food Systems Project




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But....

- **Lack of coordination**
- **Piecemeal approach**
- **Lack of momentum**
- **No strategic plan to move the state's Local Food Economy forward**
- **Funders wanted to know where to put their money- what would be successful?**



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Statewide Initiative Launched in 2008

Goal was to develop a **Statewide Action Plan** for building the **Local Food Economy**

- **Describe** the current food system
- **Highlight** important successful models in the state
- **Identify Barriers**
- **Prioritize** policies and programs for the private and public sectors.



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The Farm to Fork Local Foods Initiative

The Importance of Partnership

- Established advisory committee (80+)
- Regional meetings across the state (6)
- Working Issues Teams established (11)
- **“Game Changer” Ideas Developed**
- Sold out Statewide Summit (400+)



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Working Issue Teams

- Formalizing the Initiative: Foundations and Baselines
- Farm-to-School
- Institutional and Retail Markets
- Public Health and Food Access Disparities
- Direct Markets
- New and Transitioning Farmer Support



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Working Issue Teams

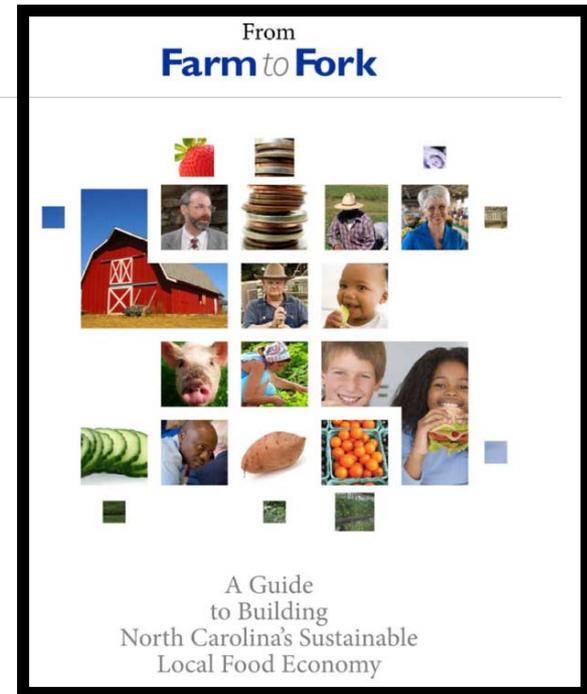
- Community Gardens
- Land Use and Local Government Initiatives
- Youth and Social Networking
- Consumer Outreach and Marketing
- Processing and other Physical Infrastructure



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The Farm to Fork Local Foods Initiative

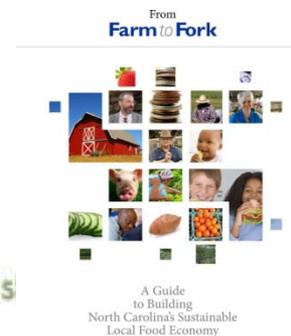
- An active listerv (1000+ subscribers)
- Directory of food system activities
www.ncfoodnet.com
- Publication of State Action Guide www.cefs.ncsu.edu/resources/stateactionguide2010.pdf



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New Partnerships Geared Towards Action

Broad-based commitment from local government officials, nutritionists, farmers and farmer organizations, anti-hunger groups, faith based organizations, youth-based organizations, economic developers, funding partners, entrepreneurs, retailers, consumers, academic institutions and other agencies.



Some of our Sponsors

- Carolina Farm Credit
- Blue Cross and Blue Shield of N.C. Foundation
- North Carolina Farm Bureau Federation
- Compass Group
- NC Association of County Commissioners
- Heifer International
- Carolina Farm Stewardship Association
- BRAC-RTF (Fort Bragg)
- Burch Farms
- Food LogiQ
- Grateful Grower Farm



Some Outcomes to Date



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**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

**SESSION LAW 2009-530
SENATE BILL 1067**

AN ACT TO ESTABLISH THE NORTH CAROLINA SUSTAINABLE LOCAL FOOD ADVISORY COUNCIL TO ADDRESS PROGRAM AND POLICY CONSIDERATIONS REGARDING THE DEVELOPMENT OF A SUSTAINABLE LOCAL FOOD ECONOMY IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 106 of the General Statutes is amended by adding a new Article to read:

"Article 70.

"North Carolina Sustainable Local Food Advisory Council.

"§ 106-830. Purpose; definitions.

(a) Purpose. – It is the purpose of the North Carolina Sustainable Local Food Advisory Council to contribute to building a local food economy, thereby benefiting North Carolina b

Sustainable Local Food Advisory Council

- 22 members (Including the Commissioner of Agriculture, Secretary of Commerce, State Health Director)
- Three Subcommittees
 - Economic Development: Statewide assessment, regulatory, GAP certification, infrastructure
 - Health, Wellness, Hunger and Food Access
 - Land People, and Natural Resources



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Sustainable Local Foods Advisory Council

- Whole Farm GAP Certification
- Addressing regulatory framework
- NC statewide food assessment
- Improve access (EBT), increase snap-ed funding
- Farm to School
- Securing recurring funding for the NC Agricultural Development and Farmland Preservation Trust Fund (\$2 million)
- Infrastructure Survey and Needs



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Golden Leaf Foundation \$2.5 million Local Foods Initiative

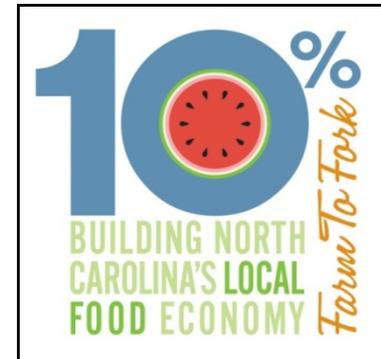
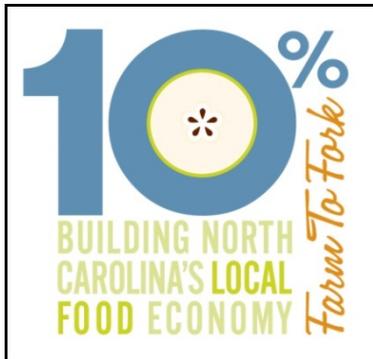
- 10% campaign
- Feed the Forces Initiative
- Targeted Infrastructure Pieces
- Market Development
- Sustainable Local Food Policy Council



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10% Campaign Overview

- Outcome of Communications Working Issues Team
- Funded by Golden Leaf Foundation
- 10% is doable and a place to start (not intimidating!) for the newly engaged, institutions, restaurants, etc.
- A \$3.5 billion endeavor.



Make the Choice. Make a Difference. Make it Local.



Join the 10% Campaign

a Center for Environmental Farming Systems initiative

In Season



[View Seasonality Chart](#)

Here's How It Works

Join us in support of North Carolina's farmers, businesses and communities.

- ✓ Pledge to spend 10 percent of your existing food dollars locally
- ✓ We'll email you with a few simple questions each week
- ✓ We'll track your progress, and you'll see our progress statewide

[Sign Up Now](#)

Watch Us Grow

4260 people
 and **340** businesses
 spent **\$8,583,783** locally

Since July 2010.

Help us build North Carolina's local food economy by joining the campaign and encouraging your family, friends and neighbors to do the same.

Key Components of the Campaign



- Web based sign ups
- **Partnership with Cooperative Extension**
- Three Ways for Businesses to Partner
- Push people out to existing initiatives and information resources: “floating all boats”
- Energize business leaders, policy makers, organizations, college students, school kids, etc.
- **Work to address associated barriers**



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CHATHAM
county center

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Google Custom Search

Search



Monday, February 21st, 2011

Chatham Extension
Center

Agriculture & Food

Animal Agriculture

Commercial
Horticulture, Nursery,
& Turf

Farm Health & Safety

Field Crops

Food Safety &
Processing

Local Foods

Pest Management

Specialty Crops

Community

Environment

Agriculture & Food: Local Foods

North Carolina Cooperative Extension is an enthusiastic supporter of the Center for Environmental Farming Systems' (CEFS) initiative to build the state's local food economy, from farm to fork. Cooperative Extension is the face of Chatham County's local foods initiative, helping to promote North Carolina's 10% Campaign and to guide efforts to develop a local food economy.

The Chatham County Center Local Foods contact is Debbie Roos.



The 10% Campaign encourages consumers to commit 10 percent of their existing food dollars to support local food producers, related businesses and communities. The 10% Campaign is working statewide to promote North Carolina's farmers, foods communities and businesses, educate consumers, decision makers and the media, and collaborate further with the many influential organizations and initiatives already in the field and those just beginning to bloom. Cooperative Extension will work with CEFS, community leaders, farmers, businesses, local governments, parents, teachers and students to promote the 10% Campaign, funded by the Golden LEAF Foundation.

News & Happenings

Statewide My County

Just One Year in CEFS Campaign Tracks \$5.7 Million in Local Food Purchases

July 20, 2011 Press Release

[Read Complete Article](#)

Feast Down East aims to promote local farmers, fishermen

June 16, 2011 article from Greater Wilmington Business Journal

[Read Complete Article](#)

Brunswick Residents Join the Local Food Movement at Southport 10% Campaign Launch

June 15, 2011 Press Release from University of North Carolina - Wilmington

[Read Complete Article](#)

Taste the market and learn about NC 10%

June 8, 2011 article from The Wake Forest Gazette

[Read Complete Article](#)

Quick Links

[Center For Environmental Farming Systems](#)

[North Carolina Food Advisory Council](#)

[Statewide Action Guide for Building a Local Food Economy in NC](#)

Social Media

Find us on Facebook



NC 10 Percent Campaign

Like 2,268



NC 10 Percent Campaign

Flash Mobbers supporting local NC farmers through dance! Thanks from the NC 10% Campaign!



NC 10% Campaign
FlashMob - SPARKCon
www.youtube.com

Support Local NC Farmers

September 21 at 6:44am



NC 10 Percent Campaign

Just a little glimpse of our flashmob at SPARKcon in Raleigh last weekend :) Thanks to Joanna, Renay, Robyn and all of our wonderful dancers!! More to come...



Wall Photos

Facebook social plugin



NC10Percent Campaign
NC10Percent

Film Screening of The Greenhorns: Sun 9/18 6:30-9pm at Silk Hope Farm Heritage Center. <http://ow.ly/6o9NC>

11 days ago · reply · retweet · favorite

Know Your Farms Tour: 3rd Annual Charlotte Area Farm Tour 9/17-9/18, 12:30pm-5:30pm. <http://ow.ly/6uAhS>

11 days ago · reply · retweet · favorite

Business Partnerships

Compass Group...The Pit...**John Rex Endowment**...Elaine's on Franklin...**Blue Cross Blue Shield**...Walking Fish Cooperative...**UNC Wilmington**...Robeson County Farmers Market...**NCSU Dining Services**...Ferrington Farmers Market... **Cabarrus County**...Ocean Highway Country Store...**NC Farm Bureau**...Fuquay Varina Downtown Revitalization...**UNC Center for Health Promotion and Disease Prevention**...Outer Banks Epicurean...**UNC Asheville**...Lucky 32...**Whole Foods Markets**...Girl Scout Troup 734...**Heron's Restaurant**...Cottle Organics...**Town of Knightdale**...Goat Lady Dairy...**Triangle Land Conservancy**... Eastern Carolina Organics...**Eat Smart Move More**... Charlotte-Mecklenburg Food Policy Council ...**Carolina Farm Credit**...Uwharrie Capital Corp...**Vance County Farmers Market**...Lantern Restaurant...**Magnolia Grill**...NC Sea Grant...**Red Hat**... NC Cooperative Extension Service... **NC Department of Agriculture and Consumer Services**... Sustainable Sandhills.. **BRAC Regional Task Force**...Slow Food Asheville...**NCSU College of Agriculture and Life Sciences**.....Cabarrus County Schools...**Burt's Bees**...Onslow County Farmers Market... **NCA&TSU School of Agriculture and Environmental Sciences**...18 Seaboard...**Freshpoint**...Piggy Wiggly (33 grocery stores)

NORTH CAROLINA

Farm Bureau

JANUARY/FEBRUARY 2011 VOL. 82 NO. 1



10%

Campaign Off to Strong Start

If organizers achieve their goals, thousands of North Carolina residents will be obtaining more food that probably came from somewhere within their county—rather than from the other side of the country or the world.

The Center for Environmental Farming Systems, (CEFS) with support from N.C. Cooperative Extension and the Golden LEAF Foun-



ation, began the 10 Percent Campaign last year. It's an effort to educate and encourage consumers to spend 10 percent of their food dollars on locally sourced food. In less than six months, the results have been pretty noteworthy. CEFS says between July and November of last year, North Carolinians spent more than \$2 million on food from local sources.

"I believe this is a

continued



UNITED STATES DEPARTMENT OF AGRICULTURE

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Deputy Secretary Kathleen Merrigan Kicks Off Her 2011 College Tour

Posted by [Deputy Secretary Kathleen Merrigan](#), on February 14, 2011 at 5:38 PM



Agriculture Deputy Secretary Dr. Kathleen Merrigan meets with local producers at the North Carolina University's student run Farmer's Market in Raleigh, NC, on Feb. 9, 2011.

Before kicking off this year's 'Know Your Farmer, Know Your Food' college tour in North Carolina, I took a moment to reflect on why these college visits are so important. As President Obama said in his State of the Union address, we must out-educate the world in order to win the future. Indeed, during the eight years that I spent as a college professor, I was constantly reminded that investing in our nation's young minds is investing in our nation's future. With this in mind, this year, members of USDA leadership will join the Secretary and myself in engaging America's youth in a critical dialogue about our food system, our rural economy, and the economic opportunities associated with local and regional markets.

New Developments

- Extension agent training in community-based food systems
- Beginning Farmer training
- Incubator Farm Development
- Pre-Service Teacher Training around Farm to School
- FoodCorps
- Youth Food Policy Council
- Community Garden network
- Increased focus on access



NCSU | NCA&TSU | NCDA&CS
www.cefs.ncsu.edu

New Developments

- Infrastructure Study
- Assessments being planned
- More support for NCDA Farm to School
- More funding streams (BCBS)
- New regional labels
- New processing (shared use and other)
- New programs at Universities and colleges
- Regional and Local Food Policy Councils
- County-based food assessments



NCSU | NCA&TSU | NCDA&CS
www.cefs.ncsu.edu

Needed Skills and Opportunities

- Community Garden Managers
- Farmers Market Managers
- Local Procurement experts
- Food Policy experts
- Regulations and zoning
- Conducting Food Assessments
- Forming alternative model Distribution Networks and companies
- Transportation logistics
- Waste stream, composting etc.
- Liaison with Institutions



NCSU | NCA&TSU | NCDA&CS
www.cefs.ncsu.edu

Needed Skills and Opportunities

- Farm to School
- Value added businesses
- Managers of educational farmers, shared use kitchens (teaching and doing!)
- Urban Farms
- Access
- Engaging youth



NCSU | NCA&TSU | NCDA&CS
www.cefs.ncsu.edu

**NC Choices'
Carolina Meat Institute
2011 Activities**

in collaboration with

**A-B Tech Community College Culinary
Arts Program, Asheville, NC**

Regional 2 day workshop and pilot
Continuing Ed. Class lay the groundwork
for a future curriculum course on whole
animal butchery.

**Whole Animal Butchery & Utilization
Workshop, September 12-13**

200+ participants from 8 states, including:

- Chefs
- Culinary Students
- Farmers
- Allied Industries
- Meat Buyers
- Media



Above: A-B Tech's state of the art culinary facility proved essential in providing a conducive learning environment. Master Butcher Kari Underly, Range, Inc. Chicago, IL, demonstrates removing beef short ribs.

www.carolinameatconference.com

Upcoming Continuing Education Class “Meet Your Meat” November 2011

6 week Course Offers Participants:

- an insider’s look at the commodity and local meat supply chain.
- field experiences at local USDA slaughterhouse , retail butcher shop and farms.
- hands-on experience in a small group setting breaking down an entire beef, pork and poultry carcasses, preparing each part for cooking and preservation.
- Lab fees include each participant to take home 80# of local, pasture raised meat, vacuum-sealed for their freezer



Above: Executive Chef Craig Deihl of Cypress, Charleston, SC, teaches a hands-on lab on pork breakdown and the art of charcuterie to a group of chefs at A-B Tech Community College, Asheville, NC

Gain entrepreneurship information from the Cooperative Extension services featuring:

[Recorded Webinars](#)

Youth Entrepreneurship

What do kids know about business? You'll be surprised!

- [Youth Entrepreneurship Program Highlights](#)

E-Commerce Learning Modules

- [Direct Marketing for Specialty Food Products](#). Learn strategies to direct market and sell specialty food products.
- [Electronic Retailing](#). More and more of our communication and social behaviors involve computers and networks. Nonetheless, it is not as simple as it might appear to connect the dots on electronic retail and turn it into a successful venture.
- [Going Global: A Guide for e-Commerce Expansion](#). A worksheet driven learning lesson for the established e-commerce business exploring export/import opportunities.
- [A Primer for Hispanic Small Businesses](#). In both English and Spanish, this module was founded in the belief that e-commerce education should not only be available to Spanish Speaking business owners but also that small business stand to benefit greatly from the patronage of the Spanish speaking consumer.
- [Marketing Food Specialty Products Online](#) The purpose of this learning module is to assist food retailers in making decisions on the use of online technologies in their marketing and planning strategies.

Resources:

- [Information Briefs](#)
- [State & Local Policies](#)
- [Research References](#)

Build Your Business

- [Online Tutorial on Farm Leasing](#)
- [Strategies to Improve Farm Business Management](#)
- [Visual Merchandising: The Silent Salesperson](#). View a recording of a marketing workshop conducted by Glenn Muske, Oklahoma State University. The workshop covers some key aspects of display as a sales tool. The workshop is approximately 45 minutes long.

Building Entrepreneurial Communities

- [E-Commerce Module: Connecting Rural Communities](#)
- [Strengthening Competitive Advantage of Rural Businesses with e-Commerce and Experience Economy Strategies](#)
- [Mini-Course: Developing Diversified & Value-Added Agribusinesses](#)
- [Mini-Course: Developing Entrepreneurs](#)

Blogs to Watch

- [Blogtrepreneur](#)
- [Business in General](#)
- [Guy Kawasaki](#)
- [Small Biz Trends](#)
- [Venture Adventure](#)
- [Young Entrepreneur](#)
- [Women in Agriculture](#)



National Sustainable Agriculture Coalition

Guide to Federal Funding for Local and Regional Food Systems



First Edition, April 2010

The National Sustainable Agriculture Coalition's Guide to USDA Funding for Local and Regional Food Systems

First Edition - April 2010

Written by NSAC Staff

Kate Fitzgerald, Lucy Evans, Jessica Daniel

Acknowledgements

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Ferd Hoefner, Margaret Krome, Aimee Witteman

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INTRODUCTION	1
UNDERSTANDING USDA'S STRUCTURE	2
USDA'S KNOW YOUR FARMER, KNOW YOUR FOOD INITIATIVE	2
USDA'S OFFICE OF ADVOCACY AND OUTREACH (OAO)	3
USDA'S SEVEN MISSION AREAS	2
QUICK GUIDE TO LOCAL AND REGIONAL FOOD SYSTEMS GRANTS	4
THINGS TO KNOW ABOUT USDA GRANTS	6
HOW DO I LEARN WHEN APPLICATIONS ARE DUE?	6
USING GRANTS.GOV	6
GRANT AND LOAN PROGRAMS	7
1. FARM AND FOREIGN AGRICULTURE SERVICE: RISK MANAGEMENT AGENCY	7
1.1 <i>Community Outreach and Assistance Partnership Program</i>	7
<i>COAPP Application Information</i>	7
<i>COAPP Matching Funds Requirements</i>	7
<i>COAPP Contact Information</i>	7
<i>COAPP Case Study: GrowNYC</i>	7
2. MARKETING AND REGULATORY PROGRAMS: AGRICULTURAL MARKETING SERVICE	8
2.1 <i>Specialty Crop Block Grant (SCBGP)</i>	8
<i>SCBGP Application Information</i>	8
<i>SCBGP Matching Funds Requirements</i>	8
<i>SCBGP Contact Information</i>	8
<i>SCBGP Case Study: Georgia Organics</i>	8
2.2 <i>Farmers Market Promotion Program (FMPP)</i>	9
<i>FMPP Application Information</i>	9
<i>FMPP Matching Funds Requirements</i>	9
<i>FMPP Contact Information</i>	10
<i>FMPP Case Study: Appalachian Sustainable Agriculture Project</i>	10
2.3 <i>Federal State Marketing Improvement Program (FSMIP)</i>	10
<i>FSMIP Application Information</i>	10
<i>FSMIP Matching Funds Requirements</i>	11
<i>FSMIP Contact Information</i>	11
<i>FSMIP Case Study: The Kerr Center for Sustainable Agriculture</i>	11
3. RESEARCH, EDUCATION, AND ECONOMICS: NATIONAL INSTITUTE FOR FOOD AND AGRICULTURE	11
3.1 <i>Community Food Projects Competitive Grant Program</i>	12
<i>CFP Application Information</i>	12
<i>CFP Matching Requirements</i>	12
<i>CFP Contact Information</i>	12
<i>CFP Case Study: Practical Farmers of Iowa</i>	12
3.2 <i>Sustainable Agriculture Research and Education</i>	13
<i>SARE Application Information</i>	13
<i>SARE Matching Requirements</i>	14
<i>SARE Contact Information</i>	14

<i>SARE Case Study: Picket Fence Creamery</i>	14
4. RURAL DEVELOPMENT AGENCY: RURAL BUSINESS-COOPERATIVE SERVICE, RURAL HOUSING SERVICE	15
4.1 <i>Value-Added Producer Grants</i>	15
<i>VAPG Application Information</i>	16
<i>VAPG Matching Information</i>	16
<i>VAPG Contact Information</i>	16
<i>VAPG Case Study: California Alliance with Family Farmers</i>	17
4.2 <i>Rural Business Enterprise Grants</i>	17
<i>RBEG Application Information</i>	17
<i>RBEG Matching Requirements</i>	18
<i>RBEG Contact Information</i>	18
<i>RBEG Case Study: Agriculture and Land-Based Training Association (ALBA)</i>	18
4.3 <i>Rural Business Opportunity Grant</i>	18
<i>RBOG Application Information</i>	19
<i>RBOG Matching Requirements</i>	19
<i>RBOG Contact Information</i>	19
<i>RBOG Case Study: Sullivan County Agricultural Local Development Corporation</i>	19
4.4 <i>Rural Cooperative Development Grant</i>	19
<i>RCDG Application Information</i>	20
<i>RCDG Matching Requirements</i>	20
<i>RCDG Contact Information</i>	20
<i>RCDG Case Study: Kentucky Center for Agriculture and Rural Development</i>	20
4.5 <i>Small, Socially Disadvantaged Producer Grants</i>	21
<i>SSDPG Application Information</i>	21
<i>SSDPG Matching Requirements</i>	21
<i>SSDPG Contact Information</i>	21
<i>SSDPG Case Study: InterTribal Bison Cooperative</i>	21
4.6 <i>Community Facilities Grant Program</i>	22
<i>CF Application Information</i>	22
<i>CF Matching Requirements</i>	22
<i>CF Contact Information</i>	22
<i>CF Case Study: Vermont Foodbank Regional Distribution Center</i>	22
4.7 <i>Business and Industry Guaranteed Loan Programs</i>	23
<i>B&I Application Information</i>	23
<i>B&I Matching Requirements</i>	23
<i>B&I Contact Information</i>	23
<i>B&I Case Study: Prairieland Foods, LLC</i>	23
5. OFFICE OF ADVOCACY AND OUTREACH	24
5.1 <i>Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers (OASDFR)</i>	24
<i>OASDFR Application Information</i>	24
<i>OASDFR Matching Requirements</i>	24
<i>OASDFR Contact Information</i>	24
<i>OASDFR Case Study: Alabama A&M University</i>	24
HELPFUL RESOURCES	26
GENERAL	26
REGIONAL RESOURCES	30
Midwest	30
Northeast & Midatlantic	32
South	33
West	34

APPENDIX 1: PREPARING TO APPLY TO USDA GRANT PROGRAMS USING GRANTS.GOV

36

<i>Get Registered</i>	36
<i>Register Your Organization</i>	36
<i>Register as an Individual</i>	36
<i>Questions?</i>	36

Introduction

Around the country, farmers, entrepreneurs, parents, students, community organizers, and activists are coming up with novel ways to develop food systems that are economically, environmentally, and socially sustainable. From farmer incubation programs, to community kitchens, to “Buy Local,” campaigns, the initiatives led by these visionaries demonstrate that it is possible to re-envision the way food is grown, processed, distributed, and consumed in America.

Sometimes it takes crisis to elicit the best in us. Childhood obesity and diabetes, the economic hemorrhaging of rural communities with the loss of mid-sized family farms, the increase in urban and rural food deserts, rising energy prices, and environmental tragedy have all generated public awareness of the problems with our globalized, industrial food system. Increasingly, academics and practitioners are coming to recognize the potential in local and regional food systems to provide healthy, fresh, affordable food, preserve natural resources, and support vibrant rural communities.

Successful local and regional food initiatives offer models that can be replicated and lead to large-scale systems change. The US Department of Agriculture (USDA) has many grant programs to support this kind of work. Applying for government funds can be daunting; this resource tries to de-mystify some of the grant programs most likely to be useful and directs you to resources that can provide help in designing a project and writing a grant.

The guide begins with a general overview of the USDA’s structure, and continues with descriptions and details of fifteen grants and programs that are relevant to local and regional food systems development. Each program description also includes a case study of a real-world regional food system project that received program funding.

These federal programs belong to you—we hope this guide helps you to take advantage of them and in doing so successfully add to the vibrant movement underway to rebuild local and regional food systems.

Understanding USDA's Structure

USDA's Seven Mission Areas

The U.S. Department of Agriculture (USDA) has seven "mission areas" that have historically operated largely independently from one other: Farm and Foreign Agriculture Services; Food, Nutrition, and Consumer Services; Food Safety; Marketing and Regulatory Services; Natural Resources and Environment; Research Education and Economics; Rural Development. Department initiatives like Know Your Farmer, Know Your Food and the new Office of Advocacy and Outreach are taking steps towards bridging the gap between the mission areas (see more below), but in general, USDA grants originate from and are administered by different agencies and offices housed within each of the seven mission areas. The programs administered by agencies and offices each have their own unique rules, definitions, and funding requirements. Each agency's website is also structured differently, and some websites are updated more frequently than others, but each site can serve as a starting point to learn about how the grants work, what the scoring criteria is, and what kind of projects have been funded in the past.

USDA Main Website: <http://usda.gov>

As of the beginning of 2010, four of the seven mission areas have programs aimed specifically at strengthening local and regional food systems. The programs in these mission areas and in the Office of Advocacy and Outreach, are explored further in this guide:

- FARM AND FOREIGN AGRICULTURAL SERVICES
- MARKETING AND REGULATORY SERVICES
- RESEARCH EDUCATION AND ECONOMICS
- RURAL DEVELOPMENT

Another mission area, Food and Consumer Services (FCS), will roll-out two new grant programs in 2010, one to support school gardens in low-income communities and another for various activities to reduce hunger in at-risk communities. Since neither of these is yet operable they are not included in this version of the guide. Watch the Know Your Farmer website and the FCS site for more information on their availability.

USDA's Know Your Farmer, Know Your Food Initiative

In September 2009, the USDA launched the Know your Farmer, Know Your Food initiative aimed at strengthening the relationship between American consumers and American farmers. The effort is generating public understanding and an agency commitment to regional food systems by highlighting existing USDA programs that support regional food system development and also by identifying and creating additional support that is needed by farmers, businesses, and consumers. The Know Your Farmer website is envisioned as the go-to place for the latest information about USDA programs relevant to local and regional food systems. Read the information on this website as you start thinking about what might work in your community and check back from time-to-time for updates.

Know Your Farmer, Know Your Food Website: <http://www.usda.gov/knowyourfarmer>

USDA's Office of Advocacy and Outreach (OAO)

USDA's Office of Advocacy and Outreach opened in December of 2009 to help increase access to USDA programs in order to promote the viability and profitability of small, beginning, and socially disadvantaged farmers and ranchers. In addition to analyzing USDA programs' accessibility and creating cross-cutting goals to measure the Agency's success in advancing the needs of small, beginning, and socially disadvantaged farmers and ranchers, the Office will house a number of programs from other agencies, including the Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers Competitive Grants Program (2501 Program), formerly part of the National Institute of Food and Agriculture (NIFA)

Quick Guide to Local and Regional Food Systems Grants

MISSION AREA AND AGENCY	Program Name	Page No.	Who can apply?	Grant Amounts	Matching Requirements
FARM AND FOREIGN AGRICULTURE SERVICE <i>Risk Management Agency</i>	Community Outreach and Assistance Partnership Program	7	Nonprofit, associations, etc.	Amount varies year to year, and grants range from \$5,000 to \$300,000.	No matching required.
MARKETING AND REGULATORY PROGRAMS <i>Agricultural Marketing Service</i>	Specialty Crop Block Grant Program (SCBGP)	8	State dept of Ag, in partnership with organizations	Minimum awards to states are \$100,000.	No matching required.
	Farmers Market Promotion Program (FMPP)	9	Nonprofits, growers associations, local governments, etc.	\$2,500 to \$100,000 total for up to 2 years.	No matching required.
	Federal State Marketing Improvement Program (FSMIP)	10	State dept of Ag, in partnership with organizations	Amount varies, but average grants to organizations are \$50,000.	Yes, see details in FSMIP section.
RESEARCH, EDUCATION AND ECONOMICS <i>National Institute of Food and Agriculture</i>	Community Food Projects Competitive Grant Program (CFP)	12	Nonprofit, associations, etc.	\$10,000 to \$300,000 for one to three years.	Yes, see details in CFP section.
	Sustainable Agriculture Research and Education (SARE)	13	Universities, individual researchers or producers, etc.	Varies depending on the type of grant and the region (could be \$1,000 for a producer grant or \$350,000 for a research grant)	No individual organization matching required.

MISSION AREA AND AGENCY	Program Name	Page No.	Who can apply?	Grant Amounts	Matching Requirements
RURAL DEVELOPMENT <i>Rural Business- Cooperative Service</i>	Value-Added Producer Grants (VAPG)	15	Individual producers, coops, organizations representing producers, etc.	Planning grants up to \$100,000 and operating grants up to \$300,000.	Yes, see details in VAPG section.
	Rural Business Enterprise Grants (RBEG)	17	Nonprofit, associations, etc.	No set maximum or minimum, but smaller grants are prioritized.	No matching required.
	Rural Business Opportunity Grants (RBOG)	18	Nonprofit, associations, etc..	Up to \$250,000 for project periods up to 2- years.	No matching required.
	Rural Cooperative Development Grant (RCDG)	20	Nonprofits, universities	1-year grants up to \$200,000.	Yes, see details in RCDG section.
	Small Socially Disadvantaged Producer Grant (SSDPG)	21	Cooperatives or associations of coops.	Maximum grant of \$175,000.	No matching required.
	Community Facilities Grant (CF)	22	Local governments, non-profits, and tribes.	Grant amounts very , but average grants are around \$30,000.	Yes, details vary by project. Talk with state RD office.
	Business and Industry Loan Program (B&I)	23	Individual, nonprofit, business, etc.	Guaranteed loans go up to \$10 million with some special exceptions for loans up to \$25 million.	No matching required.
<i>Office of Advocacy and Outreach</i>	Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers (OASDFR, <i>Section 2501</i>)	24	Community- based organizations, universities, Indian Tribes.	Up to \$400,000 per year, up to 3 years.	No matching required.

Things to Know About USDA Grants

How do I find out when funding is available and applications are due?

Federal grant programs come out of multiple agencies and the amount and timing of funds relies on the sometimes unpredictable policy process. Some grant programs have a rolling application process. When programs have application deadlines, they can vary from year to year.

There are a number of resources that can help you find out when funding is available and an application is due. Some USDA program websites post new Requests for Applications (RFAs) as they become available. The Federal Register lists Notices of Funds Available (NOFA), which can be searched by program name or number. When agencies use Grants.gov to process their grants, new RFAs with deadlines will be listed on the Grants.gov website. Search by the program name and check the year on the notice to make sure it's current.

Federal Register: <http://www.gpoaccess.gov/fr/>

In addition, as the Know your Farmer, Know Your Food Initiative continues to develop, the KYF website has started to post some updates and information on RFAs as they are released.

Know your Farmer, Know your Food:

<http://www.usda.gov/wps/portal/knowyourfarmer?navid=KNOWYOURFARMER>

Finally, the National Sustainable Agriculture Coalition maintains a list of programs and grants including grants related to food systems development. This can serve as a one-stop shop for the most up-to-date information about upcoming deadlines.

National Sustainable Agriculture Coalition Quick Guide to Farm Bill Programs and Grants:

<http://sustainableagriculture.net/publications/grassrootsguide/farm-bill-programs-and-grants/>

Using Grants.gov

Many USDA grant programs (as well as grants in other government agencies) now use the Grants.gov service to post, accept, and process grant applications. Grants.gov can be frustrating to use, but more and more programs are moving their applications to the platform, so it's best to get registered and become comfortable with the system.

It takes several weeks to register for Grants.gov, so check it out well before you plan to submit a grant. See Appendix One at the end of this guide for more information on registering for the system. Since many organizations submit proposals at the last minute, the system has been known to get overwhelmed and crash. Better be safe than sorry and submit your proposal well before the last minute.

Grants.gov online: <http://www.grants.gov>

Grant and Loan Programs

1. FARM and FOREIGN AGRICULTURE SERVICE: Risk Management Agency

1.1 Community Outreach and Assistance Partnership Program

The Risk Management Agency (RMA) Community Outreach and Assistance Partnership Program provides funds to organizations which offer risk management training to limited resource, socially disadvantaged, traditionally underserved (including women), and beginning farmers and ranchers.

Risk management includes a broad array of strategies to build stronger agricultural businesses including innovative marketing approaches, improved financial management, and production planning to better serve customers. In 2010, the Risk Management Agency (RMA) expanded the scope of risk management projects it will fund to include Farm to School, Food Safety, and addressing Food Deserts (areas underserved by food retailers) with agricultural products from small farmers and ranchers. An interesting component of these grants is that RMA staff work closely with grantees and help to implement the program activities.

In 2009, RMA awarded \$3.4 million in partnership grants for Community Outreach and Assistance Partnership Grants. There are \$2.5 million dollars available in 2010.

COAPP Application Information

Applicants can apply for funding through Grants.gov.

Funding amounts and educational topics change annually and new focus areas are announced in the Federal Register and on the RMA website (<http://www.rma.usda.gov/aboutrma/agreements/>).

COAPP Matching Funds Requirements

No matching funds are necessary.

COAPP Contact Information

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COAPP Case Study: GrowNYC

Information from GrowNYC's website: <http://www.cenyc.org/greenmarket/nfdp>

GrowNYC, formerly CENYC, received a grant of \$105,338 in 2009 to support their New Farmer Development Project (NFDP). With support from the Community Outreach and Assistance Partnership Program and other donors, and in partnership with the Cornell Cooperative Extension, the project identifies, educates, and supports immigrants with agricultural experience by helping them become local farmers and establish small farms in the region. The program complements GrowNYC's flagship project, its Greenmarket farmers markets throughout New York, strengthens regional food security, and expands public access to high-quality, locally-grown farm products.

Since the project began, more than 130 project members have graduated from the NFDP's comprehensive agricultural training course, La Nueva Siembra. Sixteen individuals and their families have started their own farming businesses with the support of the NFDP. These farmers come from countries such as Columbia, the Dominican Republic, Ecuador and Mexico. These new farmers sell produce at more than 40 farmers markets

throughout the year. Many of these markets are located in immigrant neighborhoods where NFDG farmers sell vegetables, flowers, traditional ethnic produce, eggs from pastured chickens, and honey to members of their community.

2. MARKETING and REGULATORY PROGRAMS: Agricultural Marketing Service

2.1 Specialty Crop Block Grant (SCBGP)

The Specialty Crop Block Grant Program (SCBGP) provides grants to help states and US territories improve the competitiveness of their specialty crops (fruits, vegetables, tree nuts and nursery crops), improve nutrition, and develop better produce distribution systems.

SCBGP funds go through state departments of agriculture. These departments often partner with nonprofit groups, community-based organizations, producers groups, or colleges and universities. Applications by states should describe how the project potentially impacts and produces measurable outcomes for the specialty crop industry and/or the public rather than a single organization, institution, or individual. Grants can supplement existing programs or start new projects in areas including “buy local” campaigns, nutrition, product development, or research.

The SCBG program is expected to receive \$55 million in fiscal years 2010 through 2012. Minimum awards to states are \$100,000.

SCBGP Application Information

Contact your state department of agriculture to discuss project ideas. To find your state contact and learn more about the program and what it has funded, go to: www.ams.usda.gov/scbgp

SCBGP Matching Funds Requirements

No matching funds are necessary.

SCBGP Contact Information

USDA Agricultural Marketing Service, Specialty Crop Block Grant

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Karla Martin, karla.martin@usda.gov 202-205-3941

SCBGP Case Study: Georgia Organics

Georgia Organics (GO), Atlanta, GA received a \$20,000 Specialty Crop Block Grant (SCBG) in 2007 for several projects to strengthen the state’s food system. GO focused many of the 32 workshops at their annual conference on information for producers about local and regional marketing opportunities, launched a “Buy Local” campaign and published a GA food guide, and commissioned a study of GA’s food system.

GO’s Chef Advisory Team enlisted the support of 65 restaurants to participate in the Buy Local campaign. Pledging to buy local produce whenever possible, the restaurants received marketing support, which they reported increased their sales. GO’s local food guide included the location of farmers’ markets, pick-your-own farms,

community supported agriculture farms (CSAs) and restaurants sourcing locally. GO printed 50,000 copies of the 84-page guide and made it available in 192 locations and online.

In June 2008, GO commissioned a study to consolidate existing statistics and census data to give a snapshot of agriculture and consumer buying habits in Georgia. The goal was to identify the potential to build local and regional food systems that would benefit consumers, farmers and local economies. The data quantified the potential buying power of local consumers and the opportunities that exist for agriculture if “we simply connect the dots locally.”

2.2 Farmers Market Promotion Program (FMPP)

Farmers’ Market Promotion Program (FMPP) grants are designed to increase marketing opportunities for farmers to sell directly to consumers through farmers’ markets, community supported agriculture (CSA) farms, retail markets, and other direct marketing initiatives. FMPP grants can go to non-profits, agricultural cooperatives or producer associations, local governments, economic development corporations, regional farmers’ market authorities, public benefit corporations, and Tribal Governments.

In 2009, 35 of the 86 FMPP projects awarded, totaling \$1,757,279, went to recipients facilitating the use of Electronic Benefit Transfer (EBT) at markets. EBT is the debit card system that Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) participants use to receive and use their monthly food benefit. Many markets nationwide still do not have the technology to allow them to serve SNAP customers, reducing these customers’ access to the best and most nutritious food available.

FMPP will fund a variety of projects including those that are focused on:

- increasing consumer food knowledge and market access;
- developing new farmer marketing cooperatives;
- extending market seasons through hoop houses; and
- building a sustainable supply chain to get food from farms to markets.

The FMPP will have \$5 million to disburse in FY 2010 but its budget is anticipated to double to \$10 million in FY 2011.

FMPP Application Information

The minimum award per grant is \$2,500 and the maximum is \$100,000. Proposed projects can last up to two years. Note that beginning in 2011, FMPP will not award any organization grant funds for two consecutive years. For example, 2011 recipients will not be eligible for FMPP grants in 2012.

To read the full application requirements and look at programs funded in the past, go to the FMPP website: <http://www.ams.usda.gov/FMPP>

AMS also recently released two tools to help organizations with the grant-writing process for FMPP: a pre-application guide: <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5082928&acct=fmpp>, and a presentation on grant-writing: <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5082923>.

FMPP Matching Funds Requirements

There are no matching funds requirements.

FMPP Contact Information

USDA Agricultural Marketing Service, Farmers Market Promotion Project

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FMPP Case Study: Appalachian Sustainable Agriculture Project

The Appalachian Sustainable Agriculture Program (ASAP) received a \$69,289 Farmers Market Promotion Program (FMPP) grant in 2009 to strengthen and expand farmers markets in western North Carolina as a means to increase farm income and consumer access to the best, locally grown food.

ASAP will offer a farmer training program focused on best market practices for food safety, market regulation, structure, management, and promotional practices. ASAP will conduct workshops in various locations spanning a region with 49 farmers markets, and will select two markets for a comprehensive strategic planning process. Workshop participants will provide feedback on the presentations and training materials and at the end of two years ASAP expects to have a solid, replicable organizational model useful for farmers markets across western North Carolina and elsewhere.

2.3 Federal State Marketing Improvement Program (FSMIP)

The Federal-State Marketing Improvement Program (FSMIP) provides funds to state departments of agriculture or other similar state agencies to develop innovative approaches for marketing agricultural products. The grants can be used to conduct projects in collaboration with nonprofit organizations, community, or producer groups that solve practical marketing problems facing small and medium-scale producers.

A wide variety of proposals addressing challenges or opportunities in the marketing chain are funded. Some different topic areas include:

- determining the best method for processing, packaging, and distributing agricultural commodities;
- exploring new markets and researching consumer needs;
- determining the costs of marketing agricultural through different channels;
- developing more efficient marketing methods; and
- improving the standards of quality, grade, and packaging to encourage consistency in commercial practices.

In FY 2009, the USDA awarded \$1.3 million dollars in FSMIP funds and will award another \$1.3 million in FY 2010.

FSMIP Application Information

Applications must come through state departments of agriculture and similar state agencies. However, producer groups, economic development, and nonprofit organizations often work with their state departments of agriculture to develop and implement FSMIP proposals and the USDA encourages collaborative applications.

Organizations interested in developing a proposal should contact their state department of agriculture. You can find the contact information for your state department of agriculture at www.nasda.org.

FSMIP grants are typically awarded to one year projects, but longer projects of up to two years in duration are also considered. To read the full application requirements, go to the FSMIP website www.ams.usda.gov/FSMIP

FSMIP Matching Funds Requirements

State departments of agriculture requests for FSMIP funds must be matched, dollar for dollar, from any non-federal source. The match funds may consist of cash or in-kind contributions, state appropriations, or resources contributed by the FSMIP project partners, such as nonprofits or farming organizations.

FSMIP Contact Information

Janise Zygmunt, Janise.zygmunt@usda.gov, 202-720-8043

FSMIP Case Study: The Kerr Center for Sustainable Agriculture

From the Kerr Center Website: www.kerrcenter.com/pressrelease/06-17-09.html

In 2007, the Oklahoma Department of Agriculture, Food and Forestry, in cooperation with Oklahoma State University, Kerr Center for Sustainable Agriculture, and the Oklahoma State Department of Education received \$56,365 to help develop food distribution models for small, medium, and large producers, and to create safe handling guidelines to foster the use of locally grown and produced food products in school systems throughout the state. The farm to school programs have grown since then, supporting Oklahoma agriculture and rural communities.

One of the activities funded by the grant was a workshop co-hosted by the Kerr Center and OSU extension staff on integrated pest management (IPM), including alternatives to pesticides and accurate pest identification as well as safe and effective handling and storage of pesticides for small-scale production.

3. RESEARCH, EDUCATION, and ECONOMICS: National Institute for Food and Agriculture

In addition to the two programs listed below, the National Institute for Food and Agriculture (NIFA) recently released a Request for Applications within the Agriculture and Food Research Initiative (AFRI) called “Improved Sustainable Food Systems to Reduce Hunger and Food Insecurity Domestically and Globally.” The program seeks to improve food security in vulnerable US communities and create viable local economies through a competitive grants program for integrated projects which combine research, education and extension on local and regional food systems including topics such as farm-to-institution, values-based supply chains, finance, and policy.

The program is only open to colleges and universities, and will fund up to five projects in 2010, at up to \$1 million per year for five years. Though community based organizations (CBOs) and individuals *are not eligible* to apply for this integrated research grant¹, the Request for Application specifically requires applicants to work directly with food systems development practitioners in order to learn from and leverage existing models. There may be

¹ Note that there are other NIFA grants for which CBOs and individuals *can* apply. Eligibility is based on the project type. Integrated projects like the “Improved Sustainable Food Systems” grant can only go out to colleges and universities.

opportunities to engage with a project in your region. Check back on the AFRI website in late 2010 or early 2011 to learn more about grant recipients.

AFRI website: <http://www.nifa.usda.gov/funding/afri/afri.html>

3.1 Community Food Projects Competitive Grant Program

The original “food system” grant program, Community Food Projects Competitive Grant Program (CFP) funds non-profit organizations for projects to meet the food needs of low-income people by increasing their communities’ capacity to provide enough food for its residents. CFP also funds projects that:

- promote comprehensive responses to local food, farm, and nutrition issues;
- meet specific state, local, or neighborhood food and agriculture needs for infrastructure improvement and development; or
- create marketing activities that benefit both agricultural producers and low-income consumers.

Additional program objectives include: developing linkages between two or more sectors of the food system; supporting the development of entrepreneurial projects; developing innovative linkages between the for-profit and nonprofit food sectors; and encouraging long-term planning activities and multi-system, inter-agency collaboration.

Private non-profit organizations are eligible to receive funding directly as well as in collaborations with local government or with private, for-profit companies.

The 2008 Farm Bill made the CFP a permanent program, with mandatory funding of at least \$5 million a year. There is \$5 million available for CFP grants in FY 2010.

CFP Application Information

Organizations can apply directly for grants at the Grants.gov website.

To be considered competitive for a CFP grant, organizations should have experience in community food work, job training, and business development in low income communities. They should also demonstrate a willingness to share information with researchers and other practitioners.

Projects can be funded from one to three years, in amounts from \$10,000 to \$300,000. To read the full application requirements, go to <http://www.nifa.usda.gov/funding/cfp/cfp.html>

CFP Matching Requirements

A dollar for dollar match is required during the term of the grant, unless the grant is for training and technical assistance. The match funds may be cash or in-kind contributions in the form of facilities, equipment, or services, etc.

CFP Contact Information

Dr. Elizabeth Tuckermanty, etuckermanty@nifa.usda.gov

CFP Case Study: Practical Farmers of Iowa

In 2003, Practical Farmers of Iowa (PFI), in Ames, IA, partnered with the City of Des Moines Parks and Recreation Department, the Des Moines Community Gardening Coalition, and a host of other supporters to form

a community food security project called Digging Deeper. To facilitate this project, PFI applied for funding through the Community Food Projects Grant Program and received a \$118,000 award.

The mission of this collaborative project was to expand food security activities and increase the capacity of six underserved neighborhoods to meet their own food needs. PFI and their partners' goal was to significantly increase the production and access to food inside the city limits. They built 120 raised bed gardens in the six targeted neighborhoods and designed nine edible landscapes at neighborhood-based institutions.

Once the gardens were in place and gardeners recruited, PFI held gardening classes on basic care and maintenance of the plants and trees at the community sites. Individuals knowledgeable in plant care also volunteered to be "Garden Mentors" to help with the training of gardeners and monitoring of the sites. Six years since its inception, the Digging Deeper project is still thriving and PFI credits the various levels of community involvement for its success.

The Community Food Security Coalition has a number of additional case studies of successful Community on their website (<http://www.foodsecurity.org/funding.html#samples>)

3.2 Sustainable Agriculture Research and Education

The mission of the SARE program is to advance sustainable innovations to the whole of American agriculture. Since it began in 1988, SARE has funded more than 4,000 sustainable agriculture research, education, and professional development projects across the country. Sharing project results is a cornerstone of the SARE program with field days, workshops, and conferences in every region and an Outreach office producing an ever-growing library of books, bulletins, online resources, as well as a vast archive of profiles of SARE grantees.

While many SARE projects specifically address research on production methods, many regions also give out grants specifically on alternative marketing strategies, value-added production, and other projects that relate directly to local and regional food production.

SARE Application Information

SARE is uniquely grassroots. It is administered by four regional offices guided by administrative councils of local experts. While every region offers Research and Education, Professional Development, and Farmer/Rancher Research grants, some regions also offer Graduate Student, Sustainable Community Innovation, and Planning grants. Here is a general outline of each of the grant types:

- **Research and Education Grants:** Ranging from \$30,000 to \$150,000 or more, these grants fund projects that usually involve scientists, producers, and others in an interdisciplinary approach.
- **Professional Development Grants:** To spread the knowledge about sustainable concepts and practices, these projects educate Cooperative Extension Service staff and other ag professionals.
- **Producer Grants:** Producers apply for grants that typically run between \$1,000 and \$15,000 to conduct research, marketing, and demonstration projects and share the results with other farmers and ranchers.
- **On Farm Research/Partnership:** Supports on-farm research by Extension, NRCS, and/or nonprofit organizations. Available in the Northeast, Southern and Western regions.
- **Sustainable Community Innovation:** Forges connections between sustainable agriculture and rural community development. Available in the Northeast and Southern regions.

You can apply for SARE grants through your regional office. Each office has a slightly different set of granting schedules, grant types, and requirements. To find out more about the grants available in your area, visit one of the regional websites listed under “Contact Information” below.

SARE Matching Requirements

No match required

SARE Contact Information

North Central SARE: <http://www.sare.org/ncrsare/>

Bill Wilcke

Regional Coordinator, North Central Region SARE

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wilck001@umn.edu

Southern SARE: <http://www.southernsare.uga.edu/>

Jeff Jordan

Program Director, Southern Region SARE

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Northeast SARE: <http://nesare.org/>

Vern Grubinger

Regional Coordinator, Northeast Region SARE

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Western SARE: <http://wsare.usu.edu/>

Phil Rasmussen

Director, Western Region SARE

435-797-3394

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SARE Case Study: Picket Fence Creamery

For more examples of projects, search for “food systems” in the SARE project report database:

<http://www.sare.org/MySare/ProjectReport.aspx>

Picket Fence Creamery is a family operation in Woodward, Iowa managed by Jeff and Jill Burkhardt and their children. The farm consists of 80 acres of rotationally grazed grass where they milk 80 dairy cows and then bottle the milk in a Grade A creamery. In 2003, the Burkhardt’s received a \$6000 SARE grant to help in the construction of a bottling plant on their farm and to share the results of their project with other producers.

The SARE funds helped to pay for the business plan and feasibility study that made it possible for the Burkhardt’s to apply for a loan to build their creamery and dairy store. Before the store opened, the Burkhardt’s sold raw milk on the farm and through a local coop. They continue to sell locally, but are now able to sell a gallon of bottled milk for three-times as much as the raw milk, and also sell flavored milk for six-times as much per gallon. Not only does the farm provide a product that’s in high demand in the local community, but the value-added production has increased their financial stability.

The SARE grant also allowed Picket Fence to do local outreach to other producers who were interested in value-added production as well as with educators, students, and general consumers who are interested in learning more about local and regional foods. The Creamery joined up with Practical Farmers of Iowa to host a field day in 2004 and continues to host tours and monthly events to teach the community about sustainable milk production, from cow to carton.

4. RURAL DEVELOPMENT AGENCY: Rural Business-Cooperative Service

ONLY RURAL AREAS ARE ELIGIBLE FOR RURAL DEVELOPMENT PROGRAM FUNDING. A rural area is defined as any region with a population of no more than 50,000 people. The area cannot be immediately adjacent to a city or metropolitan area with a population of over 50,000. The Community Facilities Grant Program is an exception and is only available in rural areas and towns up to 20,000 in population.

4.1 Value-Added Producer Grants

The Value-Added Producer Grants (VAPG) program provides funds to increase farm income, create new jobs, contribute to community and rural economic development, and enhance food choices for consumers. VAPG is designed to increase farm income by supporting production practices, marketing, and processing that add value to a product, or through the development of mid-tier value chains. VAPG funds can go to individual producers, organizations representing agricultural producers, farming and ranching cooperatives among others.

For a product to be considered value-added it must have at least one of the following characteristics:

- A change in the physical state of the product has taken place, and it cannot be returned to its original state (dicing tomatoes, turning fruit into preserves or filleting fish).
- Using a production method that enhances the value of the product in the marketplace (organic carrots, eggs from free range chickens, or beef produced from grass-fed cattle).
- Physical segregation that enhances the value of the agricultural product by separating it from other varieties of that same product on the same farm during the harvesting, processing, and marketing (genetically modified corn and non-genetically modified corn are grown on the same farm but physically separated so that no cross-pollination occurs).
- An agricultural commodity used to generate renewable energy on a farm or ranch (using grassy or woody plant materials for the creation of biomass energy).
- Marketing a food product as locally-grown by selling the product within 400 miles or within the state in which it was grown or raised (selling squash at a local farmers market).

There is \$20.4 million in VAPG funding available in FY 2010. Ten percent of this money is reserved for beginning and socially disadvantaged farmers and ranchers² and another ten percent for the development of mid-tier value chains³.

² Beginning farmers are those with less than ten years experience and socially disadvantaged farmers are a group whose members have been subjected to racial, ethnic, or gender prejudice.

VAPG Application Information

You can apply for a VAPG grant online through Grants.gov, or submit a paper application through your state's rural development office. All applicants are strongly encouraged to contact their state Rural Development office for assistance. To find your local Rural Development office, go to http://www.rurdev.usda.gov/recd_map.html

If you are seeking a grant of \$50,000 or less, you can submit an abbreviated application package. However, if awarded, you will need to submit all applications materials.

In the application package, the group or individual requesting grant funds must show applicant eligibility, product eligibility, and purpose eligibility.

- If applying for the Beginning Farmer or Rancher, or Socially Disadvantaged Farmer or Rancher funds, you must verify your status as a member of one of these groups.
- If applying for the mid-tier value chain funding, you must explain how your project will aid in the development of a local or regional food supply network⁴.

VAPG offers planning grants of up to \$100,000 and working capital grants of up to \$300,000. Applicants may propose projects of up to 3 years in duration.

- Planning grants can be used to obtain legal advice, develop a market or business plan, or conduct a feasibility study to determine if the value-added product would be successful.
- Working Capital or operating grants can be used to pay salaries, purchase office supplies and equipment or fund a marketing campaign.

To see full application requirements and access application tools, visit the VAPG website:

<http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. (Note: this is the correct URL, despite the fact that it is spelled VADG and not VAPG)

VAPG Matching Information

You must be able to match the amount of money for which you are applying in cash, loans, or in-kind contributions. Other federal grant money cannot be counted towards the match. You must be able to verify that you will have the funds at the time of the application by way of a statement from a lending institution or letter from a donor. The matching funds must be used during the course of the grant period.

VAPG Contact Information

Tracey Kennedy, Tracey.Kennedy@wdc.usda.gov, 202-690-1428

Andrew Jermolowicz, andrew.jermolowicz@usda.gov, 202-690-1416

Lyn Millhiser, lyn.millhiser@vt.usda.gov, 802-828-6069

³ Value chains are relationships between producers, aggregators, packers, transporters, and distributors which are based on mutual understanding, trust, and the belief that all can do best when working cooperatively. This system contrasts with marketing relationships based on competition where one link in the supply chain seeks to maximize its profit at the expense of others.

⁴ Specifically, you need to include: the names of at least two partners within the value chain that link producers to businesses which market the value-added product in a way that benefits small to medium-sized farms⁴; information on how the project will increase competitiveness of at least two small to medium-sized farms due to the marketing of the value-added product; at least one agreement on a marketing strategy with another member of the value chain; proof that the applicant owns and produces more than 50% of the raw agricultural commodity that will be used for the value-added product; and demonstration of how the project will increase the customer base and profits.

VAPG Case Study: California Alliance with Family Farmers

The California Alliance with Family Farmers (CAFF) used two Value-Added Producer Grant (VAPG) awards to establish the Growers Collaborative, an aggregating and distribution initiative that serves Sacramento and the Bay area, Southern California, the Central Valley and Central Coast. CAFF received a \$64,000 planning grant in 2005 and a \$155,000 operating grant in 2006. The Collaborative sells local fruits and vegetables from family farms to public and private grade schools, colleges, hospitals, and corporate cafeterias. By aggregating product from farms that are too small to work with conventional distributors, the Growers Collaborative removes a significant marketing barrier for independent family farms. The Collaborative delivers fresh produce to institutions through three regional offices in northern, southern and central California, and through an online ordering system.

Since all of the product that goes through the Growers' Collaborative is sustainably produced, source-verified and fully traceable, their business model fits neatly into VAPG's criteria for adding value through "identity preserved" marketing. The Growers' Collaborative also sources organic produce, which qualifies as value-added because the production method enhances the value of the product in the marketplace. The Growers Collaborative also works to promote social justice by placing a priority on working with a range of farmers from different cultural and regional contexts and by creating access to fresh fruits and vegetables in low-income communities and schools.

4.2 Rural Business Enterprise Grants

The purpose of the Rural Business Enterprise Grants (RBEG) program is to foster the development of small and emerging business enterprises⁵ in rural areas through grants to public entities, nonprofit organizations, and federally recognized Indian Tribal groups. Grant funds may be used for a variety of projects to build local and regional food systems including land development, road and building construction, the purchase of equipment, training and technical assistance, and the start and/or operation of a revolving loan fund. RBEG funds cannot be used for the growing, cultivation, and harvesting of an agricultural commodity.

There is nearly \$39 million available for RBEG projects in FY 2010.

RBEG Application Information

RBEG applications are listed at Grants.gov and are accepted online or at local Rural Development offices. Funding decisions are usually made at district or area offices and applicants are strongly encouraged to contact their state or local office for assistance. To find your local Rural Development office, go to: http://www.rurdev.usda.gov/recd_map.html

The RBEG process begins with a pre-application. After determining the order of funding priorities at the beginning of the fiscal year, the Rural Business – Cooperative Services office will determine eligibility and request applicants to submit formal applications.

There is no set minimum and maximum for grant amounts, however smaller grant projects are prioritized. Applicants for grants to establish a revolving loan fund must include details on their experience operating a revolving loan program, proposed projects, and financial ability to operate a revolving fund and plans for leveraging.

⁵ A small and emerging business is one with 50 or fewer employees and less than \$1 million in projected revenues.

To find more information on this program, please see the RBEG website:

<http://www.rurdev.usda.gov/rbs/busp/rbeg.htm>

RBEG Matching Requirements

There are no matching requirements for RBEG funds.

RBEG Contact Information

Cindy Mason, cindy.mason@wdc.usda.gov, 202-690-1433

RBEG Case Study: Agriculture and Land-Based Training Association (ALBA)

In 2008, the Agriculture and Land-Based Training Association (ALBA) of Salinas, CA and El Parajo Community Development Center of Watsonville, CA formed the Salinas and Pajaro Valleys Small Business Initiative to support economic opportunity and the small business sector in their region. They used a \$98,000 Rural Business Enterprise Grant (RBEG) to provide business training and support to farmers, farm workers, and entrepreneurs to develop value-added food enterprises to increase wealth in Santa Cruz and Monterey Counties.

The Small Business Initiative targeted 120 new and existing business ventures most of which are minority-owned, Spanish-speaking and limited-resource enterprises. With RBEG funds, the Small Business Initiative hired two bilingual staff that conduct workshops for business owners, develop business management systems, work one-on-one with owners to help them access capital through loan funds and Individual Development Accounts (IDA), and organize bilingual business expos in order to provide additional training and networking opportunities. Many of the entrepreneurs are farmers who are adding value to their crops through selling them locally as processed products (turning tomatoes, onions, jalapenos and garlic into salsa), or people interested in opening *taquerias* and *tiendas* (restaurants and small groceries).

4.3 Rural Business Opportunity Grant

The Rural Business Opportunity Grant (RBOG) is designed to promote economic growth and sustainability in rural communities. Public entities, nonprofit organizations, and federally recognized Indian Tribal groups that are located in rural areas and serve rural communities are eligible to receive RBOG funds.

The RBOG is primarily a technical assistance grant, and often funds projects that focus on business planning and better practice management. Specifically the RBOG has funded organizations pursuing economic development planning, the identification of new business opportunities, various trainings for rural entrepreneurs, and the development of rural business incubators.

In 2010, the RBOG Request for Applications gives preference to “Great Region” applications, or applications from multijurisdictional areas within a State, territory, or Federally-designated Tribal land or crossing such boundaries in order to emphasize whole-region approaches to rural development. The 2010 RFA also explicitly highlights programs which use one of 5 “USDA key strategies” for rural development, the first of which is “Local and regional food systems as a strategy for encouraging production agriculture and related industries in new wealth creation.”

Priority is given to rural communities that have suffered persistent poverty, job deterioration, and population decline. Once selected, grantees may be provided with targeted technical assistance by the USDA or other federal agencies.

The RBOG program received \$2.2 million in FY 2009 and nearly \$2.5 million in FY 2010.

RBOG Application Information

RBOG applications are listed at Grants.gov and are accepted online or on paper at your local Rural Development offices. You are strongly encouraged to contact your local office for assistance with the grant. To find your local Rural Development office, go to http://www.rurdev.usda.gov/recd_map.html

Grants will be given for up to \$250,000 for project periods of up to two years.

RBOG Matching Requirements

No matching funds are required.

RBOG Contact Information

Andrew Jermolowicz, andrew.jermolowicz@usda.gov, 202-720-7558

RBOG Case Study: Sullivan County Agricultural Local Development Corporation

Agriculture remains the leading economic sector in Sullivan County, New York and the surrounding rural area, bringing in \$78 million dollars annually. Much of the agriculture business is in livestock production, with 200 livestock farms within a 75 mile radius.

Members of the Sullivan County Agricultural Local Development Corporation (AgLDC) noticed a decline in the number of ranchers taking their livestock to be slaughtered and processed. Most of these producers have had difficulty transporting their livestock to the only USDA inspected facility in the region, which is approximately 100 miles away. Due to the time, distance, and fuel expenses required to transport the animals, most producers have resorted to selling their livestock at auction. With New York City only 90 miles away, AgLDC knew that the market for local, specialty meats existed, and that the only missing link was a quality local processing facility.

AgLDC received a \$50,000 Rural Business Opportunity Grant (RBOG) to hire a consultant to provide technical assistance for development, business, and operational plans of a red meat processing facility. Once established, a centrally located, full service meat processing facility in Liberty, New York will be the connection to more profitable markets that will directly increase the success and sustainability of regional livestock producers.

4.4 Rural Cooperative Development Grant

The goal of the Rural Cooperative Development Grant (RCDG) program is to improve local businesses in rural America through cooperative development. RCDG will provide grant funds to organizations providing technical assistance to new or existing rural cooperatives. Some eligible uses of funds include:

- providing training and education on financial management, accounting, and cooperative law to established cooperatives;
- conducting feasibility studies and organizational guidance to new cooperatives; and
- assessing the need and evaluating the potential support base for newly developing cooperatives.

Any nonprofit or higher education institute is eligible to apply. However, to be considered competitive for this program, organizations should have expertise in establishing rural cooperatives, and show a commitment to working in underserved rural areas.

In FY 2009, the RCDG program received \$5.9 million, and in FY 2010 it received \$11.4 million in federal funding.

RCDG Application Information

RCDG applications are listed at Grants.gov and are accepted online or on paper at your local Rural Development offices. You are strongly encouraged to contact your local office for assistance with the grant. To find your local Rural Development office, go to http://www.rurdev.usda.gov/recd_map.html

You can submit your application up to 30 days before the deadline for a preliminary review. The preliminary review will assess the completeness and the eligibility of the application, but will not evaluate the quality of the proposed project. If information is missing from the application, you will be contacted before the deadline.

Projects are funded for one year, and in amounts up to \$200,000.

Organizations interested in receiving financial, legal or other services related to cooperative development from a RCDG-funded center, can locate a grant recipient here: www.rurdev.usda.gov/rbs/coops/rcdg/rcdg.htm

RCDG Matching Requirements

The matching fund requirement is 25 percent of the total project cost (5 percent in the case of 1994 Institutions). Applicants must verify in their applications that all matching funds are available during the grant period. If an applicant is awarded a grant, additional verification documentation may be required. All of the matching funds must be spent on eligible expenses during the grant period, and must be from eligible sources. Unless provided by other authorizing legislation, other Federal grant funds cannot be used as matching funds. However, matching funds may include loan proceeds from Federal sources.

Matching funds must be spent in advance or as a pro-rata portion of grant funds being expended. All of the matching funds must be provided by either the applicant or a third party in the form of cash or in-kind contributions. The grantee must be able to document and verify the number of hours worked and the value associated with the in-kind contribution. Additionally, if the in-kind contributions are from board/ advisory council members for their travel, incidentals, etc., the grantee must have established written policies explaining how these costs are normally reimbursed, including rates, and an explanation of this policy must be included in the application. Otherwise, the in-kind contributions will not be considered eligible and may cause the application to be determined ineligible for funding.

Please note that priority is no longer given to matching contributions greater than the required 25 percent. Therefore, to reduce the paperwork burden of the applicant with regard to verification of matching funds, the Agency will no longer accept board/ advisory council members' time as an eligible match. In-kind contributions provided by individuals, businesses, or cooperatives that are being assisted by the grantee cannot be provided for the direct benefit of their own projects as USDA Rural Development considers this to be a conflict of interest or the appearance of a conflict of interest.

RCDG Contact Information

Andrew Jermolowicz, (202) 720-7558, andrew.jermolowicz@wdc.usda.gov

RCDG Case Study: Kentucky Center for Agriculture and Rural Development

The mission of the Kentucky Center for Agriculture and Rural Development (KCARD) is to foster business success and growth by delivering hands-on technical assistance and by providing education to agricultural and rural businesses seeking to enhance their economic opportunities. KCARD sought to improve economic conditions of

Kentucky farmers and ranchers by promoting new cooperatives and continuing efforts to improve existing ones. In 2008, they applied for the Rural Cooperative Development Grant (RCDG), and received a \$200,000 award.

One of the many cooperatives they assisted was Central Kentucky Custom Meats (CKCM), which at the time, was processing red meat for local producers and selling from an on site retail store. After the CKCM received multiple requests for poultry processing, they decided investing in a USDA certified poultry processing facility would be profitable and beneficial to the area producers. Broiler chickens are the number two cash crop in Kentucky, but there are few places smaller scale farmers can take their birds to be processed and sold.

KCARD worked with CKCM to transform their ideas into a formal business plan and apply for funding. In February 2009, CKCM was able to secure a zero interest loan to construct a poultry processing facility and obtain USDA certification, so that meat can be sold to the public.

4.5 Small, Socially Disadvantaged Producer Grants

The Small Socially Disadvantaged Producer Grant program (SSDPG) aims to provide technical assistance to socially disadvantaged, small-scale producers. Only cooperatives or an association of cooperatives are eligible to apply, and they must be proposing to provide technical assistance to socially disadvantaged producers that have averaged \$250,000 or less in annual gross sales in last 3 years.

The applicant must also be from a rural area, with a population less than 50,000 people; applicants from smaller towns are prioritized. The membership or board of the cooperative that is applying must be comprised of at least 75% socially disadvantaged producers⁶.

Examples of eligible technical assistance under the SSDPG program are market research, business planning, legal advice, product development or improvement, and feasibility studies.

Over \$1.4 million dollars in funding was awarded in FY 2009, and over \$3.4 million will be awarded in FY 2010.

SSDPG Application Information

SSDPG applications are listed at Grants.gov and are accepted online or on paper at your local Rural Development offices. You are strongly encouraged to contact your local office for assistance with the grant. To find your local Rural Development office, go to http://www.rurdev.usda.gov/recd_map.html

The maximum award amount is \$175,000. All projects proposed must be one year in length.

SSDPG Matching Requirements

No matching funds are required.

SSDPG Contact Information

Gayle Auman, gayle.auman@wdc.usda.gov, 334-279-3620

SSDPG Case Study: InterTribal Bison Cooperative

⁶ The USDA defines a socially disadvantaged producer as farmers, ranchers, loggers, fishermen and other agricultural producers who have been subjected to racial, ethnic or gender prejudices.

The InterTribal Bison Cooperative is a non-profit tribal organization made up of 57 member tribes in 19 states, with a collective herd of over 15,000 bison. ITBC's role is to act as a facilitator in coordinating education and training programs, developing marketing strategies, coordinating the transfer of surplus buffalo from national parks to tribal lands, and providing technical assistance to its membership in developing sound management plans that will help each tribal herd become a successful and self-sufficient operation.

In 2008, the ITBC received a Small Socially Disadvantaged Producer Grant for \$175,000 to help their member tribes develop farmers' market stores to provide economic sustainability and jobs in their local communities. These stores will give local residents better access to fresh, locally grown foods as well as provide badly needed jobs. Many Native American communities have unemployment rates that are several times higher than the state average. Some of the funds also went towards developing an e-commerce site to market bison and bison-related products from the coop.

4.6 Community Facilities Grant Program

The Community Facilities Program (CF) provides grant funds to build or acquire "essential community facilities" in rural areas with no more than 20,000 residents. Note: this program is different from other RD programs which can be in communities as large as 50,000. Local governments, non-profit organizations and federally-recognized Native American Indian tribes are eligible to apply.

The project must not be a commercial endeavor and must serve the community as a whole. This means, for example, that a community kitchen that allows various small local businesses to process and then sell their products would not qualify for a grant, but that a kitchen owned by the school district that processed local produce for a school breakfast and lunch program would be eligible. Grants can go to projects including, but not limited to: publicly owned farmers markets, facilities and equipment used by public agencies or not-for-profit distribution networks, cooking schools, and community food banks.

CF Application Information

CF applications are listed at Grants.gov and are accepted online or on paper at your local Rural Development offices. All applications are filed and processed in either the State or local office of the State in which the project is located. To find your local Rural Development office, go to: http://www.rurdev.usda.gov/recd_map.html

CF Matching Requirements

Matching funds are required.

CF Contact Information

Chad Parker, chad.parker@wdc.usda.gov,

CF Case Study: Vermont Foodbank Regional Distribution Center

In 2009, the Vermont Foodbank received a \$50,000 Community Facilities grant to purchase and install freezer and cooler units for its newly constructed 21,000 square foot regional distribution center in Brattleboro, VT.

The new units make it possible for the Foodbank to receive and store larger food donations and harvest excess and unmarketable produce from local farmers and gleaned programs and provide more fresh, healthy food to food bank clients.

4.7 Business and Industry Guaranteed Loan Programs

The Business and Industry Guaranteed Loan Program (B&I) aims to increase opportunities for new and existing businesses in rural areas to borrow money from private lenders. Through the B&I program, the USDA will issue a guarantee to the private lender, giving the borrower more favorable interest rates. The USDA will also cover part of the loss if the borrower becomes unable to make regular loan payments.

The 2008 Farm Bill designated 5% of the total B&I guarantee funds to support local and regional food initiatives. To be eligible under the reserved funds, the borrower must be a cooperative, nonprofit organization, federally recognized Native American Indian Tribe, public entity, corporation, or an individual. They also must be in a rural area, and promoting a regional food network⁷.

The maximum loan guarantee USDA will issue is 80% for loans of \$5 million or less, 70% for loans between \$5 million and \$10 million, and 60% for loans of more than \$10 million. Loan funds can be used for business expansion and development, purchase of land, buildings, equipment and supplies, or to provide working capital. Priority is given to underserved communities with limited supply of affordable, healthy food and retail grocery stores, as well as a high rate of poverty.

B&I Application Information

To apply for a loan, contact your State Rural Development office to find participating lenders in your area. To find your local Rural Development office, go to: http://www.rurdev.usda.gov/recd_map.html

B&I Matching Requirements

Matching funds are not applicable to this opportunity.

B&I Contact Information

Carolyn Parker, Carolyn.parker@wdc.usda.gov, 202-690-4103

Brenda Griffin, brenda.griffin@wdc.usda.gov, 202- 720-6802

B&I Case Study: Prairieland Foods, LLC

In 2010, a locally owned dairy processing facility in Hallam, Nebraska received a loan to purchase the property next door to expand production to meet growing demand for sustainable, source-verified dairy products. The project will also help to diversify the market exposure for milk produced at local dairies, including Prairieland's partner company, Prairieland Dairy, LLC. The loan guarantee was for \$650,000 and leveraged an additional \$732,182 in funding.

The facility will create three new jobs, and in the near future Prairieland Foods LLC intends to expand production from fluid milk to produce cheese, yogurt, ice cream, and other dairy foods for a local target market in a nearby county.

⁷ The USDA defines "locally and regionally produced agricultural food product" as a product that is raised, produced and distributed in the locality or region in which the final product is marketed. The greatest distance the product can be transported is 400 miles, or within the state lines.

5. Office of Advocacy and Outreach

5.1 Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers (OASDFR)

The Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers Program (OASDRF), also known as the “Section 2501 program” is designed to enhance the coordination of outreach, technical assistance, and education efforts authorized under USDA programs through eligible entities and to reach socially disadvantaged farmers and ranchers in a linguistically appropriate manner to improve their participation in the full range of USDA programs.

Proposed projects should identify one or more of the goals targeted at socially disadvantaged farmers and ranchers:

- coordinate existing USDA outreach efforts and create new outreach, technical assistance, and education networks focused on increasing participation in USDA programs;
- enhance the effectiveness of outreach, technical assistance, and education efforts already authorized under USDA programs;
- improve the means by which assistance is provided through USDA programs; and
- increase participation in USDA programs by socially disadvantaged farmers, ranchers, and forest landowners.

Approximately \$20 million will be available in fiscal year (FY) 2010 for competitive grants to eligible applicants including community-based organizations, universities, and Indian Tribes.

OASDFR Application Information

Organizations can apply for OASDFR grants via Grants.gov.

Projects can last up to three years. Projects caps are limited to \$1.2 million with annual caps of \$400,000.

OASDFR Matching Requirements

No matching funds are required.

OASDFR Contact Information

Beatrice Herbert, beatrice.herbert@osec.usda.gov, 202-205-4130

Lavinia Panizo, lavinia.panizo@osec.usda.gov, 202-720-6350

OASDFR Case Study: New Entry Sustainable Agriculture Project

The New Entry Sustainable Agriculture Project at Tufts University in Massachusetts assists people with limited resources and an interest in small-scale commercial agriculture to begin farming in Massachusetts. The broader goals of New Entry are to support the vitality and sustainability of the region's agriculture, to build long term economic self-reliance and food security among participants and their communities, and to expand access to high-quality, culturally appropriate foods in underserved areas through production of locally-grown foods.

In 2008, the New Entry project received an OASDFR grant of \$299,617 to support their core programs, including training, education, and technical assistance to refugees, immigrants and other underserved producers to help them earn a living and also meet the growing demand for locally-produced, culturally appropriate foods in the region. New Entry participants from India, Iraq, Liberia, Vietnam, USA, Cambodia, Cameroon, Kenya, Laos,

Liberia, Malaysia, Korea, Ghana, Zambia, Puerto Rico, and Zimbabwe attended hands-on workshops in production methods like irrigation, field prep, and soil testing and in business training. With help from the grant, New Entry Project has developed and publicized a number of technical resources and guides including a Guide to Organizing a Cooperative CSA. In addition to direct work with producers, the New Entry project also cultivates relationships with the public who are interested in purchasing CSA shares from the New Entry farmer cooperative.

For more information, visit the New Entry Website: <http://nesfp.nutrition.tufts.edu/about/index.html>

Helpful Resources

This resource list is not meant to be exhaustive, but rather a starting point for your search. Some of the organizations listed provide direct technical assistance with program development, grant writing, or business development. Others offer workshops and other educational opportunities while still others provide online or print “self-help” resources.

Consider reaching out to other food and agriculture organizations in your region that may have advice for local organizations or people to talk to. And don't be afraid to think outside of the box. As more and more people become aware of the many connections between vibrant local and regional food systems and economic development, public health, and the environment, you may find allies in unexpected places.

GENERAL

Agriculture of the Middle – A web resource providing case studies, white papers, and other research on ways in which mid-sized farms and ranches can prosper through the development of “mid-scale food value chains.” This site is particularly helpful for those who want to understand how to apply for a Value Added Producer Grant (VAPG) in the 10% set-aside for mid-tier value chain projects, or for organizations who simply want ideas or inspiration for how to develop regional business models that make sense for mid-sized producers.

Website: <http://agofthemiddle.org>

Agriculture Marketing Resource Center (AgMRC) – This national online resource provides information for producers and entrepreneurs interested in value-added agriculture. Because this is an online resource, there are no opportunities for hands-on technical assistance; however, the AgMRC does produce a list of local food resources state-by-state.

General website: <http://www.agmrc.org/>

Local food resources by state:

http://www.agmrc.org/markets__industries/food/state_localregional_food_programs/index.cfm

ATTRA, National Sustainable Agriculture Information Service, Marketing Business and Risk-Management Section – ATTRA provides outstanding technical documents for a broad array of sustainable agriculture issues from crops to compost to bio-energy. The ATTRA section on marketing specifically includes relevant materials including information on Value-Added Processing, Business Management, and a funding guide that includes both federal and state and local opportunities.

Website: <http://attra.ncat.org/marketing.html>

Building Sustainable Places – A funding guide developed in partnership by the USDA, the Michael Fields Agricultural Institute, and National Center for Appropriate Technology (NCAT) with support from the National Sustainable Agriculture Coalition. The guide is written for anyone seeking help from federal programs to foster innovative enterprises in agriculture and forestry in the United States.

Website: <http://attra.ncat.org/guide/>

Community Development Financial Institutions (CDFIs) – A Community Development Financial Institution (CDFI) is a specialized financial institution that works in market niches that are underserved by traditional financial institutions. CDFIs provide a unique range of financial products and services in economically distressed target markets, such as mortgage financing for low-income and first-time homebuyers and not-for-profit developers, flexible underwriting and risk capital for needed community facilities, and technical assistance, commercial loans and investments to small start-up or expanding businesses in low-income areas. Many CDFIs have experience investing in food systems projects, including direct loans to producers to expand operations, loans for infrastructure like processing facilities, and for projects further downstream on the supply chain, such as financing for supermarket projects.

List of CDFIs by state: <http://www.cdfifund.gov/docs/certification/cdfi/CDFIbyState.pdf>

CDFI US Treasury Website: http://cdfifund.gov/what_we_do/programs_id.asp?programID=9

Community Food Security Coalition – An organization dedicated to building strong, sustainable, local and regional food systems that ensure access to affordable, nutritious, and culturally appropriate food for all people at all times. CFSC provides limited technical assistance to organizations that wish to apply for a Community Food Program Grant and for organizations that wish to start a Farm to School Program in their community.

Community Food Program Guide: http://www.foodsecurity.org/cfp_help.html#cfp_guide

Community Food Program Grant Assistance: Begin by reviewing the guide above, then contact Zy Weinberg via email at zyweinberg@earthlink.net

Contact for CFSC Farm to School Program: Marion Kalb, Director, marion@foodsecurity.org, 505-474-5782

General website: <http://www.foodsecurity.org/>

Cooperative Development Centers – Cooperative Development Centers generally provide technical assistance to existing cooperatives and start-up assistance to new cooperative ventures. Some centers host annual conferences, workshops, and other educational opportunities. Coop development centers focus on many different types of businesses, but most have an agricultural or food area of focus.

List of Coop Development Centers on the Agricultural Marketing Resource Center Site:

http://www.agmrc.org/directories__state_resources/related_directories/cooperative_development_programscenters.cfm

Cooperative Extension Offices – The Cooperative Extension System is a nationwide, non-credit educational network. Each U.S. state and territory has a state office at its land-grant university and a network of local or regional offices. These offices are staffed by one or more experts who provide useful, practical, and research-based information to agricultural producers, small business owners, youth, consumers, and others in rural areas and communities of all sizes. Some extension offices have more resources than others to assist specifically with local and regional food systems development projects, so get in touch with your local office and ask who you should talk with about your specific needs.

Website: <http://www.csrees.usda.gov/Extension/index.html>

CS Mott Group for Sustainable Food Systems at Michigan State University – The CS Mott Group provides research, information and resources to foster community food systems development. Some of the information is specific to Michigan and the Midwest, but much of the research and many of the publications are transferable to other contexts. The Farm to School program also provides some technical assistance for organizations in Michigan working on farm to school initiatives.

General Contact : mottgroup@anr.msu.edu, 517-432-1612

Farm to School Outreach Contact: Colleen Matts, matts@msu.edu, 517-432-0310

Website: <http://mottgroup.msu.edu/Home/tabid/107/Default.aspx>

eXtension.org Entrepreneurship Resource Guide – The Cooperative Extension Service’s online resource includes a section focused on agricultural entrepreneurship with resources particularly relevant to food systems development work. The other sections (for example, the resource section on mobile meat slaughter) might also be helpful for particular types of projects.

Website: <http://www.extension.org/entrepreneurship>

Farmers Market Coalition (FMC) FMC helps to build networks, link peers, and connect farmers markets old and new with tools and resources for success. The Coalition itself does not provide direct technical assistance, but is a good starting point for informational resources (for example a Farmers Market Manager Training Manual or sample 501c3 applications) as well as a place to link up with local organizations and networks that could help more directly. FMC also hosts free educational webinars.

Resource Library: <http://www.farmersmarketcoalition.org/resources>

State Associations: <http://farmersmarketcoalition.org/fmc-resources/state-associations/>

Website: <http://farmersmarketcoalition.org/>

Market Maker – MarketMaker sites were built in order to more easily connect food producers with new markets and aid in the development of quality-driven food supply chains. Since it was launched in Illinois in 2004, MarketMaker has expanded to 13 sites, with three portals still in progress. It is currently one of the most extensive collections of searchable food industry related data in the country.

National MarketMaker Website: <http://national.marketmaker.uiuc.edu/>

National Sustainable Agriculture Coalition (NSAC) – NSAC is a coalition of grassroots farm, food, conservation, and rural organizations from across the US who advocate for federal farm policies that support the long-term economic, social, and environmental sustainability of agriculture. NSAC staff do not provide direct technical assistance on grant writing, but work on establishing and improving many of the programs highlighted in this guide, and also maintain a quick-guide of Farm Bill Programs and Grants with updated links to Requests for Applications and due dates for grants.

Quick-guide to Farm Bill Programs and Grants:

<http://sustainableagriculture.net/publications/grassrootsguide/farm-bill-programs-and-grants/>

Sign up for Action Alerts and News: <http://sustainableagriculture.net/take-action/sign-up-for-action-alerts/>

Website: <http://sustainableagriculture.net/>

National Farm to School Network – The network works at multiple levels to create a viable and sustainable structure to promote, institutionalize and catalyze farm to school programs as viable models for improving the economic viability of family-scale farmers and child nutrition. In addition to extensive informational resources and a strong networking system, the National Network coordinates eight regional lead agencies that provide free training and technical assistance, information services, networking, and support for farm to school activities.

Regional lead agency contacts: <http://www.farmtoschool.org/regional.php>

Resources on starting a farm to school program: <http://www.farmtoschool.org/howtostart.php>

Funding Opportunities: <http://www.farmtoschool.org/fundingopps.php>

Main Website: <http://www.farmtoschool.org>

Private Consultants – There are a number of private consultants who work with individuals or organizations for a fee to help develop business plans, comprehensive food systems plans, or provide other advice and technical assistance for local and regional food systems projects. The best way to access these people is through your local contacts, but you can also check out the National Good Food Network Database for ideas.

National Good Food Network Database: <http://www.ngfn.org/resources/ngfn-database>

Resource Conservation and Development (RC&D) Councils – RC&D Councils are volunteer locally elected groups which plan and carry out projects in resource conservation and community development. The objects of RC&Ds are to create sustainable communities, support prudent land use and the sound management and conservation of natural resources. Recently, many more RC&D Councils have started to adopt initiatives specifically focusing on local and regional food systems development. To see what resources are available or initiate a project or partnership, visit the National Website to locate your local chapter.

National RC&D Council Association: <http://www.rcdnet.org/>

Small Business Development Centers – Your local SBDC can provide counseling, training and business development assistance for free or at a low cost. Not all SBDC's have specific expertise in agriculture or food business, but some do have programs targeted at food enterprise.

Website to locate your local SBDC: <http://www.sba.gov/localresources/index.html>

State Departments of Agriculture – Some grants mentioned in this guide require you to work directly with your state Department of Agriculture to develop the application. In other cases, the Department of Ag may be able to provide technical assistance or may be a source of additional grant funds.

Website to locate your state department of agriculture: <http://www.nasda.org/cms/7195/8617.aspx>

State Rural Development Offices – Some grants mentioned in this guide are administered directly through your local rural development office. In other cases, the local office may be able to provide technical assistance, information resources, or networking for projects related to local and regional food systems development in rural areas.

Website to locate your local rural development office: http://www.rurdev.usda.gov/recd_map.html

Wallace Center at Winrock International – The Wallace Center supports entrepreneurs and communities as they build a new, 21st century food system that is healthier for people, the environment, and the economy. The Center primarily focuses on building networks, sharing information and providing funding resources. The resource library has some interesting case studies on innovative models for food enterprise as well as tools including a farmers' market handbook.

Resource library: <http://www.wallacecenter.org/our-work/Resource-Library/wallace-publications/>

WHY Resources on Local and Regional Food Systems and Community Food Assessment – Provides general background information and resources on local and regional food systems, tools to develop a community food assessment and information on farmers' market development. The organization does not provide technical assistance, but does have lists of organizations by state that are engaged in food systems work.

Webpage on local and regional food systems: <http://www.whyhunger.org/programs/fslc/topics/local-a-regional-food-systems.html>

Webpage on community food assessment: <http://www.whyhunger.org/programs/fslc/topics/community-food-assessment.html>

Webpage on farmers markets: <http://www.whyhunger.org/programs/fslc/topics/farmersa-market.html>

Writing a Successful Grant Proposal, Purdue Extension – A general guide to writing grant proposals, not limited to federal grants. Includes a set of worksheets to help demystify the process of seeking funds for a project

Download PDF: <http://www.ces.purdue.edu/extmedia/EC/EC-737.pdf>

REGIONAL RESOURCES

Midwest

Illinois Initiative for the Development of Agricultural Entrepreneurs (IDEA) – Provides high quality educational support and technical assistance to farmers and others in the agriculture sector. The Initiative houses online resources like business plan development and also provides links to key contacts in Illinois that can answer specific questions.

Website: <http://web.extension.illinois.edu/iidea/>

Website with IDEA contacts listed by region: <http://web.extension.illinois.edu/iidea/staff.htm>

Illinois Value Added Sustainable Development Center – The center conducts research and provides outreach to residents and communities in rural Illinois on agriculture and non - agriculture projects. Its purpose is to assist in creating value-adding ventures that benefit the economy, quality of life, and diversification of communities.

Website: <http://www.value-added.org/>

Contact: iira@wiu.edu, 309-298-2237, 800-526-9943

Kansas Rural Center (KRC) – Among other on-the-ground projects promoting and building farmers markets and educating organizations about Farmers Market Nutrition Programs, the KRC also coordinates the Kansas Food Policy Council which brings together public and private stakeholders from across the state to examine food systems. One goal of the Council is to strengthen regional food systems by promoting new policies that will encourage more local farmers, food processors and food retailers.

Website: <http://www.kansasruralcenter.org/>

Land Stewardship Project (LSP) – LSP's program on Community Based Food and Economic Development includes three main programs: Food Alliance Midwest, Farm and City Food Connections, and Pride of the Prairie, a program to assist sustainable producers in cultivating profitable alternative markets and creating direct connections with consumers.

Website: http://www.landstewardshipproject.org/programs.html#food_econ_dev

Leopold Center for Sustainable Agriculture, Marketing and Food Systems Initiative – Conducts research and testing on new marketing strategies and business structures that increase value for Iowa’s farmers and communities and supports education and partnerships to increase investment in support of local and regional food. The Initiative houses a number of projects, including periodic workshops on topics related to food systems development in Iowa.

Website: <http://www.leopold.iastate.edu/research/marketing.htm>

Contact: Rich Pirog, rspirog@iastate.edu, 515-294-1854

Michael Fields Agricultural Institute, East Troy, WI – MFAI’s services include advocacy, convening, education, enterprise development, research, urban agriculture, and whole farm planning. The Center offers a full list of educational opportunities and resources including workshops on Innovative Farmers’ Market Models and Grant Writing.

Calendar of workshops: <http://www.michaelfieldsagainst.org/work/education/workshops/index.shtml>

Michigan Food System Economic Partnership – FSEP provides research, education and outreach with urban and rural partnerships, resulting in agricultural development opportunities, sustainable communities, and healthy local economies in Southeastern Michigan. The FSEP Business Development program works directly with ag and food entrepreneurs to develop viable businesses and the Farm to School Service Program offers a number of online resources to help individuals and organizations interested in starting a Farm to School project in their area.

Website: <http://fsepmichigan.org/>

Contact for Business Development: Jane Bush, bushj@fsepmichigan.org, 517- 231-2240

Farm to school: Michaelle Rehmman, rehmannm@fsepmichigan.org, 517-490-6912.

Michigan Land Use Institute – The Institute’s Food and Farming group includes a number of programs promoting local and regional food systems. The Taste the Local Difference program links shoppers and retail buyers to area farms. Healthy Food for All helps families, schools, and other institutions serve fresh local food. Get Farming! connects farmers to farmland and business resources. The Entrepreneurial Agriculture program makes the case for local food as economic development, and helps coordinate northwest Michigan's Food and Farming Network.

Website: <http://www.mlui.org/farms/index.asp>

Michigan State University MSU Product Center for Agriculture and Natural Resources (ANR) – Provides varied technical expertise, research, outreach, and educational services to entrepreneurs who want to commercialize high value, consumer-responsive products and businesses in the agriculture and natural food sectors.

Website: <http://www.aec.msu.edu/product/index.htm>

Contact for product development advice: product@msu.edu, (517) 432-8750 Fax (517) 432-8756

Missouri Food Circles Networking Project – The networking project connects diverse stakeholders: farmers, consumers, policymakers and more in Missouri. Their guide provides names and contact information for

organizations that have grant or technical assistance resources for other organizations working on food systems development.

Download the guide: <http://www.foodcircles.missouri.edu/Resources.pdf>

Purdue University New Ventures Team – Purdue Extension educators and campus specialists provide one-on-one assistance to citizens of Indiana interested in starting a food- or agriculture-related business.

Website: <http://www.agecon.purdue.edu/newventures/>

Contact information by county: <https://www.agecon.purdue.edu/newventures/team.html>

University of Wisconsin Ag Innovation Center – Provides online resources for business planning and works closely with the Emerging Ag Markets team to provide contact information and links to extension agents and other specialists who can provide one-on-one technical assistance for ag and food entrepreneurs. As part of the local and regional food systems initiative, the center also partners with local organizations who are working on food systems development projects.

Website: <http://www.uwex.edu/ces/agmarkets/aic/index.cfm>

Website with local extension contacts who can work with local ag and food entrepreneurs:

<http://www.uwex.edu/ces/agmarkets/aic/aicbackground.cfm#programpartners>

Contact for local and regional food systems initiative: Anne Pfeiffer, anne.pfeiffer@ces.uwex.edu, 608-890-1905

Value Chain Partnerships, Regional Food Systems Working Group at Iowa State University – An overarching working group that supports and works closely with six regional initiatives in Iowa promoting local and regional food systems. Each of the six regional initiatives provides some level of technical assistance to organizations and individuals in their area on developing food enterprises and other projects.

Website with links to six regional groups: <http://www.valuechains.org/regionalfood/groups.htm>

Directory of contacts for regional coordinator: <http://regionalfoodsystems.ning.com/page/directory-1>

Contact: Rich Pirog, Working group leader, rspirog@iastate.edu, (515) 294-1854

General website: <http://www.valuechains.org/>

Northeast & Mid-Atlantic

Food Systems Consortium – Partnership of educational institutions, business, community and government organizations in the mid-Atlantic region who have programs around maintaining and improving the food system in the mid-Atlantic region. The consortium is housed at Rutgers University and may provide opportunities to connect with other local organizations.

Website: <http://foodsystemconsortium.org/>

Contact: 732-932-9711 x242

New York Sustainable Agriculture Working Group (NYSAWG) – Among its other projects, NYSAWG has two projects to provide training and technical assistance services for organizations and communities on Local Food System Assessment and Planning.

Website: http://www.nysawg.org/training_technical_assistance.php

Contact: Judith Einach, Executive Director, jeinach@yahoo.com 716-316-5839

Northeast Regional Center for Rural Development, Pennsylvania State University – Offers region-specific research on rural development and coordinates web-based education and regional events (for example, a local food conference in 2009) on rural community development.

Website: <http://nercrd.psu.edu/>

Contact: Heidi Mouillesseaux-Kunzman, Associate Director, hmm1@cornell.edu, 607-255-0417

Northeast Sustainable Agriculture Working Group (NESAWG) – Includes a long list of resource publications on local and regional food systems development, a Northeast region Listserv, and local events and workshops on a variety of topics, including some relevant to food systems development.

NESAWG Publications Website: <http://www.nefood.org/page/publications-1>

Download PDF of “Regionalist Approaches to Farm and Food System Policy: A Focus on the Northeast”:

[NESAWG-RegionalistApproachesToFarmFoodPolicy.pdf](#)

Pennsylvania Association for Sustainable Agriculture – PASA staff have helped develop new farmers’ markets, connected restaurants and retailers to local food sources, and assisted farms and other businesses with marketing and business planning. PASA manages the local “Buy Fresh, Buy Local” campaign and also recently added Food Alliance certification as another tool available in array of regional marketing services.

Website: <http://www.pasafarming.org/our-work>

Phone (headquarters in Millheim, PA): 814-349-9856

Rutgers Food Innovation Center – Provides business mentoring for clients, assessing needs, proposing a scope of work, providing ongoing advice and assistance and specific deliverables within a designated period of time.

Website: <http://foodinnovationcenter.rutgers.edu/>

Contact: (856) 459-1900, foodinnovation@aesop.rutgers.edu

South

Center for Environmental Farming Systems at North Carolina State University – Among its multiple objectives, the Center for Environmental Farming Systems at NCSU works on incubation and support for community based food systems projects in urban and rural areas in North Carolina and beyond.

General Website: <http://www.cefs.ncsu.edu/index.htm>

Website on Community Based Food Systems Program: <http://www.cefs.ncsu.edu/whatwedo/foodsystems.html>

Community Based Food Systems Program Contact: Nancy Creamer, 919-515-9447, Nancy_creamer@ncsu.edu

Delta Land and Community, Delta Enterprise Network (DEN) – This organization facilitates groups of farmers, entrepreneurs and others creating new business ventures, cooperatives and policy change. DEN members assist each other in overcoming barriers to sustainable agricultural enterprises in our region and measure success by the development of sustainable, locally-owned, value-added (LOVA) enterprises especially including new farms.

Website: <http://deltanetwork.org/news/>

Marketumbrella.org – A community organization based in New Orleans, LA which began with a focus to develop local public markets in the Crescent City neighborhood, but has expanded to provide a number of useful free resources on public market development.

Marketumbrella.org Market Toolbox: <http://www.marketumbrella.org/index.php?page=marketshare-map>

Southern Risk Management Education Center (SRMEC), University of Arkansas Division of Agriculture – Coordinates risk management education programs throughout the southern region primarily through a regional competitive grants program. The Center does not provide grant-writing assistance for federal grants, but does run its own competitive grants program that may be able to indirectly provide support by providing information about projects that have been completed in the past.

Website: <http://srmec.uark.edu/>

Phone: 501-671-2165

Southern Sustainable Agriculture Working Group – SSAWG covers a broad array of program areas in sustainable agriculture, but includes specific focuses on enterprise development and community food development, including online educational resources on value-added production and links to enterprise training as well as opportunities for technical assistance for Southern Groups working on Community Food systems.

Enterprise Development Resources: <http://www.ssawg.org/ed-resources.html>

Community Food Development Resources: <http://www.ssawg.org/communityfood.html>

Community Food Development Technical Assistance for Southern Groups working on Community Food Systems, contact: Keecha Harris, keecharris@gmail.com

West

Food Innovation Center (FIC) at Oregon State University – The Ag Development and Marketing division of the Oregon Department of Ag at the FIC provides Local, National, and International Marketing Access and Development help. One service FIC provides is a food entrepreneur consultation meeting for \$195

Website: <http://fic.oregonstate.edu/>

Contact: fic@oregonstate.edu, 503-872-6680

Mission Mountain Food Enterprise Center, Ronan, Montana – Specializes in food product development, regulatory compliance training, business planning and development, market research, business networking, access to financing, cooperative development, and education on food industry equipment and technologies.

Website: <http://www.mmfec.com/>

Contact: Jan Tusick 406-676-5901, jt@ronan.net; Karl Sutton, 406-676-5901, ksutton@ronan.net

Northwest Agriculture Business Center, Mount Vernon, WA – Provides business development services to farmers and agriculture-related business in Northwest Washington including business training, workshops on producing value-added products, marketing training, and the new Puget Sound Food Network, an online marketplace connecting food producers, distributors, institutions and other buyers in the Puget Sound region.

Website: <http://www.agbizcenter.org/>

Contact: info@agbizcenter.org, 360-336-3727

Southwest Marketing Network – Works to help Southwestern producers and communities develop new and improved markets and enterprises and to rebuild local food systems and includes a directory of experts who can provide specific assistance on food systems development projects. The network also has limited resources to provide personal assistance on Community Food Project grant proposals.

General website: <http://www.swmarketingnetwork.org>

Directory of technical assistance experts: <http://www.swmarketingnetwork.org/dae/search1.php>

Contact for technical assistance on grant-writing: swcomfoodassistance@swmarketingnetwork.org

Appendix 1: Preparing to Apply to USDA Grant Programs using Grants.gov

Adapted from handout by Margaret Krome, Michael Fields Agricultural Institute

Get Registered

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Growing Opportunity:

Outlook for the Local Food Systems Marketplace



Farm Credit Council

Young, Beginning & Small Farmer Program

By Gary Matteson and Robert Heuer

August 1, 2008

Growing Opportunity:

Outlook for the Local Food Systems Marketplace

Contents

Executive Summary.....	3
Local Food Story at a Glance.....	4
Demand.....	5
Factors Limiting Supply.....	11
Farming on the Urban Edge.....	14
Infrastructure Support for Local Food Systems	20
Finding the Capital for Local Foods Success.....	29
Public Policy.....	
Endnotes.....	

Executive Summary

Local food systems are a business idea whose time has come again. As was true decades ago, local farm entrepreneurs are finding business opportunities by producing quality goods for nearby markets. These local outlets range from farmers markets to restaurants and grocery stores, as well as institutional food services like universities, schools and hospitals. Consumer demand for locally produced food is growing, and food marketers see a competitive advantage in being able to tell the story behind the food they serve. This report looks at the local food system marketplace and highlights trends in demand, supply, infrastructure, finance and public policy.

The demand for farmers' market-type food products greatly exceeds available supply. To meet this market demand, business planning and private sector finance are needed to help entrepreneurs create the processing, storage and distribution infrastructure that is required to "shorten" the geographic distance between farm gate and dinner plate. The development of localized or regionalized supply chains will allow a multitude of small- and mid-sized farmers to profitably produce such foods for nearby market outlets. This local food niche has the potential to become a vital complement to the predominant food distribution model.

Farm Credit Council is the national trade group for the Farm Credit System—a network of 94 locally controlled, customer-owned institutions that have a mission to serve agriculture. Chartered by Congress more than 90 years ago, Farm Credit uses traditional farm finance tools to lend to eligible agricultural operations of all types and sizes. Due to its structure and institutional knowledge of agricultural production and processing systems, Farm Credit is uniquely qualified to provide the financial services necessary for local food systems to thrive.

"Growing Opportunity" builds on a 2006 Farm Credit Council report on lending activity along the "urban edge"—transitional agricultural areas located on the outskirts of metropolitan regions where farmers shift from lower-value commodity production to higher-value, direct-marketed products. Local food production is a subset of a broader urban edge farm economy. Other market segments complementing traditional production include: horticulture; equine, forestry, "agritainment;" and related farm-supply enterprises. Urban edge agriculture is the new frontier for young, beginning and small farmers. They need financial institutions that understand all facets of agriculture—from farm production to creative retail marketing. The core mission of Farm Credit loan officers is to finance agriculture as they find it—even on the edge of suburbia.

Local food systems market development is taking root in both metropolitan and rural settings. Farmland near large population centers is best suited to accommodate local food production, but it is threatened by traditional patterns of suburban development. New research articulates local, state and federal policies needed to strengthen urban edge farm economies. Some metropolitan regions have begun to carry out food assessments, or "foodshed" studies. Such initiatives will raise awareness of infrastructure capacity challenges that impede creation of robust localized supply chains. The Farm Credit System can be an effective partner in such endeavors, supplying a range of financial services to American farmers and ranchers as locally grown and processed foods reach a deeper market than is currently possible.

The Local Food Story at a Glance

The Scope of Activity

- Farmers markets nationwide have grown in number from 340 in 1970 to 4,500 today.
- HMO Kaiser Permanente has launched about 30 farmers' markets nationwide as well as a pilot to source local produce for inpatients at 19 California hospitals.
- Procuring local foods is a goal of 2,007 farm-to-school programs serving 8,377 elementary and high schools in 39 states.
- University of Minnesota-Morris procured no food locally five years ago, but next year plans to buy \$500,000 in product from nearby rural farmers.
- Metropolitan New York's annual unmet demand for locally sourced farm products is an estimated \$860 million.
- USDA is projecting a 37% increase in the consumption of vegetables, nursery, and fruit crops over the next nine years.

Issues and Attitudes

- Consumers want to know how their food is produced, where and by whom.
- Food industry principles of fast, convenient and cheap are augmented by memory, romance and trust—the memory of good taste, the romance of coming from a nearby farm and trust in the safety of what is consumed.
- An infrastructure bottleneck impedes local food market development.
- The challenge is to create localized supply chains combining large-scale efficiencies with a commitment to small- and medium-scale farmers.
- Farmers increase their returns by selling products as close to the market as possible and in a form that the market can most readily use.
- Distribution systems range from producers with on-farm retail stores to those wanting to aggregate supply for local, regional and national markets.
- Food distributor SYSCO sees the need for packing sheds where 15-25 small farmers could supply the volumes needed to fill truck loads.

The Opportunity

- Local food system development is happening everywhere and especially on the “urban edge”—transitional agricultural areas near metropolitan regions where high-value production on small tracts are readily accessible to population centers.
- The Farm Credit System (FCS) is often the only agricultural lender providing both expertise and capital to urban edge farmers and ranchers.
- FCS institutions had \$1.5 billion in outstanding loans (2005) in a sample of 15 of 916 urban edge counties nationwide where six market segments complement traditional production: local food systems, greenhouses/nurseries/sod, equine, forestry, "agri-tainment," and farm-support industries.
- The urban edge is home to many producers who are young, beginning and small farmers.

Demand

Consumer Demand Creates Value

The increased number of farmers' markets, roadside stands, pick-your-own operations and community-supported agriculture subscription programs (or CSAs) suggests that locally sourced food is no passing fad. Restaurants, grocery stores, schools, colleges, universities, hospitals, and corporate kitchens are demanding fresh local produce, pasture-raised meats, specialty breads and dairy products. The current market segment of locally sourced food is estimated at less than one percent of the \$900 billion U.S. food industry. Yet this demand spells opportunity for a wide range of food industry players—from small-market farm networks to the country's largest food distributors.ⁱ

Consumers are driving this trend by wanting to know how, where and by whom their food is produced. The most outspoken demand comes from college students, chefs, urban dwellers, and employers. Demand is being amplified by a growing body of supportive research and the advocacy of non-profit agencies.

Nutrition and safety are primary concerns. Freshly picked produce is often perceived as healthier. Knowing which farm produced the food is the essence of traceability for the consumer. But consumer support also arises from the perceived potential for reductions in fossil fuel usage and greenhouse gas emissions combined with the benefits of preserving farmland and strengthening local economies. Consumers respond positively to the “multiple appeals of locally produced foods,”ⁱⁱ including a motivation to make purchases that help keep local farmers stay in business.

Mike Buzalka, executive features editor for *Food Management* magazine—a trade publication covering the food service industry, observes:

“On most college websites, locally sourced food is viewed as a way to reduce the carbon footprint. Colleges, schools, corporations and other institutions provide large, dependable markets. Their volume commitment to farmers will be an important factor in how far the ‘local food’ movement goes. By emphasizing multiple, small, scattered, limited-volume local suppliers that wreak havoc on economies of scale, this emerging phenomenon directly conflicts with the modern distribution business efficiency model. Despite all the obstacles, it's astonishing to see how many onsite operations are willing to take them on. Perhaps most crucially, the contract management sector has now also jumped on the bandwagon, a development that—given the purchasing power and broad market presence it represents—may spur more mainline distributors to devote attention to establishing reliable and efficient local-purchase programs.”ⁱⁱⁱ

Many elements of the existing food distribution system are trying to figure out how to respond to the marketplace demand they detect. Demand for locally sourced foods now exceeds supply due to the lack of efficient supply chains that link production, sorting,

processing, storage and distribution. Ramping up supply to meet the demand requires development of efficient local food systems that will shorten the geographic distance food must travel from the farm to the table. (Regional food systems more accurately describe the geographic scope, but for the purposes of this report, the term will be local food system).

Market development for local foods may parallel the growth of the organic category, which has experienced 20% annual growth in the last 15 years and now makes up two to three percent of all food products. (Organic food sales rose from \$1 billion in 1990 to nearly \$17 billion in 2006.^{iv}) In *Organic Inc: Natural Foods and How they Grew*, Samuel Fromartz writes:

“Organic food exists because, like any industry, it fulfills a need, in this case arising from lapses in the perceived quality and safety of conventional food production, and from the desire for an alternative predicated upon personal and environmental health.”^v

Old Values in a New Proposition

Local food systems represent a form of value-added marketing, where the story of the food can be turned into economic worth in the marketplace.

Local food advocates and consumers are motivated by a set of social values involving the restoration of a healthy food and farming system that both revitalizes rural communities and brings new opportunities for small- and medium-scale farmers. This emerging market centers on growers who differentiate products based on quality, special features, or after-the-sale service—and do so close to home. The predominant “conventional agriculture” food production and distribution system need not be cast as an unpleasant option to local food systems. At their best, local food systems feed identity-preserved product into the conventional food system.

“A revolution is taking place in the food industry,” asserts Fred Kirschenmann, a North Dakota organic farmer and Distinguished Fellow at the Leopold Center for Sustainable Agriculture at Iowa State University. Kirschenmann explains further:

“For years, the food business served the premise of fast, convenient and cheap. A second market is emerging based on memory, romance and trust. Memory is when a customer eats a product and says, ‘Wow, I want that again.’ Romance is the story behind the food’s production. Trust means the days of consumers’ passive acceptance are over. People wanting to know where food comes from represents an opportunity to form a relationship between the consumer and the producer.”^{vi}

Farm Credit Response

Farm Credit Services of Western Arkansas regional vice president Ken Knies sees new market demand opening the door to new lending opportunities in the northwest corner of the state. Home to Wal-Mart headquarters, the region has undergone rapid urbanization in the last 20 years. Many Wal-Mart suppliers have moved into the area, with the resulting population growth reducing the amount of traditional agriculture.

Knies began looking into farmers' market activity last year with the thought that he would eventually need new types of business to bolster his portfolio. He discovered that his former college professor serves on the local and state farmers' market board. Dr. Richard McGuire of the University of Arkansas is convinced that the growth of farmers' markets will depend on financing, and was glad to hear from his former student. "With our knowledge of agriculture, I feel we can hit the ground running when it comes to understanding and financing these newer marketing and production channels," Knies says, noting that area Chamber of Commerce representatives are also interested in enhancing the local producer supply chain. "I envision Farm Credit becoming a player in the local food marketplace in Western Arkansas."

Good Food, Good Health

The explosive growth of farmers' markets is an indicator of the sustained demand for local foods. In 1970, fresh-food enthusiasts could buy directly from farmers at 340 locales nationwide. By 1994, the number had grown to about 1,800. Today, USDA counts 4,500 farmers' markets nationwide.^{vii}

The earliest champions of farmers' markets included restaurant chefs seeking out the freshest available fruits and vegetables to incorporate into their menus. Culinary writers in newspaper food sections and myriad specialty publications have provided a steady drumbeat of publicity about locally sourced foods being fresh, tasty and nutritious.

Restaurant chefs play a unique role in promoting demand. "Even beyond their own food purchasing decisions, chefs can have an impact on the public's food choices by raising awareness about the value of supporting local farms," says Melissa Kogut, executive director of Chefs Collaborative—a Boston-based national nonprofit organization. Through educational publications, workshops, media outreach, and networking events that bring chefs, farmers and other food producers together, Kogut says Chefs Collaborative is "expanding the market for local, sustainable, delicious foods."^{viii}

The idea that good food is a building block for good health has spurred participation by the HMO giant, Kaiser Permanente. Several years ago, Kaiser's Oakland, California medical center began hosting a farmers' market for staff, members, visitors, farmers and the surrounding community. Kaiser employees have since launched about 30 farmers' markets on or near hospital/office campuses in five of its regions nationwide—Northern and Southern California, the Pacific Northwest, Hawaii and the Washington D.C. metropolitan area.^{ix}

Now Kaiser is taking the concept a step further. In partnership with the Growers Collaborative—the for-profit arm of the Community Alliance with Family Farmers—Kaiser is supplying locally sourced fruits and vegetables for patients at 19 northern California facilities. Efforts are under way to replicate this pilot program in its more extensive southern California hospital network. With its northern California farmers' markets reaching capacity, Kaiser is also experimenting with programs to serve office workers through community supported agriculture programs (CSAs), allowing “subscribers” to pay up front to receive a season’s supply of fresh vegetables.

Moving from Fad to Big Business

New York City—home to 88 outdoor, direct-to-consumer farmers’ markets—is planning a year-round wholesale farmers’ market to help meet the region’s \$860 million in annual unmet demand for locally sourced farm products. That estimate came from a 2005 study that included surveys with restaurants, retail stores, caterers, institutions, grocery stores, specialty food retailers, produce distributors, florists, garden centers and landscapers. The study also determined that a critical mass of farmers region-wide are interested in expanding operations to meet that demand. Phase II research, completed in 2007, involved site specification, market design, management and operations guidelines, and the business plan. Last April, the New York State Assembly allocated \$25 million to build the wholesale market.^x

Large metropolitan regions aren’t the only places where the local food phenomenon is taking root. It’s also catching on in rural areas. Five years ago, University of Minnesota-Morris relied entirely on national contracts to procure food needed to prepare 2,000 meals a day. All deliveries reached western Minnesota via trailer truck from the distant Minneapolis/St. Paul metropolitan area. Hearing the “eat local” rallying cry that’s spreading on college campuses nationwide, university officials directed their food contractor, Sodexo, to begin developing local supply.

Two years ago, UM-Morris sourced less than \$30,000 in local foods; this year it could reach \$300,000—although still only five percent of the university’s overall food budget. Next year, the aim is to do \$500,000. The bulk of the food is in-season produce. UM-Morris’s vice chancellor Sandy Olson-Loy calls fruits and vegetables “the easy wins. Next come meats and beans and fresh raspberries that could be frozen, and eventually flour and meats and dairy products. Within the next couple years, we’d like to source all potatoes within a radius of about 75 miles.”

Using Local Foods to Solve a Big Problem

Since 1981, obesity in the U.S. has increased 106 percent. Thirty-one percent of school age children are overweight.^{xi} A 2004 federal law required school districts participating in federally funded meal programs to develop and implement local wellness policies. As wellness programs take root in elementary school systems nationwide, the combination of nutritional education and agricultural production leads proponents to tout local foods as part of a healthy eating solution.

Today, there are 2,007 farm-to-school programs serving 8,377 elementary and high schools in 39 states.^{xii} The programs combine agriculture with nutrition education, and might include visits to farms or farmers' markets, the creation of school gardens, and invitations for farmers to talk to students. The principal aim of farm-to-school is procurement, although supplies tend to be limited due to the constraints of harvest season, rigid bidding requirements, and inefficient supply chains. Budget considerations often prevent schools from paying a premium to buy local. Food industry analyst JoAnne Berkenkamp says interested school districts have to work with distributors to “pull local foods through the system” and to foster stronger business relationships with farmers.^{xiii}

University of California Davis researchers interviewed 16 food service managers, 17 growers and 15 distributors for a forthcoming farm-to-institution study. In some institutions, demand is coming from college students. Yet, food systems analyst Gail Feenstra says: “In many cases, food service management is taking the lead in educating students about eating healthfully and locally.”

Supporting Farmers and Farmers' Markets

One factor driving the growth of farmers' markets is farmers themselves, creating new opportunity by encouraging local communities to sponsor such venues. A northern Virginia farmer has built markets for his produce, encouraging the start-up and development of farmers' markets throughout the metropolitan Washington D.C. area. The farmer is a customer of Farm Credit of the Virginias. Last fall, this local co-operative institution's marketing staff conducted an informal survey of their loan officers. They quickly estimated that at least 297 of their borrowers are involved in direct marketing of farm products.

The marketing department of Carolina Farm Credit conducted a similar survey of its network of loan officers in western North Carolina. This association identified at least 326 customers that are selling product directly at farmers' markets, restaurants and other local outlets. Carolina Farm Credit believes this number may substantially understate their customers' participation since loan officers do not necessarily inquire as to the full range of markets that their customers are serving.

Eat local movement's uphill battle

“Movement to eat food grown within 100 miles of home is gaining traction” read the page one headline in a recent edition of the *Chicago Tribune*^{xiv}. Echoing the “support your local farmer” mantra that may be shaping a new American cultural ethic, the *Tribune* reports: “Already the movement has inspired a slew of books, prompted restaurants to use local food as a selling point and established ‘locavore’ as the Word of the Year for 2007, according to the Oxford American Dictionary.”

Last January, the state of Illinois formed a local and organics food task force charged with creating policy and funding recommendations as to how the state can do a better job of feeding itself. Illinois is one of America's leading agricultural producers, yet more than 90 percent of its food is imported from outside state lines. As is true in most places nationwide, Illinois locavores have a hard time getting fed in a way that they'd like. The state-appointed task force sees an "uphill battle" in meeting demand.

"Eating local" has been a trendy media theme in the last couple years, but skepticism has begun to enter the story narrative. Press accounts suggest that the uphill battle to link supply with demand results from an insurmountable—and poorly understood—set of obstacles.

America's food system operates at maximum efficiency on a national and global scale, as a Chicago area consumer's prototypical breakfast suggests. Coffee and bananas come from central America, orange juice from Florida, raisins and strawberries from California, and cereal from various processing centers around the country. Eggs, bacon and cheeses could come from more local sources, but the food system isn't set up to deliver significant volumes of product from nearby farms.

Marketplace Confusion

Consumer demand is allowing development of new business models that couldn't have existed several years ago, says Jim Bower, executive director of Madison, Wisconsin-based Blue Planet Partners and instructor of a social entrepreneurship class at the UW-Madison Graduate School of Business. Dominating the field is a cultural ethos that misunderstands the fact that private enterprise—not philanthropy or government programs—must be the predominant method of scaling up supply to meet demand for locally sourced foods.

While thousands of local food system initiatives take root nationwide, advocates talk past each other at conferences, often unable to learn from each other's mistakes, let alone to even agree on a definition of "local" food. Bowers says there is "a lot of market confusion as many big companies are trying to figure out the depth of demand. This is a good opportunity for entrepreneurs."

Bower identifies five tiers of the food industry—ranging from community gardeners feeding themselves to multinationals dealing in highly processed products—and says Farm Credit's opportunity lies in financing businesses trying to carry the values imbedded in tier-one farmers' market-type foods into the mainstream. "We see 10 strategic directions—including land, labor and capital. This one subset could be where the lion's share of leverage is for creating profitable local food systems."

Factors Limiting Supply

Business Planning Prerequisite to Creditworthiness

Penny Brown Huber is the founding director of an outreach unit of Mid-Iowa Small Business Development Center (SBDC) called "Grow Your Small Market Farm™ Business Program." Brown Huber has put her MBA background to use, training more than 125 farm families and small agricultural businesses from 45 Iowa counties over the last seven years. She and her husband practice what she preaches, raising vegetables on their 24-acre central Iowa farm.

The search for new markets has led nearly all program participants to create small food and farm businesses catering to nearby customers. The lion's share of Iowa agriculture serves—and will continue to serve—national and global markets. Yet one-third of Iowa farms are less than 100 acres. These producers are gravitating towards markets catering to consumers who will pay a premium for locally-produced fruits, vegetables, meat, and dairy products.

Capital is needed to ramp up local food supply; also needed is a better appreciation for costs associated with running a profitable business. The difficulties many producers face reflect the lack of coordinated efforts to strengthen Iowa's small business entrepreneurial culture.

Farmers can't keep up with explosive growth in demand, Brown Huber says, citing two operators located about 25 miles from Des Moines. A small dairy has shrunk its distribution area from a 50-mile radius to 25 miles. Eventually, the dairy hopes to sell exclusively from the retail store on site. A goat cheese producer milks 15 does a day, producing 200 lbs./week of spreadable goat cheese, feta and chevre. "She is selling her products as fast as she can make them," Brown Huber says. "This farmer in her first year went from nothing to \$30,000 in sales at farmers' markets, specialty stores and food co-ops. She brought 30 pounds of cheese to Wheatfield Coop, thinking it would take a week to sell but on the first day there, one customer bought all 30 pounds."

The larger challenges are two-fold: identifying enough producers who want to supply local markets and financing. "Farm Credit needs to come to their aid," Brown Huber says. "Its loan officers have the expertise and lending knowledge to work with these types of farmers."

A 2007 Leopold Center for Sustainable Agriculture study on six local market producers found that few farmers made a conscientious effort to evaluate costs associated with physically making a transaction.^{xv} The locally grown label is an attractive selling point but also a challenge because long-distance truckload shipments can be more cost-efficient than local market deliveries. Local producers often provide superior products than the typical mass-market grocery store item, but they don't necessarily price that product accordingly. Recommendations from the Leopold Center study include:

- Measure transaction or logistics costs.
- Calculate the cost to serve each customer.
- Look for economies of scale.
- Become or use a distribution specialist.
- Work with regional retailers.

Tailoring Output Hatches Profits

In 2005, an Iowa farmer wanted to increase profits without buying more farmland. Having learned that farmers who raise cage-free hens get \$1.40 per dozen eggs – the retail price for conventionally produced eggs – this Amish man drove his horse and buggy 15 miles to the office of the local banker. The farmer had acquired and repaid two \$25,000 loans from the banker in the past. This time, he sought a \$150,000 loan to build and stock two hen houses. Six thousand birds would run free, eat organic feed and receive no conventional medication. Whether due to the size of the loan or the risks associated with a new production method, the banker declined to make the loan.

The farmer spoke with another farmer who had secured financing from Farm Credit for a similar project, then contacted the local Farm Credit Services of America loan officer. The Farm Credit lender drove to the farm to meet the farmer and learn about his business plan. After consulting with the colleague who had financed the other farmer, the lender agreed to make the loan.

Today, this new Farm Credit customer operates a 6,500-hen laying facility that sells organic eggs to the nearby Farmer's Hen House. This processor works with Kalona Organics, a national distributor that shipped \$6.5 million of eggs, dairy products and tofu in 2007. Local markets include University of Iowa and Grinnell College—two of some 100 campus dining services nationwide that in recent years have eliminated or reduced the use of eggs from caged hens.

Expertise, Capacity, and Potential

Expanding local and regional markets for sustainably-grown products will entice more farmers to consider new ventures. Yet, as this Iowa organic egg producer's experience shows, the ability to make the most of an opportunity depends on availability of credit. New production, processing, and distribution businesses often lack access to debt capital because they don't have the track record needed by a financial institution to measure repayment capacity. Fortunately, Farm Credit loan officers can rely on their peers

regionally and nationally when making decisions on proposals involving unfamiliar production practices.

As a nationwide cooperative of 94 locally-controlled associations, the cooperative structure of the Farm Credit System adapts to the evolving needs of emerging markets. Every association's elected board of directors are themselves farmers and ranchers with a vested interest in pursuing policies that facilitate the extension of credit for viable markets benefiting their farm communities.

The extensive experience Farm Credit institutions have in supporting agriculture argues for greater communication with those that can benefit from the System's ability to provide the best business risk assessment for local food entrepreneurs nationwide. After all, groups and individuals who are trying to link producers with buyers need to be made aware of the pivotal role that Farm Credit loan officers can play as collaborators, consultants and, ultimately as the providers of the credit that local food systems need to grow and prosper. Farm Credit lenders have valuable knowledge of local farm production systems. Their capabilities, when joined with local food system advocates' role as public interest brokers, can facilitate the development of localized supply chains which combine large-scale efficiencies with a commitment to foster new opportunities for nearby small- and medium-scale farmers.

Farm Credit Mission Intersects with Opportunity

Because of the typically lower capital investment to start a farm business geared to selling food locally, many entrants to the field are beginning, small farmers. Farm Credit associations have specific programs in place to serve the credit and related service needs of young, beginning, and small farmers and ranchers. These programs for young, beginning, and small farmers are required of every Farm Credit association as part of their mission mandated by Congress.

Loan volume figures underscore the System's commitment to YBS farmers. In 2007, Farm Credit associations made \$6.3 billion in new loans to young farmers, \$10.4 billion in new loans to beginning farmers, and \$13.0 billion in new loans to small farmers. (There is some overlap in the three categories.)^{xvi} Almost 90% of the loans made by Farm Credit are for less than \$250,000 and half of all System loans are for less than \$50,000.^{xvii} Farm Credit loan volume to YBS farmers greatly exceeds that of USDA programs. A recent Government Accountability Office (GAO) report on USDA programs for beginning farmers put 2006 spending as \$1.1 billion, meaning Farm Credit financed approximately ten times as much loan volume as USDA for beginning farmers.^{xviii}

Farming on the Urban Edge

With a merger in the works, the Orange County, NY community bank wanted to clear all quirky loans from its books. So farmers Al and Judy Buckbee were told to take their business to a bank that understands the dairy industry. The Buckbees borrowed from their local Farm Credit System association and got on with the business of milking cows on a ninth generation farm located 50 miles northwest of Manhattan.

That was 30 years ago. Since then, First Pioneer Farm Credit has stood by the Buckbees as they've adapted their farming operation to withstand suburbanization pressures in the fast-growing town of Warwick.

In the 1990's, after their two children returned home from college with a desire to work on the farm, Al and Judy knew that they couldn't continue milking 50 cows for the wholesale market. The question of what products would sell became intertwined with uncertainty about how to protect the farm operation from urban encroachment. The New York Department of Agriculture had launched a farmland protection initiative. State dollars were funding local programs to buy conservation easements from farmers willing to receive cash in exchange for giving up their ability to capture their property's speculative value. Buckbee researched land prices in Suffolk County, NY where the first purchase of development rights (PDR) program in the nation had begun in 1974. Two decades later, demand was so high that easement-protected eastern Long Island real estate was selling for a higher price than its owners could have fetched from speculators in the mid 1970's.

The Buckbees sold their development rights to the town's new farmland preservation program, used the proceeds to buy a neighboring farm, start raising vegetables for sale to farmers markets, and open an ice cream shop. Now in its sixth year, Bellvale Creamery draws commuters, visitors to nearby Greenwood Lake and hikers on the nearby Appalachian Trail. The shop uses cream that the family buys back from a wholesaler that distributes their 50-cow operation's hormone-free milk to regional grocery chains. The Buckbees host Sunday open barns and school group trips. Several years ago, they won the Glynwood Harvest Farmer Award for developing a sustainable farming operation and effective community relationships.

Today, the Buckbees are preparing to hand over the reins to their children. The plan is to sell development rights on the last parcel of their 450-acre Bellvale Farms, and use the anticipated \$800,000 in local, state and federal easement monies to build a dairy processing creamery. The aim is to earn a larger share of the consumer's food dollar by both producing and selling cheeses, milk, yogurts and other dairy products. Raising grass-fed beef is also a consideration.

Lending Near Metro Areas

The new geography for many young, beginning, and small farmers is located along the urban-edge—the transitional agricultural areas on the outskirts of metropolitan regions nationwide. Commercial and community banks are more involved than Farm Credit in the lending that drives suburbia’s outward march through America’s farm fields. From a homebuilder’s perspective, farm fields may look like “empty space” best filled with concrete, asphalt and rooftops. But as the Buckbees’ story shows, Farm Credit institutions recognize the enduring value that can be derived from even small farm businesses. And given Farm Credit loan officers’ mission to serve agriculture as they find it—whether on vast land tracts in remote rural areas or islands of farmland in a sea of suburban sprawl—they have a critical role to play in fostering the growth of the emerging local food niche in the shadow of cities.

Recent research shows that urban-edge agriculture counties account for at least one third of total U.S. agricultural production value (with adjacent-to-urban-edge counties and rural counties each accounting for equal shares of the balance).^{xxix} An American Farmland Trust study estimated that the 16% of U.S. farmland that includes the prime ground located within 50 miles of our largest cities generates 33% of U.S. agriculture’s dollar output.^{xx}

Farm Credit Study Findings

In 2005, System institutions had \$1.5 billion in outstanding loans in a sample of 15 of 916 urban edge counties nationwide.^{xxxi} These numbers are due to both increasing land values and changing production methods. Small, part-time operations often represent agriculture’s future as new and established farmers capitalize on proximity to population centers by shifting from low-value commodity crops to higher-value, direct-marketed products. Farm Credit works with existing urban-edge farmers as they adjust their operations, as well as with new entrants as they develop successful niche markets. The study identifies six market segments that complement traditional production: local food systems, greenhouses/nurseries/sod, equine, forestry, "agri-tainment," and farm-support industries.

Farm Credit System lending represents a sturdy foundation for urban-edge agriculture. A steady rise in the underlying value of real estate collateral secures loans for borrowers who make the transition to higher-value production. A diversity of loan repayment sources provides significant risk-bearing ability for some of these farmers. Many urban-edge farmers have off-farm employment, but their circumstances vary widely. Some second- and third-generation farm family members work off the farm while contributing labor to the family operation; others work in cities or suburbs and have moved to nearby agricultural areas to start niche-market farming operations. There also are individuals who have diversified by starting value-added businesses as a part of their operation or by making investments outside of agriculture. While many of these may not fit the picture of “traditional” farmers, these urban-edge farmers are typical of the majority of people who USDA counts as “farmers.”

The study includes the following observations from Farm Credit personnel nationwide:

- Farmers increase their returns by selling products as close to the market as they can get and in a form that the market can most readily use.
- Farmers have developed markets over the years by combining farmstand sales with large supermarket chain contracts that pay a premium for local farmers to deliver big orders of fresh-picked produce such as sweet corn.
- Urban-edge products are highly differentiated. The meat processor doesn't try to compete with Tyson; perhaps they sell specialty organic chickens instead. The egg producers may sell brown eggs that have strong local markets. Dairies may bottle and home-deliver their own milk.

Participating in the 2006 Urban Edge Agriculture study alerted Farm Credit Services of South Florida CEO Don Rice to a new opportunity. "I'm so amazed by the scope of local food systems that we've decided to include marketing efforts in our new strategic plan," Rice says. "We've got a number of small fruit and vegetable producers with very limited growth prospects. Creating a more cost efficient local food system would make it easier for many other producers to get into the business of building the networks needed to provide more locally grown food for the 6.5 million residents who live in our Association's territory."

Urban Core Farming

Sizeable quantities of underutilized real estate are also located in central cities. An urban gardening movement is taking root in inner-city areas where decades of disinvestment have left many neighborhoods without full-service grocery stores selling fruits, vegetables, and meats. Small garden plots are cropping up on vacant lots, under railroad tracks and power lines, and on rooftops. Gardening has become a cornerstone of community development strategy, and a means to reinvigorate underutilized land in inner-city areas where low-income residents have notoriously poor access to affordable, healthy food. Advocates say this trend "evolved out of the basic need that every person has to know their food, and to have some sense of control over its safety and security."^{xxii}

The potential for economic sustainability is evident in a widely discussed model involving a sliver of land next to two city of Philadelphia water towers. Several years ago, an urban farming advocate teamed up with Canadian entrepreneurs to create a demonstration farm that uses relay planting patterns to raise yields, reduce pest pressure, and build soil fertility. They call this SPIN Farming—for S-mall P-lot IN-tensive. In its fourth year of operation, Philadelphia's Somerton Tank Farms generated over \$68,000 in gross sales growing high value vegetables on a half-acre. An attraction of the SPIN farming model, which is applicable in urban areas, small towns, and rural areas, is the reduction of two barriers to entry to farming—land and capital. "To establish robust local food systems we are going to need new farmers—and lots of them," says Roxanne Christensen, the farm's project manager and co-author of the SPIN-Farming concept. "SPIN is hopefully a tool that can be used toward that end."^{xxiii}

Protected Farmland, Local Foods, and Agricultural Development

Community redevelopment efforts, such as those advocated by a national coalition called Smart Growth America, “encourage and attract investment in existing communities.” The “existing communities” in question refer to cities and suburbs and the policy remedies include programs that preserve open space and farmland to direct growth into existing communities.^{xxiv} An emerging body of research (to be discussed in this report’s last chapter) outlines a public policy framework that can enhance investment in another “existing community”—urban edge agricultural areas.

Integrating agriculture into the urban-edge economic-development mix would enhance the effectiveness of decades-old efforts to protect the land base. Twenty-four states and at least 56 local governments operate independently financed programs that have bought development rights through conservation easements on approximately two million acres nationwide.^{xxv} These pockets of preserved farmland could become the permanent foundation for local food system production.

An outstanding loan on a real estate parcel can complicate the sale of easements to public agencies and private land trusts. Despite the fact that easement-protected land tends to retain its value, commercial banks are often reluctant to allow a borrower to forego the speculative opportunity to turn farmland into housing or a strip mall. Farm Credit has a reputation for supporting the wishes of such borrowers who must enter into agreements to subordinate debt as a condition for selling development rights. For example, Farm Credit of the Virginias loan officers have subordinated debt on 19,928 acres of easement-protected land.

“The private banking industry is lined up behind suburban expansion,” says Deborah Bowers, who has published the Farmland Preservation Report newsletter since 1990. “It’s great that there’s a financial institution which support agricultural development.”

Newspaper real estate sections feed the conventional wisdom that “progress” means paving over farmland. The U.S. political economy views urban edge farmland as undeveloped property whose “highest and best use” is to become new low-density suburbs, scattered across a landscape built under the assumption that the price of gasoline shall remain forever low. Growing demand for ethanol production has fueled competition for agricultural land for food crop purposes—and begun to prove that farmland has enduring value and shouldn’t be treated as a limitless resource.

Rising energy costs will likely enhance the development of local food systems. The Philadelphia-based Delaware Valley Regional Planning Commission (DVRPC) predicts “a major change in the global energy regime will soon impact the economy...there will be great economic opportunities to exploit...therefore, as our primary objective,

economic development strategists should start shifting resources into initiatives to steer the region through this transition.”^{xxvi}

“Food spending is largely non-discretionary, which means food enterprises could have a stabilizing effect on local economies,” says Amalie Lipstreu, program manager for the Ohio Department of Agriculture’s Food Policy Advisory Council. “Eat local” marketing campaigns garner support from Chambers of Commerce and newspaper food sections. But the connection has yet to be drawn between local food demand and those geographic locales where this agricultural development is most likely to occur. Urban edge agricultural counties have land and proximity to large numbers of consumers.

State and local governments are beginning to incorporate urban-edge agriculture issues into business retention strategies. Yet, there is nearly universal exclusion of agriculture from local government economic development programs. Such programs tend to focus on attracting new industry, and not on retooling an existing industry like agriculture. Economic development professionals often concentrate on looking for green industries—those light industries that cause little environmental harm—rather than promoting the green environmental benefits that agricultural operations provide.

Although Farm Credit has congressional restrictions on its ability to lend to every player in local food systems, its commitment as a nationwide network of agriculturally-focused financial institutions could help transform urban-edge agriculture into an enduring industry. So says Ohio State University professor Jeff Sharp who is completing a survey of farm leaders in 620 urban edge farm counties or, as he calls it, “the rural-urban interface.” Prof. Sharp hasn’t done systematic data analysis on agricultural finance. Yet, based on anecdotal observation, he contends: “Farm Credit engagement with non-farmer clientele in local food system development would be a strong substantive and symbolic step toward linking agriculture to other aspects of the community. “Farm Credit support for local foods initiatives would likely catch the attention of the economic development professionals and the community development corporations, and likely leverage even further support.”

Taking the Next Step in Loudoun County, VA:

Located about 50 miles northwest of Washington D.C., Loudoun County is one of few counties to actively embrace its urban edge agriculture opportunity. In 1997, the county board enacted a plan to incorporate “high value agriculture” into its industry cluster recruitment strategy. The goal was to grow the rural economy 100 percent in 10 years. This month, the board released its decade-later report showing a 154 percent increase.^{xxvii}

A dedicated fund tied to a tourism tax finances this agricultural initiative through its economic development office. There are marketing efforts to support local farmers, and a grant program patterned after one developed by the state of Massachusetts providing farmers with funds to retain expertise to develop more profitable businesses. Farmers apply for grants, but the Loudoun County review committee set high standards and turned

down so many applications for lack of sound business potential that the program was scrapped.

Warren Howell, Loudoun County's Innovative Economic Development manager, says capacity building efforts are needed to help local farming reach the next level of profitability. Loudoun County's foresight has established a large supply of permanently protected farmland. Landowners who sell conservation easements to local land trusts should be encouraged to provide long-term leases for beginning farmers who can't afford to buy land. Growing the capacity for food production will require training and mentoring for farmers interested in moving from the artisan level to become a profitable business.

As a Farm Credit of the Virginias' loan officer, Carroll Laycock had a keen interest in helping Loudoun County farm operations on small farm tracts. "A lot of people think we're mainly involved in row crops, but the largest portion of our Loudoun County portfolio involves hay production and horses." (Laycock's Loudoun County experience has propelled him into association-wide responsibilities in its agribusiness and capital markets division as a relationship manager specializing in the greenhouse/ nursery field.)

Loudoun County's Howell sees value in working with Farm Credit. "The local food phenomenon will have trouble expanding without infrastructure," he says. "Urban-edge farmers want to sell their goods to local folks but many do not have the time, interest or ability to get the goods to the people. An appropriate food distribution system would expedite the process. Farm Credit authority to lend and assist these start-ups would make the job much easier."

Infrastructure Support for Local Food Systems

Linking Buyers and Sellers

Grocery chains and food service companies want to ramp up supply in Michigan where the variety of farm products is second only to California. Many Michigan farmers have the needed product and/or the willingness to produce it, but traditional brokers and wholesalers haven't been making the connection between Michigan and Chicago retailers interested in buying more local fresh produce and Michigan growers interested in serving these markets.

The need to bridge this gap inspired a collaboration by three local food advocacy organizations—Michigan Food and Farming Systems (MIFFS), FamilyFarmed.org, and the Association of Family Farms. The result was a "Meet the Midwest Buyers Reception" at the annual Great Lakes Fruit, Vegetable and Farm Market Expo. Sixty farmers took advantage of the chance to meet representatives from food service giants SYSCO and Sodexo, the Whole Foods Market and Meijer grocery chains, as well as Chicago-based organic sourcer and supplier, Goodness Greeness, and a number of other Michigan produce buyers.

Another sponsor was GreenStone Farm Credit Services, the largest provider of agricultural finance in Michigan and northeastern Wisconsin. GreenStone posted information about the reception on its website and provided some funding. Marketing VP Jim Nowak says: "It was a unique event that showed some creative thinking on the part of the organizers."

Deals between producers and buyers were initiated on the spot. Others are likely to follow as a result of new relationships forged that evening in Grand Rapids. Joe Colyn of Originz, LLC, an event sponsor and MIFFS Council member, says: "We achieved an important first step in bringing buyers and sellers together in a market-focused setting."

Marketing Chestnuts

One beneficiary of the "Meet the Midwest Buyers Reception" is Chestnut Growers Inc. (CGI)—a Michigan-based marketing cooperative consisting of 41 growers nationwide who see value-added products as the best way to tap a market niche dominated by imports. In 2006, CGI approached a commercial bank seeking credit to pay for market research. The bank handled the cooperative's deposits and checking accounts, and would have financed an equipment purchase. But the cooperative already had the only commercial chestnut peeler in America. Now it needed to buy expert help in finding a market for an anticipated doubling of chestnut output.

The next call was to GreenStone Farm Credit. The loan officer didn't know anything about the chestnut business but did the research necessary to feel comfortable about extending a line of credit for an uncertain venture. Those funds, combined with a Michigan Ag Department grant, helped CGI determine the feasibility of partnering with a

processor and creating dehydrated chestnut chips for sale to high-end restaurants nationwide.

The “Meet the Buyer” event gave CGI an opportunity to meet buyers for a regional grocery chain. That same week, the co-op sold fresh chestnuts to Meijer grocery stores. It’s currently in dialogue to expand and grow 2008 sales with Meijer and other regional customers.

Using the Internet

GreenStone Farm Credit also is a sponsor for another marketing innovation designed to develop local food systems. MarketMaker is an online tool that brings together producers, buyers, sellers, and distributors in a one-stop shop for marketing information.

Originally conceived to help small livestock producers, the University of Illinois Extension’s Initiative for the Development of Entrepreneurs in Agriculture (IDEA) launched MarketMaker in 2003. IDEA’s intent was to facilitate efforts by Illinois farmers to meet consumer demand. Other states quickly joined. Today, MarketMaker contains nearly 350,000 profiles of farmers and other food related enterprises in Illinois, Indiana, Iowa, Georgia, Mississippi, Nebraska, Kentucky, Michigan and New York. Ohio, Colorado, South Carolina and Washington DC are expected to have live sites by the end of the summer of 2008..^{xxviii}

Addressing an Infrastructure Bottleneck

Identifying growers and buyers is getting easier. What remains hard is cost-effective delivery of large volumes of products from farms to nearby end users. There is significant demand for local foods and substantial supply but only a narrow passage connecting the two. The proliferation of farmers’ markets has fed demand for a local food system to augment the existing conventional food system. But there are too few supply chain enterprises linking growers with nearby establishments.

An upcoming University of California study (which is being conducted in collaboration with California Alliance with Family Farmers) is focusing on the infrastructure bottleneck that impedes development of California’s farm-to-institution market. Preliminary findings identify the limited capacity of a new type of farm-to-institution distributor that bear additional transaction costs (i.e. new ordering and delivery arrangements and negotiations).

“There’s a big disconnect between the established infrastructure serving large-scale food systems and the infrastructure serving small guys,” says Jim Slama, executive director of FamilyFarmed.org, a Chicago-based organization promoting local foods and farms. Consolidation of farms and processing facilities has left the “ag of the middle” without a geographically diverse distribution and marketing network. “The challenge,” Slama says, “is to create a system that facilitates mid-sized farmers’ entry into differentiated markets.”

Leading a Horse with a Carrot, Not a Stick

The missing pieces of local food system infrastructure were evident in a recent *New York Times* article chronicling beginning efforts to systematically source local foods in the New York City public schools. This school system serves 850,000 meals a day.^{xxix}

Through one of many state-led efforts to promote local food products, the New York Agriculture Department works with growers and school districts. Several years ago, the NYC school system hired a food industry consultant to devise and begin to implement a local food procurement strategy. They'd been buying apples from local farmers, but now wanted to come up with a more systematic approach. Each year, the New York schools buy about 280,000 pounds of bagged baby carrots which are shipped from across the country. The consultant, Karp Resources, designed a plan to replace these carrots with a locally grown product. The premise was that locally grown carrots would be fresher, tastier and take less fuel to ship and children even might eat more of them.

New York farmers raise about 2,000 acres of carrots. Those varieties are suited for processing, so a new fresh variety was identified. An apple processor was interested in developing a new business line and a farmer was found who was willing to plant the new carrot variety on a patch of land 150 miles north of New York City. But the soils didn't yield a tasty vegetable and grinding down full-sized carrots resulted in 70 percent waste.

Eventually, the apple processor came up with a solution of crinkle-cut sliced carrots, which were processed out of state for a six-school test. The carrots were a hit, but before the farmer could begin planting and the processor could invest in new equipment, they needed some assurance of market stability. The trouble was the school contracting system isn't designed to support local foods. The district buys food from four approved distributors, who are required by federal and local laws to seek out the least expensive product that will meet its specifications. School districts that spend federal money on food cannot give preferential treatment to local products.

In the end, New York carrot snack packs were made price competitive. They hit schools citywide in January 2008 to great acclaim, fueling expectations that more farmers will get involved, processing capability will grow, and home-grown veggie snacks will be more readily available in more New York state school districts. Farmer Richard Ball's efforts developing the new carrot product for New York's farm-to-school market was an exercise in leading a horse to water. Yet he reportedly added, "If we don't start talking, it's never going to happen. We spent the last 40 years getting out of the local food business so I figure it's going to take a few years to turn that around."

Philanthropic Funding & the Learning Curve

Building the channel between upstate New York carrot farms and New York City school lunch tables began with a multi-agency effort—the SchoolFood Plus Initiative—underwritten by the W.K. Kellogg Foundation. Established by the Battle Creek,

Michigan cereal maker in 1930, the \$7.8 billion endowment gave away \$335 million in 2006-2007. About 20 percent of those funds went to groups trying to create “a safe, wholesome food supply worldwide.”^{xxx}

This one philanthropy has largely underwritten the rise of the local food system movement by funding academic studies (e.g. the California farm-to-institution report cited above), advocacy, and public interest brokerage (e.g. groups involved in the Michigan “Meet the Buyer” reception.) These investments have helped to both build demand and foster a better understanding of local food system dynamics. In recent years, the foundation has tried taking the next step—supporting creation of local food business networks or “value chains” designed to benefit small- and mid-sized farms/ranches.

But now Kellogg is changing its giving strategy. The Food Systems and Rural Development program has stopped making new grants. Kellogg’s new focus will be to improve the future of vulnerable children.

“Kellogg Foundation’s Food and Society program has made a positive impact,” observes Joe Colyn, an agronomist by training who started the Originz LLC consultancy following an 18-year career in various positions at Kellogg Co. “If local food system advocates are to meet their goal of regionally sourced foods becoming 10 percent of the consumer dollar, they’re going to have to transition the movement into a market.”

Farm-to-School – Supply and Infrastructure Needs to Match Demand

In 2000, USDA’s Initiative for Future Agriculture and Food Systems funded farm-to-school projects in several states. Efforts to get local food into schools were soon cropping up nationwide. In 2007, the Center for Food & Justice (an affiliate of Los Angeles-based Occidental College) and the Community Food Security Coalition (CFSC) secured Kellogg funding to engage farm-to-school organizations from 35 states in a planning process. A national network was established, focusing on policy advocacy, marketing the benefits of locally sourced foods, providing technical assistance and sharing information.

With organizations nationwide hitting the wall of inadequate supply chains, CFSC secured a grant from the UPS Foundation to help four groups (in urban New York City and Los Angeles as well as rural New Mexico and North Carolina) to create replicable business models for expanding distribution capacity.

Seasonality is a limiting factor, although greater use of greenhouses and high tunnels will extend growing seasons. Yet even in California’s temperate climate, the 85 farm-to-school distribution systems encounter significant hurdles.

One of the oldest is in Santa Monica Malibu Unified School District. Cafeteria salad bars are supplied by twice weekly buys from farmers markets. Advance orders are made to

farmers who pack produce for pick up. School employees bring it to the central kitchen for sorting and then deliver it to each site. On average, students choose the salad bar over hot lunch one-third of the time.

The Santa Monica director moved to a different district that wants to expand a program that provides salad bars in eight schools. Small producers supply reliable and consistent product from small producer suppliers, but the district lacks trucks, a centralized hub and coolers. Shrinkage and spoilage are problems. The district is seeking grants to pay for equipment and aim to be economically self-supporting by the end of the grant cycle.

School districts often partner with intermediaries. The California Alliance with Family Farmers (CAFF) is a three-decade-old not-for-profit agency that manages a for-profit LLC called the Growers' Collaborative. GC is a marketing/distribution company linking small- and medium-sized family-owned producers to institutional end users (such as the Kaiser Permanente hospital pilot). Participating farmers can use organic or conventional farming techniques, but must demonstrate high standards for treatment of workers and land stewardship.

GC has four locations, two of which are still subsidized. One of the facilities that's on the road to profitability has two drivers and two refrigerated trucks. They get orders online, pick up 50 percent of the produce, stage it at its facility (source-verifying produce with their own labels in the boxes) and deliver to buyers. There are 18 growers and 35 active buyers on a weekly basis. In 2007, this facility generated about \$300,000 in sales which equals almost \$200,000 in revenue for area farmers. In the first six months of 2008, this location had generated over \$250,000 in sales. Increasing customer base and order size are the goals. Supply is not a problem.

A Minnesota Effort

Supply is but part of the problem for the St. Paul, Minnesota public school system. SPPS, which serves 30,000 lunches a day, 14,000 breakfasts and a few thousand snacks, would make better use of locally sourced foods if efficient distribution channels existed.

In 2005, the SPPS nutrition services department began purchasing locally grown sugar snap peas and kohlrabi sticks. Local apples and winter squash were added to the 2006 menu. Last fall, they arranged through a CSA to have local farmers supply fresh winter melon and Chinese mustard greens. But as harvest season approached, SPPS learned the growers hadn't planted the requested products. "These farmers were used to selling only at farmers markets and restaurants, and didn't like the added pressure of growing product under contract," SPPS purchasing analyst Jim Groskopf explains. "The CSA leadership plans to provide these farmers with business education."

Another challenge is devising a system that gets local produce into a form school districts can use. "We need cleaned cubed fresh potatoes and zucchini sticks," Groskopf says. "One way to accomplish this is to match local growers with local produce suppliers but

again this takes time and resources. Also local produce processors need to be willing to cost effectively participate in this endeavor.”

Meeting Food Service Industry Needs

Bon Appétit Management Company, a northern California-based food service company, began operations in 1987 with a made-from-scratch food philosophy. Through an internal program called “Farm to Fork,” executive chefs in all 400 cafes in 28 states connect with local farmers. They prefer to buy directly from the farm source. When they do go through a middleman, they use some type of marketing cooperative such as the Grower Collaborative described above. More typically, farmers deliver food to café sites; chefs pick up produce at farmers market, or, in some cases, farmers make deliveries to a single café for distribution to other sites via Bon Appetit catering trucks.

In 2006, the company spent \$55 million on local foods or about 30% of their total food budget. Hindering the growth of locally sourced portion of the budget is the requirement for large volumes.

“The food service business model is very dependent on centralized purchasing with a reliance on large one-stop-shop suppliers and value added products,” says Marc Zammit, Bon Appetit’s director of culinary support and development. “The only farming sector that can meet both the local/sustainable criteria and volume and other purchase requirements are the American mid-size family farms. Unfortunately, they are disappearing at a fast rate. Changes throughout our entire food supply chain will have to take place at a fast and furious pace, if we are going to save that valuable resource and support local economies.”

Building Supplier Networks

In 2002, Pittsburgh-based Eat’n Park Hospitality Group’s contract management unit began getting inquiries from colleges and retirement homes. The corporate purchasing department discovered that none of its distributors were buying from local farmers.

Jamie Moore, director of sourcing and sustainability, began the search for suppliers by becoming the first corporate member of the Pennsylvania Association for Sustainable Agriculture.

Six years later, Moore has created a network of 100 farmers. Several regional food distributors are actively tapping local food supplies. This new sourcing capability accounts for about half of Eat’n Park’s new institutional customers. The company is supplying local food to over 100 colleges, businesses, hospitals and retirement homes. During harvest season, the Eat’n Park restaurant chain puts signs bearing the name of local farms supplying vegetables at the salad bar.

Impediments to market development begin with the lack of farmers. Then there’s the problem of rigid specifications that require growers to change production and packaging

methods and food service buyers to realize the value in offering tasty tomatoes rather than perfectly-shaped ones.

As for local meat, Eat'n Park customers only use certain cuts. Moore would like to form relationships with retail grocery stores for help in moving the entire animal. "By utilizing a retail provider, we expect to be able to pull together the volume necessary to make a local beef offering a reality."

Getting to the Meat of It

One of the fastest growing segments of U.S. food sales is "alternative" meats (e.g. local, organic, grass-fed, and natural.) Local market figures aren't tracked, but organic meat demand rose 55 percent in 2006, placing total sales at \$300 million.^{xxxii} Hindering expansion of local meats in the U.S. is the inadequacy of small-scale meat processing facilities. Existing small- or mid-sized plants often lack capacity, equipment, appropriate inspection status, and human/financial capital to upgrade or expand.

Individuals from 20 states have formed the Niche Meat Processors Assistance Network (NMPAN) with the aim of strengthening this supply chain link. The working group consists of specialists in rural development, cooperative extension, state agriculture departments, non-profit agencies, food safety and processing, and livestock producers. NMPAN is reaching out to niche meat processing experts in trade associations, government agencies, universities, NGOs, and elsewhere. The aim is to create a network with affiliates in each state who will make themselves available to assist the development of local processing efforts.

The working group has identified five "critical needs" to improve the viability of existing processing facilities and help planned facilities get off the ground:

- 1) Business skills: Management, business, and financial planning;
- 2) Regulations: Understanding preventive approaches to food safety (Hazard Analysis and Critical Control Points or HACCP) particularly at the USDA level;
- 3) Labor: Finding, training and retaining capable employees;
- 4) Communication skills: with customers (marketing), and with regulators;
- 5) Accessing financial capital.

NMPAN's co-coordinators are Arion Thiboumery of the North Central Regional Center for Rural Development at Iowa State University and Lauren Gwin of Oregon State University. The network has earned acceptance as an "eXtension community of practice"—that is an Internet-based collaborative environment where land grant university content providers exchange objective, research-based knowledge to solve real challenges in real time. NMPAN is launching a website at www.nichemeatprocessing.org.

Taking Local National

Houston-based SYSCO is a \$35 billion company that procures food globally for North American distribution to restaurants and institutions. In the late 1990s, Sysco noticed the marketing trend where independent restaurants were competing against chains by offering unique ingredients, special plate presentations and local foods. Around the same time, SYSCO CEO Rick Schnieders made contact with the leadership of Iowa State University's Leopold Center for Sustainable Agriculture. This led to the involvement of SYSCO's Craig Watson with the Association of Family Farms and ongoing efforts to foster new markets for small- and mid-sized farms.

"Farmers get frustrated because they tell us what products they have to sell," says Watson, who is SYSCO's Vice President of Quality Assurance & Agricultural Sustainability. "What they may not appreciate is that we only sell products that our customers are asking for."

SYSCO operating companies are structured as locally controlled businesses that operate with great autonomy in their market territories. Today, 20 operating companies see market demand from customers for locally sourced foods.

In SYSCO's view, bringing local foods to market requires aggregation. It's difficult for a buyer to do business directly with an individual farmer. It's done in certain areas for seasonal products, but for the most part SYSCO sees a need to foster development of aggregated sources of supply.

Its Minnesota operating unit established the concept of pooling the supply of 15-25 farmers with as little as 10 acres of production. To make this model work best requires a key infrastructure investment of about \$400,000 in a packing shed where field products would be collected, sorted and put it in a box so that it can be picked up by a SYSCO truck.

Can big companies go local?

Technological innovations like the Market Maker (MM) Internet platform are fueling corporate efforts to participate in local food procurement programs. But it's unclear how large-scale operators might fit into the value chain designed to work on a small-scale.

University of Illinois Champaign Extension's Dar Knipe, who helped launch the Market Maker (MM) initiative, has had several meetings with Wal-Mart and plans more with SYSCO. "Wal-Mart seems enamored with MM and we've already trained many of their buyers in its use but we still don't know if this will result in relationships that will be compelling to the local producers," she explains. "There is still a lot of daylight between the needs and expectations of parties on both sides of this proposition. Wal-Mart assures me they have a new found sensitivity to the local farmer but we don't know if that will translate to a reasonable return to the small and mid sized grower. The discussions are encouraging but we will have to see how it all plays out."

“Demand is growing exponentially but with rising food prices, I have to wonder if the consumer will be willing to pay the prices necessary to entice a reasonable number of producers to sell in to these markets, especially since commodities have never looked better,” Knipe observes. “There is a wealthy niche that has driven the local food movement so far but if the Wal-Marts and SYSCO’s of the world are seeking local food sources they are hearing that mainstream markets are wanting the same. How does the marketplace resolve this? Farmers will expect an economic return on par with commodity growing alternatives, complex market systems will want a higher level of accountability in regards to food safety and traceability and more consumers want more local food but many if not most will not be willing to pay enough of a premium for it. Tim Woods of the University of Kentucky has looked at the impact of rising fuel costs on produce prices and it doesn’t sound as if the savings on freight for shorter hauls will be enough to entirely offset the increased costs for local and regional food systems. Local and regional food systems will have to operate at masterful levels of efficiency in order to reasonably reward farmers while not passing off the full impact of increased costs to the producer. I’m convinced it can be done but it will take a lot of smart people working together to work it out.”

Finding the Capital for Local Foods Success

Community Gets Educated and Demands Local Food

Community leaders in Knox County, Ohio want area farmers to supply a larger share of the \$130 million that consumers and businesses spend on food each year. Agriculture accounts for about 70% of the land use in this central Ohio county. Corn and soybean fields predominate, but many of the county's 1,100 farmers are finding local markets.

Responding to the “eat local” clamor rising on college and university campuses nationwide, Kenyon College became the first Knox County institution to begin tapping local food suppliers. That was 2004. Four years later, the college dining service is sourcing 30 percent of its 2,500 daily meals from nearby producers—three times greater than what many elsewhere in the U.S. view as a lofty benchmark.

Kenyon's Center for Rural Life has taken the lead on countywide efforts to help farmers tailor products for local consumption—including individuals as well institutional buyers like schools, hospitals, restaurants, grocery stores, and caterers. Called “Food for Thought,” this Knox County collaborative is researching all the supply chain issues, including production, processing, distribution, and quality control.

Financing and capital have emerged as a big hurdle. Food for Thought's new community dining center is designed to accommodate local suppliers, but a \$65,000 flash freezer is needed to store produce. Some area corn and soybean growers might agree to diversify into vegetable production but greenhouses cost \$10,000 apiece. An organic dairy farmer could supply milk but doesn't have a refrigerated truck. A nearby historic warehouse is available to be leased for free and converted into a year-round local-food repository, but the renovation could cost as much as \$500,000.^{xxxii}

Delivering the Goods

Inadequate capitalization impedes California's farm-to-institution market, according to Gail Feenstra—a food systems analyst in the U-Cal Davis Sustainable Agriculture Research & Education Program. Co-author of a forthcoming study on new distributors serving California's college market, Feenstra explains: “They tend to be small enterprises, often associated with non-profit agencies with supplemental grant funds. Their main purpose is to expand regional markets for small to mid-scale farmers and ensure farmers adequate prices for their products. As capitalization improves, these new distributors can move increasing volumes of local product.”

The same problem is surfacing on the East Coast where the emerging supply chain depends on small to mid-size distributors that are more nimble but significantly less capitalized than their national counterparts. “They operate with a complicated set of logistics, relationships, and—when it comes to produce they sell through a competitive

bid system—very tight margins,” says Shayna Cohen of Karp Resources. “They are often the critically overlooked link in the food chain when it comes to subsidies or grant support. One New York City-based distributor told us, ‘if the State or City offered a fuel tax or payroll tax credit to keep our trucks within state borders, we’d look hard to develop new sources supply of local foods.’”

Who Will Fill the Credit Void?

Local food system initiatives cannot ramp up supply without financing. Private capital will be required to fulfill these emerging markets’ value chain demands. Some unlikely players have stepped forward.

Whole Foods Markets created a local producer loan program to help expand the availability of quality, local, differentiated products. The company website posted a statement from John Mackey, co-founder and CEO, who said Whole Foods’ “...intention is to support local agriculture all over the United States. We are going to 'walk our talk' with financial support for farmers and other producers in close proximity to our stores. We believe this financial assistance of \$10 million a year can make a very significant difference in helping local agriculture grow and flourish across the United States.”

A \$10 million a year fund won’t go far. As further indication of the need, even *Food and Wine* Magazine plans to launch a foundation to help small farmers produce local food.

“Financing is an absolutely critical piece of the puzzle,” says Emily Jackson, farm-to-school program director for Asheville, NC-based Appalachian Sustainable Agriculture Project. Marion Kalb, who directs the National Farm to School Program for the Community Food Security Coalition, says there are not enough farmers and not enough production” to supply the need of institutional buyers. Kalb adds: “The ability to effectively deliver products is a key factor. So is the financing for refrigerated trucks and warehouses and storage capacity. I suspect there’s a step in between that will get us into that way of thinking.”

Risk in Local Food System Expansion

As experts in the financing of agricultural production/food systems, Farm Credit loan officers understand the issues that determine the profitability of a farming enterprise. The dynamics driving the development of this marketplace reflect the underlying principles of economics.

The explosive growth of farmers’ markets amounts to local foods’ “entry level” phase since it’s relatively affordable for both producer and consumer. The challenge now is to extend that growth curve by integrating local food into groceries and institutions. Moving to the next phase requires more capital to build the necessary infrastructure, and more

risk for both grower and food distributor. The grower's risk involves capital investment, crop production risk, and the "labor risk" of finding, managing, and keeping the seasonal labor necessary to harvest crops. The food distributor's risk is also capital investment, along with increased competition from bringing new local food wholesalers into the marketplace.

The economic risk of moving to the next phase is being concentrated on new, start-up, niche-oriented food wholesalers who may have difficulty finding the financing to build such businesses. Farm Credit is the appropriate lender because of its deep knowledge of agricultural production and marketing businesses, and its mission interest in providing economic opportunity for farmer-customers who produce the food and benefit from increased market demand.

Commercial banks would likely view financing local food system distributors and processors as risky start-ups tied to a passing fad. By contrast, many System institutions view such businesses as logical extensions of the widespread lending Farm Credit already does to the growers who now supply farmers' markets.

Practical Evaluation of Costs

Local Farm Credit institutions could help determine how to create an efficient delivery system by putting all supply chain components on the table, then analyzing each link. The first outcome of such an evaluation will be a more accurate view of costs—an issue largely ignored by studies justifying local food system development.

Among the exceptions was a 2004 study on distribution barriers. Referring to small fruit and vegetable growers, the authors wrote: "Physical types of infrastructure can involve considerable outlays of capital. Attention will need to be given to cost-benefit analyses. Several local food advocates named financial constraints and a shortage of resources as barriers to advancing local food systems. Without careful planning, limited resources can quickly be used up on infrastructure that may not achieve desired results."^{xxxiii}

"Understanding the gap between demand and supply" is crucial, a 2007 study observes.^{xxxiv} There's huge potential to increase local consumption of food and farm products. However, "if transaction costs rise at the same rate as total revenues, the gain to the farmer of selling to local markets would be lost."

Yet, many studies have made cost assumptions that cast doubt on potential benefits. There can be a steep learning curve for local food system advocates—the universities and non-profits that have been incubating demand. The engagement of financial expertise is key to ensuring creation of economically sustainable local food systems.

Public Interest Brokers

Michigan Land Use Institute (MLUI) uses research, advocacy and communication tools

to facilitate local food and farm networks. Founded in 1995 to promote natural resources-based sustainable development practices in northwest Michigan, MLUI was one of the first smart growth groups to realize farmland protection policies alone cannot be an effective check against suburban sprawl. Its “entrepreneurial agriculture” program, launched in 2002, set out to support local food and farm businesses. The focus has been to expand market outlets by re-creating a network of smaller independent processors, wholesalers, and distributors.

In 2006, MLUI and Michigan State University’s C.S. Mott Group collaborated on a study showing how to increase profits for the state’s fruit and vegetable growers through more direct and wholesale marketing of fresh produce and less reliance on sales of bulk raw fruits and vegetables to processors of canned, frozen, and other products.^{xxxv} The study built on the findings from a 2004 state-funded pilot marketing program that helped produce growers increase fresh produce sales by 8.6 percent to two grocery chains in Grand Rapids and Detroit. That year, Michigan farmers generated approximately \$41 million in direct market revenue—a tiny fraction of the \$1.9 billion that the state’s consumers spend annually on fruits and vegetables. Meanwhile, Michigan farmers sold 74 percent of fruit and 44 percent of vegetables at much lower commodity prices to processors. Between 2002 and 2005, the state’s 350 asparagus farmers expanded their fresh marketing (direct and wholesale fresh) business from 5 percent to 25 percent. Increased sales helped farmers net a 20 percent premium. A corresponding decline in the asparagus supply contributed to commodity processors upping their purchase price by 30 percent.

Tripling the sale of fresh produce to direct and wholesale markets in Michigan would result in up to \$64 million in new net farm income for Michigan farmers and nearly 1,900 jobs as farmers spent that new income. The report’s authors say they took a conservative number because their economic models didn’t take into account the added benefits of higher farm profits attracting entrepreneurs and stimulating innovation. However, they conceded a lack of expertise to estimate the cost or potential new jobs involved in new fresh market-oriented packing, processing and distribution infrastructure.

Farm Credit’s potential to become an invaluable business planning partner is clear to Patty Cantrell, MLUI’s entrepreneurial ag program director and the study’s co-author. She has sought Farm Credit help on a Grand Traverse County-sponsored study exploring potential community benefits from building out the local food marketing chain. The region’s economic development agencies are helping to research projected sales, storage and processing needs. GreenStone Farm Credit Services has agreed to review this concept and possibly connect the group to others who have formed successful marketing cooperatives elsewhere.

“Greenstone is glad to assist in this way,” executive vice president Dave Armstrong says. “There is no immediate need for money but they are exploring some promising concepts to better link local growers to processors, wholesale and retail buyers, and ultimately consumers. Locally grown and processed foods are a rapidly growing niche within the food industry and represent a great opportunity for local producers.”

Infrastructure Ownership Affects Access to Capital

Farm Credit associations are reluctant to lend their savvy to discussions where legislative constraints can limit their ability to be an effective partner. Strict farmer ownership requirements make many local food system efforts ineligible for Farm Credit financing. As many Farm Credit loan officers have found out, it's not a pleasant experience helping an entrepreneur figure a path to success—and then having to explain that he or she must go somewhere else for financing.

A 37-year-old federal law—the 1971 Farm Credit Act—determines that farm-related businesses must be majority farmer-owned to qualify for Farm Credit loans. At one time farmer-owned cooperatives (which qualify for Farm Credit loans) were a more prevalent ownership structure for businesses primarily engaged in buying products directly from farmers or selling crop inputs directly to farmers. Now farmers and others are joining together through limited liability companies forming farm-related business structures that buy and sell farm inputs and products.

Farm-related businesses will become essential components in regional networks linking production, processing, storage and distribution of foods to nearby markets. The 2007 Leopold Center small-market farmers study stated the importance of building supply-chain partnerships with non-farm providers. The study didn't look at who owns those farm-related businesses. However, in a subsequent interview, study co-author Iowa State logistics professor Dr. Clyde Walter said he doubts individual farmers would have the capital necessary for supply chain components like distributors, packing plants, and motor carriers.

Emerging partnerships are embracing “‘small ‘c’ collaborative approaches (versus the traditional commodity cooperative, or ‘Big C’ approach) to sharing information, abiding by standards, and branding their products,” MLUI's Cantrell says. “The ‘small c’ stuff is in the realm of all fruits and vegetables (from asparagus to zucchini), where we have many producers of varying volumes needing to work together, including finding and/or funding infrastructure, but not wanting to be joined at the hip.”

The “Big C” approach was a dominant business model when Congress last updated Farm Credit's lending authorities during the Nixon Administration. New models of cooperation—not direct farmer ownership—will likely drive 21st century farm-to-fork initiatives, i.e. “value chains” in which producers, processors, and distributors join as strategic partners in assuring integrity (of farm story, product quality etc.) Many small-scale businesses may not qualify for Farm Credit financing and, thus, will have to deal with seasonal and perishable farm products without the help of a knowledgeable, experienced agricultural lender.

Member-owned food co-ops

Building ties to local farmers has become a guiding principle of member-owned food co-ops which are emerging as a new tier of regional food distribution nationwide .^{xxxvi} Yet, unlike farmer-coops, food-coops are consumer-owned and, thus, ineligible for Farm Credit financing.

Minneapolis, MN-based Wedge Natural Foods Co-op—the largest, single store, consumer-owned natural food co-op in the U.S.—has a warehouse operation that distributes certified organic produce from a five-state area. Much of the produce is grown within a 100-mile radius. To ensure that a retiring supplier’s land remains in farming, the Wedge purchased a nearby 97-acre organic farm. Under the Wedge’s ownership the well-known “Gardens of Eagan” will continue generating good food as well as become an educational entity that helps people from the Twin Cities region better understand where food comes from.

Before buying the farm, Wedge management turned to Farm Credit. The prosperous co-op didn’t need a loan, but it did need advice about the farm’s cash-flow. Wedge general manager Lindy Bannister was delighted with help provided by a loan officer from AgStar Financial Services. The association would have been eligible to finance the farm but is ineligible to assist this grocery cooperative’s other ventures. Bannister says she’d like to partner with Farm Credit on future efforts “to supply our chain because they understand the people who smell the dirt.”

Local Food Systems Require Local Commitment

The demand-driven local food market is clouded by unknowns. Farmers who haven’t sold to groceries or institutions are reluctant to take on a value-added endeavor because they’re afraid the market will dry up. Meanwhile, farm-to-school networkers fear that the scaling up process will attract schools and hospitals that might abandon the project if contracts for local foods can’t be fulfilled.

But it may be that the opposite occurs now that demand greatly exceeds supply. So says Warren King, a former Cargill executive who now applies his expertise to the logistical challenges of local and organic foods through his consulting firm Wellspring Management. “The current drive is to build local and regional food systems that will be less industrial and incorporate a set of ‘values’ that go beyond price, quantity and shipment into the supply chain,” King explains. “If this doesn’t get done in three to five years, the opportunity will be greatly diminished because large food producers and processors will likely fill this niche.”

Organic Inc. author Samuel Fromartz is skeptical. “I think local food systems are inherently challenging for bigger companies, because of the logistics of sourcing from so many local operators. So I believe this niche will have time to grow, with local control.”

That large food concerns could wind up meeting the demand isn't what advocates had in mind. John Fisk is director of the Wallace Center at Winrock International Institute for Agricultural Development. Winrock is currently in the middle of a \$5 million, three-year initiative to "enhance sustainable community-based food systems movement." Various efforts include dispersing funds to regional groups and developing a national "Good Food Network" that supports these groups and others to be more successful at scaling up supply. Fisk sees private capital as crucial, noting greater availability of credit would "help locally based food enterprises which are best positioned to provide benefits to their community."

Public Policy

(This chapter will focus on the impact of the new federal farm bill as well as the emerging body of research describing a public policy framework that can help foster agricultural development on the outskirts of metropolitan regions.)

ⁱ The 1% of food industry figure comes from *Newsday*, August 14, 2006, “Local farms delivering freshness” by Becky Aikman. In June 2007, market research publisher Packaged Facts released a study “Local and Fresh Foods” which found that locally grown food sales are “expected to jump from approximately \$4 billion in 2002 to \$5 billion in 2007...Based on the exponential growth of farmers’ markets, as well as retail and foodservice initiatives to add more local products to their merchandise mix and menus, Packaged Facts estimates that locally grown foods could turn into a \$7 billion business by 2011.” <http://www.packagedfacts.com/Local-Fresh-Foods-1421831>.

ⁱⁱ “An Analysis of Food-Chain Demand for Differentiated Farm Commodities: Implications for the Farm Sector” was written by Dr. Kathleen Painter of Washington State University’s Center for Sustaining Ag and Natural Resources.

ⁱⁱⁱ See “How to Buy from the Little Guy”--Food Management Magazine’s cover story in October 2006. <http://www.food-management.com/archive.php?Y=2006>. In an interview 15 months later, Buzalka says the local food trend “continues to occur with increasing frequency, especially at colleges.”

^{iv} Organic Trade Association data reported in July 6, 2008 *Chicago Tribune* “Support your local farmer.”

^v Fromartz’s Organic Inc. was published by Harcourt Books in 2006.

^{vi} Kirschenmann made these remarks at the March 2007 FamilyFarmed.org Expo in the Chicago Cultural Center. Event organizer Jim Slama introduced Kirschenmann as the “pre-eminent organic philosopher.”

6 Historical data about the number of farmers markets came from [Organic, Inc.: Natural Foods and How They Grew](#). USDA’s 2006 numbers can be found at <http://www.ams.usda.gov/news/281-06.htm>. In June 2008, Debra Tropp, Branch Chief of Farmers Market and Direct Marketing Research for USDA Agricultural Marketing Service, informed us that USDA will release new figures in August 2008.

^{viii} <http://chefscollaborative.org/>

^{ix} Elisa Wong is community health specialist in the Kaiser Permanente Community Benefit program Office and **supports the farmers market network** at its Oakland headquarters. In an interview, she said the original driving force behind Kaiser’s involvement in local foods is Dr. Preston Maring. The associate physician-in-chief at the Kaiser Permanente Medical Center in Oakland, he’s responsible for tertiary care services planning and development for Oakland’s 200,000 health plan members as well as members from around the Northern California region. Dr. Maring is also an avid chef.

^x The New York State Department of Agriculture and Markets—with support from the USDA’s Agricultural Markets Services—retained Market Ventures, Inc. and Karp Resources to conduct the studies. <http://wholesalefarmersmarketnyc.com/>

^{xi} Obesity statistics and farm-to-school program numbers come from the National Farm to School Network website-- www.farmtoschool.org

^{xii} Ibid.

^{xiii} Berkenkamp is the author of various studies on local food systems, including “Making the Farm/School Connection: Opportunity and Barriers to Greater Use of Locally Grown Produce in Public Schools.” This report was prepared for the University of Minnesota’s Dept of Applied Economics in January 2006. Berkenkamp is now local foods program director for the Minneapolis-based Institute for Agriculture and Trade Policy.

^{xiv} Reporter Gerry Smith’s article—“Support your local farmer: Movement to eat food grown within 100 miles of home is gaining traction”—appeared in the July 6, 2008 edition of the *Chicago Tribune*.

¹² “Transaction cost case studies for six Iowa food producers” was released by ISU’s Leopold Center in July 2007. Co-authors were Clyde Walter, Prof. of Logistics and Supply Chain Management at College of Business and Randy Boeckstedt of Center for Transportation Research and Education.

^{xvi} Farm Credit System’s new loan volumes in 2006 can be found at: http://www.fca.gov/FCA-Web/fca%20new%20site/Download/2006_fcs_ybs_report.pdf.

^{xvii} The number of FCS loans by size can be found at: (<http://www.farmcredit-fcb.com/farmcredit/financials/statement.jsp>)

^{xviii} GAO Report to the Chairman, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, September 2007, Publication # GAO-07-1130.

^{xix} See “21st Century Rural America: New Horizons for U.S. Agriculture.” Farm Credit Council released this report in January 2006.

^{xx} In the July 2001, *Ag Lender* article “Resourceful Farming: Producing Environmental Commodities,” Robert Heuer explored the mounting public scrutiny of the federal farm legislative process leading up to the 2002 bill Farm Bill. Drawing on data from American Farmland Trust, Heuer wrote that urban-edge farming “represents America’s food security blanket, producing 30% of our grain, 45% of our livestock, and 80% of our domestic fruit, vegetables and dairy products. Yet, farm policy barely acknowledges a federal role in cultivating local farm economies...”

^{xxi} The April 2006 Farm Credit Council study --“Urban Edge Agriculture: A Farm Credit System Perspective” was written by public policy/marketing consultant Robert Heuer.

^{xxii} Remarks by Michael Ableman, keynote speaker at the winter 2008 Urban Agriculture conference in Milwaukee. Ableman—a farmer, educator, photographer and writer—is founder and executive director emeritus of the [Center for Urban Agriculture at Fairview Gardens](#), a non profit organization based on one of the oldest and most diverse organic farms in southern California, where he farmed from 1981 to 2001. The farm has become an important community and education center and a national model for small scale and urban agriculture, hosting as many as 5000 people per year for tours, classes, festivals, and apprenticeships.

^{xxiii} Christensen attended the first meeting of the steering committee for the Delaware Valley Regional Planning Commission’s Greater Philadelphia food assessment on June 5, 2008. What struck her at the meeting was someone’s observation that: “Saving farms and saving farming are two different things.”

She explains: “I know Pennsylvania’s farmland preservation program is among the most effective in the country; but saving small, independent farm businesses remains a challenge. Farming has to be ‘right-sized’ to be compatible with high population density. This is more easily accomplished with vegetable farming than livestock and dairy farming. Commercial vegetable farming can be down-sized and moved closer to consumers, thus reducing the land base needed for farming, minimizing transportation costs and increasing food security. And that is, effectively, what Somerton Tanks Farm serves as the model for, and

what SPIN-style farming accomplishes. And by being a “franchise-ready” farming system, SPIN enables lots more people - whether they are just starting out, or are the mid-life career changers or retirees - to farm.

“I might not have a clear perspective since I am in the thick of it, but what I see every day are more and more entrepreneurial first generation farmers from all over this country and Canada using SPIN’s sub-acre commercial system as an entry point into the farming profession. There are now over 200 members in the SPIN farmers email group throughout the U.S. and Canada. They are using front lawns and backyards and neighborhood lots as their land base. People are literally taking into their own hands the task of re-localizing food production. This is happening without significant policy changes or government supports. It is entirely entrepreneurially-driven.”

^{xxiv} Smart Growth America website, (<http://www.smartgrowthamerica.org/openspace.html>), states the group’s position on farmland preservation based on an American Farmland Trust report released in 2002. “Farming on the Edge: Sprawling Development Threatens America’s Best Farmland” found that between 1992 and 1997, the U.S. paved over more than 6 million acres of farmland, an area approximately the size of Maryland. Americans developed twice as much farmland in the 1990s as in the 1980s, and we are losing high quality farmland –the land best suited for growing food – the fastest.

^{xxv} This data comes from American Farmland Trust’s (AFT) Farmland Information Center—a clearinghouse for information about farm and ranchland protection, conservation practices, and programs and policies that support the business of farming. The two million acres of permanently protected farmland have been through public programs. AFT’s Anita Zurbrugg says that they don’t tally the additional protected acreage through private land trusts.

^{xxvi} Pg. 34, “Farming in Philadelphia: Feasibility Analysis and Next Steps;” Institute for Innovations in Local Farming by Urban Partners;
www.spinfarming.com/common/pdfs/STF_inst_for_innovations_dec07.pdf

^{xxvii} Between 1992 and 1997, Loudoun’s annual ag output actually declined from \$26.7 million to \$25.9 million. However, the active promotion of urban-edge market segments helped Loudoun County generate \$67.9 million in gross sales last year. In the “Report on the Outcome of the 200,000 Acres Solution,” which was presented to the Loudoun County Board on July 15, 2008, the rural economic development office found that the “re-invention of the rural economy...emerged from this merger of forces (that) includes crops and animals (as well as) greater production of consumer-oriented foods, B&Bs, restaurants, special events facilities and a growing corps of entrepreneurs focused on introducing modern business practices to agriculture.” <http://www.loudounfarms.org/>

^{xxviii} Access all states through national portal <http://national.marketmaker.uiuc.edu>.

^{xxix} The October 17, 2007 *New York Times* article “Local Carrots With a Side of Red Tape” was written by Kim Severson.

^{xxx} To learn more about [W.K. Kellogg Foundation](http://www.wkcf.org)’s efforts to build “the capacity of individuals, communities, and institutions to solve their own problems, see www.wkcf.org

^{xxxi} See *San Francisco Chronicle* “Back to the Ranch: Consumers are going to the source for pastured beef, pork, poultry and eggs.” (Sept. 20, 2006) and various stories at such websites as meatprocess.com; americancowman.com; and foodnavigator-USA.com.

^{xxxii} Howard Sacks, Rural Life Center director at Kenyon College, provided cost estimates.

^{xxxiii} “A Marketing Systems Approach to Removing Distribution Barriers Confronting Small-Volume Fruit and Vegetable Growers” appeared in the August 2004 Southern Cooperative Series Bulletin Report. The co-authors were University of Tennessee’s David Eastwood, John Brooker and Charles Hall; North Carolina State University’s Ed Estes; University of Kentucky’s Tim Woods; and University of Georgia’s James Epperson and Forrest Stegelin.

^{xxxiv} See “Growing Local: Expanding the Western North Carolina Food and Farm Economy.” The 2007 study—written by Laura D. Kirby, Charlie Jackson, and Allison Perrett—results from the Appalachian Sustainable Agriculture Project’s multi-year evaluation of the potential for increasing local consumption of Western North Carolina-grown food and farm products.

^{xxxv} “Eat Fresh and Grow Jobs, Michigan” was released in September 2006. Co-authors were MLUI’s Patty Cantrell; Michigan State’s David Conner and Michael Hamm, and Upjohn Institute’s George Erickcek.

^{xxxvi} Organic Valley of Wisconsin’s Cecil Wright speaks of food cooperatives as being at “the nexus of local food system development.”

Know Your Farmer, Know Your Food (KYF2) is a USDA-wide effort to carry out President Obama's commitment to strengthening local and regional food systems.

We know that demand for local and regional foods is strong, as consumers across the country are looking to connect with their food and the people who grow and raise it:

- The number of [farmers markets](#) has more than tripled in the past 15 years and there are now more than 7,175 around the country;
- In 1986 there were two [community supported agriculture](#) operations, today there are over 4,000;
- There are [farm to school](#) programs in 48 states, totaling more than 2,200 and up from two in 1996;
- All 50 states in the U.S. have agricultural branding programs, such as "Jersey Fresh" or "Simply Kansas;"
- As Governor of Iowa, Tom Vilsack started one of the first food policy councils. Today there are over 100 [food policy councils](#);
- And the National Restaurant Association declared "locally sourced meats and seafood" and "locally grown produce" as the [top two trends for 2011](#).

Local and regional markets often provide farmers with a higher share of the [food dollar](#), and money spent at a local business often continues to circulate within community, creating a multiplier effect and providing greater economic benefits to the area.

An Economic Research Service Study ([May 2010](#)) identified barriers to local food market entry and expansion, including capacity constraints for farms, a lack of infrastructure for moving local food into mainstream markets, and regulatory uncertainties. This is the work of the Initiative.

Our mission is to strengthen the critical connection between farmers and consumers and supports local and regional food systems. Through this initiative, USDA integrates programs and policies that:

- Stimulate food- and agriculturally-based community economic development;
- Foster new opportunities for farmers and ranchers;
- Promote locally and regionally produced and processed foods;
- Cultivate healthy eating habits and educated, empowered consumers;
- Expand access to affordable fresh and local food; and
- Demonstrate the connection between food, agriculture, community and the environment.

Know Your Farmer, Know Your Food also leads a national conversation about food and agriculture to strengthen the connection between consumers and farmers.

Thanks to the 2008 [Farm Bill](#), there is more support for local and regional agriculture than ever. To make the most of our programs we are working to foster innovative, effective, and open government. While there is no office, staff, or budget dedicated to *KYF2*, Deputy Secretary Kathleen Merrigan chairs a task force of USDA employees representing every agency within the Department in order to break down bureaucratic silos, develop common-sense solutions for communities and farmers, and foster new partnerships inside USDA and across the country.

Local Food Systems



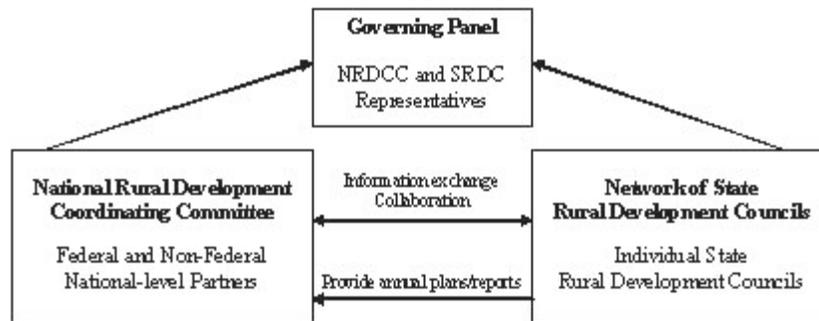
Overview

The term "food system" refers to the interconnected processes that connect the complex spectrum of food production to food processing, consumption, and ultimately disposal. One specific definition provides that the food system "includes all processes involved in keeping us fed: growing, harvesting, processing (or transforming or changing), packaging, transporting, marketing, consuming and disposing of food and food packages." (Cornell University). The food system in the United States is predominantly characterized as a complex and globally integrated system in which products are routinely produced, processed, and hundreds and thousands of miles from the point of consumption. "Local Food Systems", as used here, is meant to denote the fact that there are a number of interrelated pieces that connect to make "local food" a component of the U.S. agricultural food system. The term "community food system" is sometimes used interchangeably with the term "local food system." [Read the full overview](#)

Note: Recently added resources are posted at the top of the applicable sections.

NRDP Structure

The National Rural Development Partnership (NRDP) works to strengthen rural America through collaboration and cooperation among its partners. The NRDP brings together partners from local, state, tribal, and federal governments, as well as from the for-profit and nonprofit private sector. The NRDP has three main components:



State Rural Development Councils

There are currently 28 [State Rural Development Councils](#) (SRDCs). The State Councils form the primary components of the Partnership and bring together key rural players in their states to address critical community concerns and to respond to fast-breaking opportunities. State Councils are responsible for creating their own mission, structure, operating guidelines, and action plan. Each Council hires a senior-level executive director who works with the Council leadership.

In addition to facilitating coordination and collaboration on a state level, SRDCs also work through a national network to affect major change on a regional, and oftentimes national level. SRDCs are a strong, vibrant connection between the government and the population and has been utilized to both spread new and updated information on government and private sector programs and opportunities. In addition to information dissemination, SRDCs through their success stories and other publications and work are also ideal vehicles for feedback to the national office. Although the oldest component of the Partnership, SRDCs are still performing terrific work and delivering the results that has garnered NRDP praise from its partners.

National Rural Development Council

The [National Rural Development Council](#) (NRDC) consists of senior program managers representing over 40 Federal agencies as well as national representatives of public interest, community based, and private sector organizations. The NRDC provides guidance for the Partnership and works on behalf of the State Councils at the national level. The NRDC offers on a national level what SRDCs offer at the state level: a neutral forum for discussion and work on pressing rural issues and national rural policy. The

membership of the NRDC provides several key opportunities for networking and collaboration between separate agencies as well as the public and private sectors that may not have occurred in different circumstances.

History of the NRDP

The National Rural Development Partnership has roots in the Rural Development Act of 1972, which directed the Secretary of Agriculture to coordinate a nationwide rural development program with those of State and local governments. The Rural Development Policy Act of 1980 strengthened these provisions and called for a rural development policy and strategy, as well as annual updates. The first major federal initiative along these lines occurred in April 1989, with the formation of an Interagency Working Group on Rural Development within the White House Economic Policy Council. The working group was directed to analyze and evaluate existing Federal rural development programs and develop policy options for improving their coordination and execution. They issued a report entitled “Rural Economic Development for the 90's: A Presidential Initiative” in January 1990.

What is today referred to as the National Rural Development Partnership was first called, in 1990, the President's Initiative on Rural America. In January of that year, the President ordered the Secretary of Agriculture to implement six proposals to improve the coordination of rural development programs and serve as a catalyst for future initiatives. One proposal was to form a President's Council on Rural America, with members drawn from farmers, State and local governments, rural businesses, and high-technology industries to advise the Federal Government on improving Federal rural development policy. A second was for each State to establish a rural development council to coordinate Federal rural development programs in its region. The Deputy Under Secretary for Small Communities and Rural Development was appointed to lead the interdepartmental rural development effort. The “President's Initiative on Rural America” later became the “National Initiative on Rural America.”

Under the umbrella of the Under Secretary, individuals from various federal agencies and other organizations formed the Monday Management Group. Originally composed of representatives from 18 federal agencies, the National Governors' Association (NGA) and several public interest groups, this body developed the core implementation guidelines and structure for the Partnership. In a few years the membership of this group swelled upwards of 70 members and constituted the central body of the Partnership. The name of this group was changed to the National Rural Development Council in the winter of 1994. At the same time, the National Initiative on Rural America was renamed the National Rural Development Partnership to better communicate the missions, principles, and roles of the participants.

Concurrent with the growth of NRDC's membership, the office of the Under Secretary worked to set up eight pilot SRDCs in late 1990: Kansas, Maine, Mississippi, Oregon, South Carolina, South Dakota, Texas and Washington. As of the summer of 1992, there were 32 SRDCs. By 2000, 40 State Rural Development Councils had been established. In 2009, there were 27 federally recognized SRDCs.

Local Food Systems & Rural Development

The surge in consumer demand for food and agricultural products from local farmers and regional markets form a unique set of opportunities and challenges. Rising demand for healthy foods is an important incentive for farmers and ranchers, but many still face obstacles such as the lack of processing and distribution infrastructure needed to enable a local or regional food system to emerge. While federal policies and programs have been slow to respond to this changing market environment, the 2008 Farm Bill does take some important steps toward addressing the gaps and needs of producers and organizations who want to supply the growing demand for regionally-produced food.

The new farm bill contains some innovative new and expanded programs that help to manage the marketing and business development needs of those farmers, ranchers, and non-profits who want to deliver healthy, sustainably-produced foods to consumers in their immediate locale or region. The National Sustainable Agriculture Coalition (NSAC) once again led the charge in advancing and expanding the [Value-Added Producer Grants Program](#) and [Farmers' Market Promotion Program](#) in the most recent farm bill. Both programs aim to increase farmers' share of the food and agricultural system profit and have the secondary effect of increasing consumer access to healthy food grown by producers in their region. NSAC also worked with others to establish the new [Local and Regional Food Enterprise Guaranteed Loans](#) program that will support enterprises that process, distribute, aggregate, store, and market local and regional foods.

The value-added grants and local food enterprise loan programs are both in the farm bill's rural development title, signifying their important associated economic development role. In addition to securing programs in the 2008 Farm Bill that support agricultural development and the revitalization of local and regional agri-food systems, NSAC also worked with the Center for Rural Affairs and others to establish the [Rural Microentrepreneur Assistance Program](#) to help promote rural entrepreneurship and small business success in rural communities more broadly. This important win is part of the larger strategy to revitalize agricultural communities in an equitable manner that provides meaningful employment and gives people a lasting stake in their communities.

NSAC was involved in the breakthrough agreement that led to the [Interstate Shipment of State-Inspected Meat](#) provision in the new farm bill, which will increase market access for small and mid-sized livestock producers. NSAC also supported the Community Food Security Coalition's successful protection of funding for the [Community Food Project Grants](#) program, which supports innovative marketing activities that mutually benefit agricultural producers and low-income consumers.

Though not an NSAC priority, we have included information about the [Specialty Crop Block Grant Program](#) because in some states sustainable and organic food and farming groups have had some success in directing how their state Department of Agriculture spends its share of this block grant funding for advancing the horticultural crop segment of agriculture.

The Omnivore's Delusion: Against the Agri-intellectuals

By Blake Hurst Thursday, July 30, 2009

Farming has always been messy and painful, and bloody and dirty. It still is. This is something the critics of industrial farming never seem to understand.

I'm dozing, as I often do on airplanes, but the guy behind me has been broadcasting nonstop for nearly three hours. I finally admit defeat and start some serious eavesdropping. He's talking about food, damning farming, particularly livestock farming, compensating for his lack of knowledge with volume.

I'm so tired of people who wouldn't visit a doctor who used a stethoscope instead of an MRI demanding that farmers like me use 1930s technology to raise food. Farming has always been messy and painful, and bloody and dirty. It still is.

But now we have to listen to self-appointed experts on airplanes frightening their seatmates about the profession I have practiced for more than 30 years. I'd had enough. I turned around and politely told the lecturer that he ought not believe everything he reads. He quieted and asked me what kind of farming I do. I told him, and when he asked if I used organic farming, I said no, and left it at that. I didn't answer with the first thought that came to mind, which is simply this: I deal in the real world, not superstitions, and unless the consumer absolutely forces my hand, I am about as likely to adopt organic methods as the Wall Street Journal is to publish their next edition by setting the type by hand.

He was a businessman, and I'm sure spends his days with spreadsheets, projections, and marketing studies. He hasn't used a slide rule in his career and wouldn't make projections with tea leaves or soothsayers. He does not blame witchcraft for a bad quarter, or expect the factory that makes his product to use steam power instead of electricity, or horses and wagons to deliver his products instead of trucks and trains. But he expects me to farm like my grandfather, and not incidentally, I suppose, to live like him as well. He thinks farmers are too stupid to farm sustainably, too cruel to treat their animals well, and too careless to worry about their communities, their health, and their families. I would not presume to criticize his car, or the size of his house, or the way he runs his business. But he is an expert about me, on the strength of [one book](#), and is sharing that expertise with captive audiences every time he gets the chance. Enough, enough, enough.

Industrial Farming and Its Critics

Critics of "industrial farming" spend most of their time concerned with the processes by which food is raised. This is because the results of organic production are so, well, troublesome. With the subtraction of every "unnatural" additive, molds, fungus, and bugs increase. Since it is difficult to sell a religion with so many readily quantifiable bad results, the trusty family farmer has to be thrown into the breach, saving the whole organic movement by his saintly presence, chewing on his straw, plodding along, at one with his environment, his community, his neighborhood. Except that some of the largest farms in the country are organic—and are giant organizations dependent upon lots of hired stoop labor doing the most backbreaking of tasks in order to save the sensitive conscience of my fellow passenger the merest whiff of pesticide contamination. They do not spend much time talking about that at the Whole Foods store.

The most delicious irony is this: the parts of farming that are the most "industrial" are the most likely to be owned by the kind of family farmers that elicit such a positive response from the consumer. Corn farms are almost all owned and managed by small family farmers. But corn farmers salivate at the thought of one more biotech breakthrough, use vast amounts of energy to increase production, and raise large quantities of an indistinguishable commodity to sell to huge corporations that turn that corn into thousands of industrial products.

Most livestock is produced by family farms, and even the poultry industry, with its contracts and vertical integration, relies on family farms to contract for the production of the birds. Despite the obvious change in scale over time, family farms, like ours, still meet around the kitchen table, send their kids to the same small schools, sit in the same church pew, and belong to the same civic organizations our parents and grandparents did. We may be industrial by some definition, but not our own. Reality is messier than it appears in the book my tormentor was reading, and farming more complicated than a simple morality play.

On the desk in front of me are a dozen books, all hugely critical of present-day farming. Farmers are often given a pass in these books, painted as either naïve tools of corporate greed, or economic nullities forced into their present circumstances by the unrelenting forces of the twin grindstones of corporate greed and unfeeling markets. To the farmer on the ground, though, a farmer blessed with free choice and hard won experience, the moral choices aren't quite so easy. Biotech crops actually cut the use of chemicals, and increase food safety. Are people who refuse to use them my moral superiors? Herbicides cut the need for tillage, which decreases soil erosion by millions of tons. The biggest environmental harm I have done as a farmer is the topsoil (and nutrients) I used to send down the Missouri River to the Gulf of Mexico before we began to practice no-till farming, made possible only by the use of herbicides. The combination of herbicides and genetically modified seed has made my farm more sustainable, not less, and actually reduces the pollution I send down the river.

Finally, consumers benefit from cheap food. If you think they don't, just remember the headlines after food prices began increasing in 2007 and 2008, including the study by the Food and Agriculture Organization of the United Nations announcing that 50 million additional people are now hungry because of increasing food prices. Only "industrial farming" can possibly meet the demands of an increasing population and increased demand for food as a result of growing incomes.

So the stakes in this argument are even higher. Farmers can raise food in different ways if that is what the market wants. It is important, though, that even people riding in airplanes know that there are environmental and food safety costs to whatever kind of farming we choose.

Pigs in a Pen

In his book [*Dominion*](#), author Mathew Scully calls "factory farming" an "obvious moral evil so sickening and horrendous it would leave us ashen." Scully, a speechwriter for the second President Bush, can hardly be called a man of the left. Just to make sure the point is not lost, he quotes the conservative historian Paul Johnson a page later:

The rise of factory farming, whereby food producers cannot remain competitive except by subjecting animals to unspeakable deprivation, has hastened this process. The human spirit revolts at what we have been doing.

Arizona and Florida have outlawed pig gestation crates, and California recently passed, overwhelmingly, a ballot initiative doing the same. There is no doubt that Scully and Johnson have the wind at their backs, and confinement raising of livestock may well be outlawed everywhere. And only a person so callous as to have a spirit that cannot be revolted, or so hardened to any kind of morality that he could countenance an obvious moral evil, could say a word in defense of caging animals during their production. In the quote above, Paul Johnson is forecasting a move toward vegetarianism. But if we assume, at least for the present, that most of us will continue to eat meat, let me dive in where most fear to tread.

Lynn Niemann was a neighbor of my family's, a farmer with a vision. He began raising turkeys on a field near his house around 1956. They were, I suppose, what we would now call "free range" turkeys. Turkeys raised in a natural manner, with no roof over their heads, just gamboling around in the pasture, as God surely intended. Free to eat grasshoppers, and grass, and scratch for grubs and worms. And also free to serve as prey for weasels, who kill turkeys by slitting their necks and practicing exsanguination. Weasels were a problem, but not as much a threat as one of our typically violent early summer thunderstorms. It seems that turkeys, at least young ones, are not smart enough to come in out of the rain, and will stand outside in a downpour, with beaks open and eyes skyward, until they drown. One night Niemann lost 4,000 turkeys to drowning, along with his dream, and his farm.

Now, turkeys are raised in large open sheds. Chickens and turkeys raised for meat are not grown in cages. As the critics of "industrial farming" like to point out, the sheds get quite crowded by the time Thanksgiving rolls around and the turkeys are fully grown. And yes, the birds are bedded in sawdust, so the turkeys do walk around in their own waste. Although the turkeys don't seem to mind, this quite clearly disgusts the various authors I've read whom have actually visited a turkey farm. But none of those authors, whose descriptions of the horrors of modern poultry production have a certain sameness, were there when Neimann picked up those 4,000 dead turkeys. Sheds are expensive, and it was easier to raise turkeys in open, inexpensive pastures. But that type of production really was hard on the turkeys. Protected from the weather and predators, today's turkeys may not be aware that they are a part of a morally reprehensible system.

Like most young people in my part of the world, I was a 4-H member. Raising cattle and hogs, showing them at the county fair, and then sending to slaughter those animals that we had spent the summer feeding, washing, and training. We would then tour the packing house, where our friend was hung on a rail, with his loin eye measured and his carcass evaluated. We farm kids got an early start on dulling our moral sensibilities. I'm still proud of my win in the Atchison County Carcass competition of 1969, as it is the only trophy I have ever received. We raised the hogs in a shed, or farrowing (birthing) house. On one side were eight crates of the kind that the good citizens of California have outlawed. On the other were the kind of wooden pens that our critics would have us use, where the sow could turn around, lie down, and presumably act in a natural way. Which included lying down on my 4-H project, killing several piglets, and forcing me to clean up the mess when I did my chores before school. The crates protect the piglets from their mothers. Farmers do not cage their hogs because of sadism, but because dead pigs are a drag on the profit margin, and because being crushed by your mother really is an awful way to go. As is being eaten by your mother, which I've seen sows do to newborn pigs as well.

I warned you that farming is still dirty and bloody, and I wasn't kidding. So let's talk about manure. It is an article of faith amongst the agri-intellectuals that we no longer use manure as fertilizer. To quote Dr. Michael Fox in his book [Eating with a Conscience](#), "The animal waste is not going back to the land from which he animal feed originated." Or Bill McKibben, in his book [Deep Economy](#), writing about modern livestock production: "But this concentrates the waste in one place, where instead of being useful fertilizer to spread on crop fields it becomes a toxic threat."

In my inbox is an email from our farm's neighbor, who raises thousands of hogs in close proximity to our farm, and several of my family member's houses as well. The email outlines the amount and chemical analysis of the manure that will be spread on our fields this fall, manure that will replace dozens of tons of commercial fertilizer. The manure is captured underneath the hog houses in cement pits, and is knifed into the soil after the crops are harvested. At no time is it exposed to erosion, and it is an extremely valuable resource, one which farmers use to its fullest extent, just as they have since agriculture began.

In the southern part of Missouri, there is an extensive poultry industry in areas of the state where the soil is poor. The farmers there spread the poultry litter on pasture, and the advent of poultry barns made cattle

production possible in areas that used to be waste ground. The "industrial" poultry houses are owned by family farmers, who have then used the byproducts to produce beef in areas where cattle couldn't survive before. McKibben is certain that the contracts these farmers sign with companies like Tyson are unfair, and the farmers might agree. But they like those cows, so there is a waiting list for new chicken barns. In some areas, there is indeed more manure than available cropland. But the trend in the industry, thankfully, is toward a dispersion of animals and manure, as the value of the manure increases, and the cost of transporting the manure becomes prohibitive.

We Can't Change Nature

The largest producer of pigs in the United States has promised to gradually end the use of hog crates. The Humane Society promises to take their initiative drive to outlaw farrowing crates and poultry cages to more states. Many of the counties in my own state of Missouri have chosen to outlaw the the building of confinement facilities. Barack Obama has been harshly critical of animal agriculture. We are clearly in the process of deciding that we will not continue to raise animals the way we do now. Because other countries may not share our sensibilities, we'll have to withdraw or amend free trade agreements to keep any semblance of a livestock industry.

We can do that, and we may be a better society for it, but we can't change nature. Pigs will be allowed to "return to their mire," as Kipling had it, but they'll also be crushed and eaten by their mothers. Chickens will provide lunch to any number of predators, and some number of chickens will die as flocks establish their pecking order.

In recent years, the cost of producing pork dropped as farmers increased feed efficiency (the amount of feed needed to produce a pound of pork) by 20 percent. Free-range chickens and pigs will increase the price of food, using more energy and water to produce the extra grain required for the same amount of meat, and some people will go hungry. It is also instructive that the first company to move away from farrowing crates is the largest producer of pigs. Changing the way we raise animals will not necessarily change the scale of the companies involved in the industry. If we are about to require more expensive ways of producing food, the largest and most well-capitalized farms will have the least trouble adapting.

The Omnivores' Delusions

Michael Pollan, in an 8,000-word essay in the New York Times Magazine, [took the expected swipes at animal agriculture](#). But his truly radical prescriptions had to do with raising of crops. Pollan, who seemed to be aware of the nitrogen problem in his book [The Omnivore's Dilemma](#), left nuance behind, as well as the laws of chemistry, in his recommendations. The nitrogen problem is this: without nitrogen, we do not have life. Until we learned to produce nitrogen from natural gas early in the last century, the only way to get nitrogen was through nitrogen produced by plants called legumes, or from small amounts of nitrogen that are produced by lightning strikes. The amount of life the earth could support was limited by the amount of nitrogen available for crop production.

In his book, Pollan quotes geographer Vaclav Smil to the effect that 40 percent of the people alive today would not be alive without the ability to artificially synthesize nitrogen. But in his directive on food policy, Pollan damns agriculture's dependence on fossil fuels, and urges the president to encourage agriculture to move away from expensive and declining supplies of natural gas toward the unlimited sunshine that supported life, and agriculture, as recently as the 1940s. Now, why didn't I think of that?

Well, I did. I've raised clover and alfalfa for the nitrogen they produce, and half the time my land is planted to soybeans, another nitrogen producing legume. Pollan writes as if all of his ideas are new, but my father tells of agriculture extension meetings in the late 1950s entitled "Clover and Corn, the Road to

Profitability." Farmers know that organic farming was the default position of agriculture for thousands of years, years when hunger was just around the corner for even advanced societies. I use all the animal manure available to me, and do everything I can to reduce the amount of commercial fertilizers I use. When corn genetically modified to use nitrogen more efficiently enters the market, as it soon will, I will use it as well. But none of those things will completely replace commercial fertilizer.

Norman Borlaug, founder of the green revolution, estimates that the amount of nitrogen available naturally would only support a worldwide population of 4 billion souls or so. He further remarks that we would need another 5 billion cows to produce enough manure to fertilize our present crops with "natural" fertilizer. That would play havoc with global warming. And cows do not produce nitrogen from the air, but only from the forages they eat, so to produce more manure we will have to plant more forages. Most of the critics of industrial farming maintain the contradictory positions that we should increase the use of manure as a fertilizer, and decrease our consumption of meat. Pollan would solve the problem with cover crops, planted after the corn crop is harvested, and with mandatory composting. Pollan should talk to some actual farmers before he presumes to advise a president.

Pollan tells of flying over the upper Midwest in the winter, and seeing the black, fallow soil. I suppose one sees what one wants to see, but we have not had the kind of tillage implement on our farm that would produce black soil in nearly 20 years. Pollan would provide our nitrogen by planting those black fields to nitrogen-producing cover crops after the cash crops are harvested. This is a fine plan, one that farmers have known about for generations. And sometimes it would even work. But not last year, as we finished harvest in November in a freezing rain. It is hard to think of a legume that would have done its thing between then and corn planting time. Plants do not grow very well in freezing weather, a fact that would evidently surprise Pollan.

And even if we could have gotten a legume established last fall, it would not have fixed any nitrogen before planting time. We used to plant corn in late May, plowing down our green manure and killing the first flush of weeds. But that meant the corn would enter its crucial growing period during the hottest, driest parts of the summer, and that soil erosion would be increased because the land was bare during drenching spring rains. Now we plant in early April, best utilizing our spring rains, and ensuring that pollination occurs before the dog days of August.

A few other problems come to mind. The last time I planted a cover crop, the clover provided a perfect habitat in early spring for bugs, bugs that I had to kill with an insecticide. We do not normally apply insecticides, but we did that year. Of course, you can provide nitrogen with legumes by using a longer crop rotation, growing clover one year and corn the next. But that uses twice as much water to produce a corn crop, and takes twice as much land to produce the same number of bushels. We are producing twice the food we did in 1960 on less land, and commercial nitrogen is one of the main reasons why. It may be that we decide we would rather spend land and water than energy, but Pollan never mentions that we are faced with that choice.

His other grand idea is mandatory household composting, with the compost delivered to farmers free of charge. Why not? Compost is a valuable soil amendment, and if somebody else is paying to deliver it to my farm, then bring it on. But it will not do much to solve the nitrogen problem. Household compost has somewhere between 1 and 5 percent nitrogen, and not all that nitrogen is available to crops the first year. Presently, we are applying about 150 pounds of nitrogen per acre to corn, and crediting about 40 pounds per acre from the preceding years soybean crop. Let's assume a 5 percent nitrogen rate, or about 100 pounds of nitrogen per ton of compost. That would require 3,000 pounds of compost per acre. Or about 150,000 tons for the corn raised in our county. The average truck carries about 20 tons. Picture 7,500 trucks traveling from New York City to our small county here in the Midwest, delivering compost. Five

million truckloads to fertilize the country's corn crop. Now, that would be a carbon footprint!

Pollan thinks farmers use commercial fertilizer because it is easier, and because it is cheap. Pollan is right. But those are perfectly defensible reasons. Nitrogen quadrupled in price over the last several years, and farmers are still using it, albeit more cautiously. We are using GPS monitors on all of our equipment to ensure that we do not use too much, and our production of corn per pound of nitrogen is rapidly increasing. On our farm, we have increased yields about 50 percent during my career, while applying about the same amount of nitrogen we did when I began farming. That fortunate trend will increase even faster with the advent of new GMO hybrids. But as much as Pollan might desire it, even President Obama cannot reshuffle the chemical deck that nature has dealt. Energy may well get much more expensive, and peak oil production may have been reached. But food production will have a claim on fossil fuels long after we have learned how to use renewables and nuclear power to handle many of our other energy needs.

Farming and Connectedness

Much of farming is more "industrial," more technical, and more complex than it used to be. Farmers farm more acres, and are less close to the ground and their animals than they were in the past. Almost all critics of industrial agriculture bemoan this loss of closeness, this "connectedness," to use author Rod Dreher's term. It is a given in most of the writing about agriculture that the knowledge and experience of the organic farmer is what makes him so unique and so important. The "industrial farmer," on the other hand, is a mere pawn of Cargill, backed into his ignorant way of life by forces too large, too far from the farm, and too powerful to resist. Concern about this alienation, both between farmers and the land, and between consumers and their food supply, is what drives much of the literature about agriculture.

The distance between the farmer and what he grows has certainly increased, but, believe me, if we weren't closely connected, we wouldn't still be farming. It's important to our critics that they emphasize this alienation, because they have to ignore the "industrial" farmer's experience and knowledge to say the things they do about farming.

But farmers have reasons for their actions, and society should listen to them as we embark upon this reappraisal of our agricultural system. I use chemicals and diesel fuel to accomplish the tasks my grandfather used to do with sweat, and I use a computer instead of a lined notebook and a pencil, but I'm still farming the same land he did 80 years ago, and the fund of knowledge that our family has accumulated about our small part of Missouri is valuable. And everything I know and I have learned tells me this: we have to farm "industrially" to feed the world, and by using those "industrial" tools sensibly, we can accomplish that task and leave my grandchildren a prosperous and productive farm, while protecting the land, water, and air around us.

Blake Hurst is a farmer in Missouri. In a few days he will spend the next six weeks on a combine.

<http://www.american.com/archive/2009/july/the-omnivore2019s-delusion-against-the-agri-intellectuals>

National Rural Development Partnership

Our Mission & Goals

Partners for Rural America (PRA) exists to support the efforts of its member State Rural Development Councils (SRDC's), which are uniquely positioned:

- To expand economic and social opportunities for America's rural communities and their residents;
- * To promote equal treatment of rural America by government agencies and the private sector;
- * To provide a collective voice for rural America.

PRA also exists to support the National Rural Development Partnership (NRDP) and the entities affiliated with it. Our goals:

- Identify and secure funds to provide general operating support for State Rural Development Council's (SRDCs) and PRA beyond federal government funds.
- Identify and secure grants to support increased staffing for member SRDC's and PRA.
- Serve as a "matchmaker" between member SRDC's and potential funders for demonstration and pilot projects addressing specific issues and challenges.
- Develop a process by which SRDC's can inform local rural leaders about pending federal policy actions, and feedback can be generated to federal policy makers.
- Through PRA and SRDC's, lead the development of a coordinated and holistic national rural policy.

[See the NRDP website](#)

[See the USDA Rural and Community Development website](#)

[For more on SRDCs](#)

State Rural Development Councils

Partners for Rural America (PRA) serves as the national association of State Rural Development Councils (SRDC's). Currently, SRDC's operate in thirty-seven states and plans are underway for the establishment of councils in all fifty states.

SRDC's are collaborative partnerships comprised of the private and non-profit sectors and government agencies at all levels. Their goals are to increase economic and social opportunities for rural citizens and to increase the viability of rural communities.

Areas of SRDC Focus

- Community Development & Housing
- Economic Development
- Health Care & Transportation
- Telecommunication & Technology

Alabama

[Alaska](#)

[Arizona](#)

Arkansas

Louisiana

[Maryland](#)

[Massachusetts](#)

[Ohio](#)

Oklahoma

[Oregon](#)

[Pennsylvania](#)

California
[Colorado](#)
[Connecticut](#)
Delaware
Florida
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[Nebraska](#)
[Nevada](#)
[New Hampshire](#)
New Jersey
[New Mexico](#)
New York
[North Carolina](#)
[North Dakota](#)

Puerto Rico and U.S. Virgin Islands
[Rhode Island](#)
[South Carolina](#)
South Dakota
Tennessee
[Texas](#)
Utah
[Vermont](#)
[Virginia](#)
Washington
West Virginia
[Wisconsin](#)
[Wyoming](#)

Rural Policy Research Institute Center for Rural Entrepreneurship

The Rural Policy Research Institute (RUPRI) provides unbiased analysis and information on the challenges, needs, and opportunities facing rural America. RUPRI's aim is to spur public dialogue and help policymakers understand the rural impacts of public policies and programs.

RUPRI was founded in 1990 to address a concern of members of the Senate Agricultural Committee -- including Senator Kit Bond (Missouri), Senator Dale Bumpers (Arkansas), Senator Tom Harkin (Iowa), and Senator Bob Kerrey (Nebraska) -- that no objective non-governmental source of external data, information, and analysis, regarding the rural and community impacts of public policy decisions was available.

Today, RUPRI is housed within the Harry S Truman School of Public Affairs at the University of Missouri-Columbia and is a joint program of Iowa State University, the University of Missouri, and the University of Nebraska. RUPRI's reach is national and international and is one of the world's preeminent sources of expertise and perspective on policies impacting rural places and people.

RUPRI's activities encompass research, policy analysis and engagement, dissemination and outreach, and decision support tools

The work of RUPRI is conducted through a small core team based in Missouri, Washington DC, and Texas, and through four centers and a number of joint initiatives and panels located across the United States.

Vision

- Rural people and places have the resources and capacities to create strong, viable, meaningful, and sustainable futures that can both withstand and turn to advantage the forces of globalization and economic, demographic, and social change.
- Rural and urban people find common cause and understanding about the future role and governance of rural places and the contribution that rural life and culture makes to national identity.

Mission

RUPRI's mission in support of this vision is to:

- Provide unbiased analysis and information on the challenges, needs, and opportunities facing rural America.
- Spur public dialogue and help policymakers understand the impacts of public policies and programs on rural people and places.

Commitment

RUPRI in pursuing this mission commits to:

- Provide timely, empirically-based, and non-partisan advice and assistance to policymakers on the rural impacts of public policies and programs and on options for improving the prospects for rural people and places.

- Foster understanding of and the search for effective solutions to the challenges of rural America by providing safe venues for people with a stake in the future of rural America to discuss openly concerns, issues, and opportunities.
- Encourage collaboration and common purpose among scholars to pursue research that supports effective policy and practice, and among institutions and agencies that have the expertise, resources, and responsibilities to impact rural people and places.
- Promote innovative, collaborative, and systems-based approaches to rural issues that engage decision-makers and rural people at local, regional, state, national, and international levels.

RUPRI Organizational Partners

[University of Missouri-Columbia](#)

[Truman School of Public Affairs, UMC](#)

[Iowa State University](#)

[University of Nebraska-Lincoln](#)

About Us - Program

The RUPRI portfolio is comprised of centers, collaborative ventures, panels and networks, and core programs.

The RUPRI Centers

There are four national centers that support the RUPRI mission in specific sectors.

[RUPRI Center for Rural Health Policy Analysis](#), located at the University of Nebraska Medical Center in Omaha, NE, conducts original and contract research to better inform public policy on rural health care.

[RUPRI Center for Rural Entrepreneurship](#), with staff located in Lincoln, NE, Chapel Hill, NC, and Columbia, MO, collects, initiates, and disseminates best research and practice for use by policymakers, practitioners, and communities in support of entrepreneurship as an effective rural economic development strategy.

[RUPRI Rural Poverty Research Center](#), located jointly at Oregon State University and the University of Missouri, conducts, initiates, and disseminates research and policy analysis, and provides mentorship for young scholars, on the causes and consequences of rural poverty and on effective policy responses.

[RUPRI Center for Regional Competitiveness](#), located in Kansas City, MO, develops economic indicators for understanding regional competitiveness, provides tools and strategies for diagnosing and seizing competitive advantage, and analyzing impacts of public policy on regional competitiveness.

RUPRI Collaborative Ventures

RUPRI partners with other organizations in several collaborative ventures:

[Rural Assistance Center](#), based in Grand Forks, ND, is a joint initiative of the Office of Rural Health Policy at the U.S. Department of Health & Human Services, the Center for Rural Health at the University of North Dakota, and RUPRI, is an information portal for rural communities

and other rural stakeholders to access the full range of programs, funding, and research to support the provision of quality health and human services to rural people.

RUPRI collaborates with several partners on the importance of rural community colleges to rural economic and community development, including the Rural Community College Alliance and the Association of Canadian Community Colleges.

The International Trade Initiative, a joint venture with the Harrison Institute at the Georgetown University Law Center, provides legal and analytic support on the rural differential impacts of domestic and international trade decisions.

RUPRI Panels and Networks

From time to time, RUPRI convenes panels of experts to inform public policymaking in specific sectors, including [health](#), [human services](#), and [telecommunications](#). RUPRI also facilitates networks of scholars and practitioners.

The [Community Policy Analysis Network \(CPAN\)](#) is a national network of researchers who collaborate on building predictive models and tools to support better informed state and community policymaking.

The [National Rural Network](#) brings together national non-governmental organizations with a vital interest in the impacts of public policy on their rural constituents.

RUPRI Core Programs

The work of these centers, ventures, panels, and networks is supported and complemented by five cross-cutting core programs.

[National Policy](#) is based in Washington DC and provides the interface between the work across the RUPRI organization and Congress and the Administration.

[State Policy](#) centered in Austin, TX encourages and enables state policymakers to develop intentional and informed state rural policies.

[International Activities](#) encourage international exchanges of ideas, opportunities, and experiences in rural development among policymakers, academics, and practitioners.

Community Information Resource Center, located in Columbia, MO, uses data mapping and management to enable the “place-based” implications of issues impacting rural America to be more effectively visualized, analyzed, queried and mapped.

[Rural Governance](#) is concerned with how decisions are made that impact the lives and prospects of rural people and communities.

[2005 RUPRI Annual Report](#)

[2006 RUPRI Annual Report](#)

[2007 RUPRI Annual Report](#)

SRDC Mission, Goals and Priorities

Mission

The Southern Rural Development Center seeks to strengthen the capacity of the region's 29 land-grant institutions to address critical contemporary rural development issues impacting the well-being of people and communities in the rural South.



Goals

- Stimulate the formation of multi-state research teams
- Coordinate the development and revision of educational materials and maintain a centralized repository of educational resources
- Organize and deliver high priority rural development research and educational workshops/conferences
- Provide leadership for the preparation of science-based rural development policy reports
- Build partnerships that link the South's land-grant university system with other key entities committed to rural development activities in the region

Priorities

With critical financial support from the W.K. Kellogg Foundation, the SRDC launched a systematic effort to hear from the people of the South. An important first step was the initiation of an information gathering phase that started in May 2006 and continued over a six-month period. With seed funding provided by the Kellogg Foundation, land-grant university teams responded to the SRDC's call to host state-based rural development roundtables. In all, 19 sessions were successfully conducted across 14 Southern states. A diversity of voices engaged in these roundtables, including representatives from education, government, business/economic development, social services, civic, philanthropic, family/youth and faith-based sectors.

Nearly 600 people shared their perspectives on the most significant rural development issues impacting their states – issues they felt deserved serious attention by the region's 29 land-grant universities. These included ideas on the research, technical assistance and outreach education efforts that these institutions should address over the next five years. Three issues emerged time and time again as being critical priorities to the well-being of rural people and communities. These key priorities were:

- I. [Fostering Civic-Minded Communities](#)
- II. [Building Economically Vibrant Communities](#)
- III. [Enhancing Opportunities in Distressed and Low-Wealth Communities](#)

[Blueprint for the Rural South: Discovering New Ideas/ Applying New Strategies](#). A Five-Year Strategic Plan for the Southern Rural Development Center

Access the full [Southern Rural Development Roundtable Reports](#)

Introduction

At its annual meeting in November 2010, the SRDC's 15-member Technical and Operational Advisory Committee (TOAC) recommended that the SRDC maintain its focus on the three priorities that emerged from the Center's strategic plan published in July 2007. In the view of TOAC, these priorities remain relevant and vital to the sustainability of rural communities in the region. With the subsequent endorsement by the Center's Board of Directors, the SRDC proposes to continue its work along the lines of the three key priorities under which it has operated over the past four years. The FY11 plan of work, therefore, incorporates both expansion of existing initiatives and launching of new approaches aligning with the three strategic priorities of the Center.

1. Fostering Civic-Minded Communities;
2. Building Economically Vibrant Communities;
3. Expanding Opportunities for Distressed and Low-Wealth Communities.

The following document outlines the Center's FY2011 plan of work. That plan of work is the result of careful input provided by the Center's 15-member Technical and Operational Advisory Committee and its 11-person Board of Directors. As such, it delineates key activities that the SRDC will continue in FY11, as well as new efforts that it will launch in order to further advance the Center's important priorities.

- [Plan of Work for 2011](#)

Archive

- [2010 // Turning Challenges into Opportunities](#)
- [2009 // From Blueprint to Action](#)
- [2008 // Changing Needs in Changing Times](#)

About RD



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- [ERS's March 2012 Report on Rural Wealth Creation: Concepts, Strategies, and Measures](#)
- [USDA Rural Development 2011 Progress Report](#)
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