

EMERGING TOPICS PAPER SERIES

WORKING PAPER #15

CASE STUDIES: LOCAL FOOD & SUSTAINABLE AGRICULTURE
INITIATIVES IN THE UNITED STATES

Social Enterprise
ASSOCIATES

Financial Performance
Social Impact
Environmental
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SUMMARY

Access to local and sustainable food is a hot topic throughout the United States. In cities and suburbs in particular, consumers increasingly are demanding healthy and safe alternatives to mass-produced products. This demand creates new opportunities for proximate rural regions and small farmers.

Because of high prices and/or inaccessibility, many communities lack food security, defined as “a condition in which all community residents obtain a safe, culturally acceptable, nutritionally adequate diet through a sustainable food system that maximizes community self-reliance and social justice.”¹ Increasing local production provides consumers with sustainable and healthy options, while increasing economic opportunities and food security for producers.

A RURAL COMMUNITY WITHOUT LOCAL FOOD

New Mexico is ranked 12th in food insecurity in the nation. It currently imports more than 95% of food from out-of-state. From August to December 2010, Social Enterprise Associates conducted a study in Northern New Mexico on how to improve local agriculture and food security for the Regional Development Corporation (RDC) / Regional Economic Development Initiative (REDI) program.

As part of study *A Path Forward for Northern New Mexico's Agricultural Economic Cluster*, the consultants compiled best practices from four communities and six local initiatives. The best practices highlight communities and organizations across the country pursuing innovative projects to increase sustainable and local agricultural economies.

BUILDING THE LOCAL FARM FOOD COMMUNITY

From these case studies, many promising themes emerge. The four peer communities (Helena, MT; Burlington, VT; Bellingham, WA; and Boulder, CO) are building local economies. Support organizations, like NGOs, are trying different approaches to achieve comprehensive enhancements in local production.



A Path Forward For Northern New Mexico's Agricultural Economic Cluster

Study in Northern New Mexico on how to improve local agriculture and increase food security for Regional Development Corporation (RDC)/ REDI program.

It can be accessed at:
www.socialenterprise.net/publications/u.s.-social-enterprise.html

¹ "What is community food security?"
 Community Food Security Coalition.
www.foodsecurity.org/views_cfs_faq.html

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Social Enterprise Associates is a U.S. consulting firm specializing in applying business principles to community efforts. Its management team has decades of experience in for-profit and non-profit organizations, developing strategy, raising capital, implementing new programs, and marketing. Contact info@socialenterprise.NET or 202.256.2692.

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Innovations, including marketing/sales strategies, like ‘buy local’ campaigns, make a real difference. Infrastructure, policy advocacy, and leadership development efforts address systemic gaps. Initiatives include technical assistance and capital to food enterprises, as well improvements to the agriculture workforce.

Successes share common characteristics:

1. A community respected lead agency / coordinator
2. Multiple levels of participation
3. Efforts to increase community awareness about local food
4. Aggregation of capital and political resources

The six specific initiatives cited are from Vermont, New York, Pennsylvania, Florida and California. They demonstrate successful strategies advancing local food production:

1. Economic incentives (i.e. loans, grants, tax exemptions / credits) to encourage local sustainable agriculture
2. Technological advances to make enhancements more convenient and better fit for local infrastructure
3. Value chain specializations to maximize operating efficiency, without large capital investments

STRIVING FOR FOOD SECURITY

Developing local agriculture generates returns at many levels - financial, economic, community, and health. They contribute to more thriving, resilient local communities, rural and urban. Based on these identified best practices, Social Enterprise Associates encourages local governments and stakeholders to support value-added agri-business efforts, ensure access to fresh food for all, and build the capacity of more local initiatives.

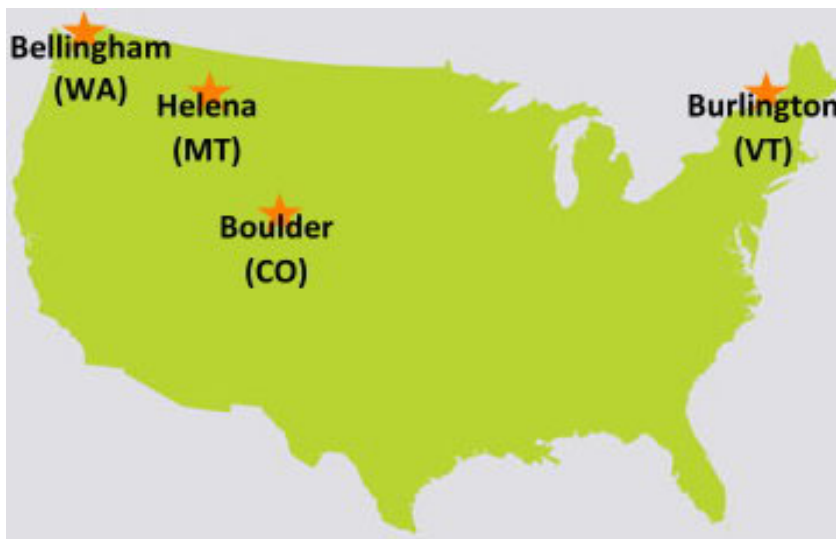
These cases are models to emulate for more agricultural production, food security, and sustainable food economies.

CASE STUDIES OF LOCAL FOOD INITIATIVES

PEER COMMUNITIES WITH BEST PRACTICES

The following section summarizes some best in class practices occurring across the nation fostering local food economies. Four communities were identified as similar to Northern NM in terms of agriculture and support organizations, for REDI reference to lead NM agriculture forward.

The report looked at major initiatives/programs with the support organizations used to improve local agriculture, and synthesized findings, below. The examples take broad roles with diverse and comprehensive initiatives to enhance local food production. Support organizations adopted marketing/sales strategies, including buy local campaigns and directories of local producers. Infrastructure, policy advocacy, and leadership development are also commonly present to address systemic gaps; technical assistance and capital is available. One support organization has plans to improve the agriculture workforce. Successes are grounded with the following characteristics:



Helena (MT), Burlington (VT), Bellingham (WA), and Boulder (CO) are four peers with prosperous grassroots efforts on sustainable agriculture/local food, and important support efforts. Summaries are provided how each community defines activity and determines relevant agricultural initiatives.

FIGURE: AGRICULTURE INITIATIVES ADOPTED BY PEER COMMUNITIES BY CATEGORY

	Helena MT	Burlington VT	Bellingham WA	Boulder CO
Technical Assistance Support	✓		✓	
Marketing / Sales	✓	✓	✓	✓
Capital Resources	✓			✓
Infrastructure	✓	✓		✓
Workforce				✓
Leadership Development		✓	✓	✓
Policy	✓	✓		✓

Figures below summarize basic facts about the peer communities. They have similarities with Northern New Mexico – similar commodity groups, a regional hub and rural communities with proximity to urban areas. The local support organizations are also detailed below.

- Establish a community respected lead agency / coordinator
- Facilitate multiple levels of participation
- Raise community awareness about local food
- Aggregate capital and political resources

Infrastructure development can be made through (1) identification of insufficiencies and needs by community stakeholders and (2) cross-sector (government, private, and non-profit) collaboration of financing mechanism and policy implementation. There are many successful marketing/sales examples in communities readily customizable for Northern New Mexico.

FIGURE: LOCAL DEMOGRAPHIC OVERVIEW OF PEER COMMUNITIES ²

City / State (Support Org.)	Population (2009)	Median income (2008)	% of pop. below poverty line (2008)
Helena, MT (AERO)	29,939	\$44,946	15%
Burlington, VT (Burlington Food Council)	38,647	\$43,127	20%
Bellingham, WA (Sustainable Connections)	80,055	\$37,388	23%
Boulder, CO (Boulder Food & Ag Council)	100,160	\$57,231	19%

² Aggregated from QuickFacts. US Census Bureau, Aug. 2010.
<http://quickfacts.census.gov>; City-Data.com.
www.city-data.com.

FFIGURE: LOCAL AGRICULTURAL OVERVIEW ³

County / State (Support Org.)	# of farms	Market value of products sold (\$000)	Median farm size (acres)	Top commodity groups (by quantity)
Lewis & Clark, MT (AERO)	675	\$32,290	50	<ul style="list-style-type: none"> ● Cattle & calves ● Grains, oilseeds, dry beans & peas ● Other crops & hay
Chittenden, VT (Burlington Food Council)	591	\$33,622	63	<ul style="list-style-type: none"> ● Milk & other dairy products ● Nursery, greenhouse, & floriculture ● Vegetables, melons, & potatoes
Whatcom, WA (Sustainable Connections)	1,473	\$36,450	20	<ul style="list-style-type: none"> ● Milk & other dairy products ● Fruits, tree nuts, & berries ● Cattle & calves
Boulder, CO (Boulder Food & Ag Council)	746	\$34,037	30	<ul style="list-style-type: none"> ● Nursery, greenhouse, & floriculture ● Other crops & hay ● Cattle & calves

HELENA, MT – ALTERNATIVE ENERGY RESOURCES ORGANIZATION (AERO) ⁴

SUMMARY

AERO is a grassroots non-profit organization in Helena, Montana promoting resource conservation and local economic vitality. It was initially founded to promote local solutions to non-renewable energy sources during the 1970s' energy crisis and later expanded to advance sustainable agriculture and environmental quality as well. AERO's vision of its Sustainable Agricultural program is "for owner-operated, family-sized farms to thrive and for locally-owned, value-added enterprises to revitalize our communities." It hopes to give local grain farmers and ranchers access to locally-owned processing facilities, more marketing options, diverse distributional channels and customer groups.

PROBLEM

A barrier to Montana's local food system is the lack of livestock processing facilities. Although Montana has a huge cattle industry, the state's few slaughter facilities can only process a relatively small number of cattle and calves. The processing issue also applies to poultry – small poultry growers have to sell their birds' "live weight" directly to consumers. In general, about 86% of the state's agricultural products have to be shipped out of state for processing.

³ USDA & National Agricultural Statistics Service. 2007 Census of Agriculture: NM State and County Data. Wash, D.C.: USDA, 2009.

⁴ "Local Food & Sustainable Agriculture." Alternative Energy Resources Organization. www.aeromt.org/food-ag; "Mobile Processing Unit." Montana Poultry Growers Cooperative. www.chicken.coop/mobile-processing-unit.



SOLUTIONS

As the awareness of local food production increases, AERO, Farms for Families, Mission Mountain, and the Montana Poultry Growers Cooperative teamed up to develop a “mobile processing unit,” which is a processing facility on wheels, to help small volume farmers process their birds without costly out-of-state transportation costs. The mobile processing unit, which is composed of a truck and trailer, has the capacity to process 50-300 birds per day depending on the grower’s experience processing poultry. This collaborative project provides small poultry growers training and educational manuals about government regulations, standard and safe processing procedures, and packaging instructions for sale. The mobile processing facility increased production across Montana.

OTHER INITIATIVES

In addition to the mobile processing unit, other efforts by AERO to promote local food production includes:

- **TECHNICAL ASSISTANCE SUPPORT:** To advance sustainable farming, AERO works with Natural Resources and Conservation Service (NRCS) to offer education training for farmers to learn more about organic production, and holds organic risk management workshops with Montana State University to teach field staff about organic farming.
- **MARKETING / SALES:** AERO has been part of the “Buy Fresh, Buy Local” campaign network and developed a state-wide effort to promote local food consumption. To advance a strong local system, AERO hosted sustainable farm and ranch tours to raise awareness and networking opportunities. It also developed a directory for consumers “Abundant Montana” with information on sustainable growers and processors.
- **CAPITAL:** It supports efforts through grants and provides communities with TA to start farmers’ markets.
- **POLICY:** As a partner with the Montana policy coalition Grow Montana, AERO worked to remove policy barriers to processing, distribution, and trade of locally-grown food and markets.

IMPACTS

The innovative facility helped the USDA face possibly adjusting processing regulations and monitoring mechanisms, as the existing

ones were designed for large facilities. Once the relevant government agencies figure out how to regulate and provide oversight to small-scale processing operations, these techniques can benefit more local growers and products.

BURLINGTON, VT – BURLINGTON FOOD COUNCIL & BURLINGTON SCHOOL FOOD PROJECT ⁵

SUMMARY

The Burlington Food Council (BFC) is a non-profit community group composed of farmers, teachers, educators, advocates, nutritionists, and other professionals, whose aim is to build food knowledge, facilitate food access, and establish local food systems.

PROBLEM

Childhood obesity and its related illnesses is a critical local issue. More than 25% of children in Vermont were overweight or at risk in 2004. School meals serve as a main nutrition source for many, and are the only opportunity for low-income students to eat fresh fruits and vegetables. The Burlington School Food Project (BSFP) was established with a USDA Community Food Project Grant in 2003 to integrate local foods into school meals and reduce food insecurity for Burlington students.

SOLUTIONS

BFC and BSFP worked together on:

- **MARKETING / SALES:** increased visibility of farm-food nutrition issues through branding and a consistent message / logo (the “Three C’s” – community, classroom, and cafeteria). The district-wide effort employed a coordinator. The program purchased local food from local growers, distributors, and CSAs.
- **INFRASTRUCTURE:** BFC advocated for government support on infrastructure to get local food in schools and enhance nutrition education such as school district processing facilities, kitchens, and staff training.
- **LEADERSHIP DEVELOPMENT:** Through frequent town meetings, taste tests, special events, and dinners. BFC and BSFP successfully facilitated multiple levels of participation and cooperation with increasing attentions from farmers, students, school administration, food service, and others in the community.

⁵ Burlington Food Council.
<http://burlingtonfoodcouncil.org>;
 “VT: Burlington School Food Project, a recipe for school and community integration.”
 The Center for Public Education. Oct. 2007.
www.centerforpubliceducation.org/site/c.6XliiNQJwE/b.5258247/k.8765_VT_Burlington_School_Food_Project_a_recipe_for_school_and_community_integration.htm;
 Burlington School Food Project Evaluation Report: http://crs.uvm.edu/evaluation/bsfp_execsumm06.pdf.

- **POLICY:** BFC led the School Food Action Plan and the Community Food Assessment with strategic recommendations for the Burlington School District, and both were adopted by the Burlington School Board. The Wellness and Nutrition Policy (Act 161) and the Farm to School Policy (Act 145) were shaped by BFC/BSFP and approved by Vermont's Legislature for healthy local food systems.

IMPACTS

From 2003-2006, BSFP/BFC served 11 schools and successfully raised children's awareness of healthy food and engagement in local food, implemented food action plans, advocated for policy changes, and united stakeholders in an effective partnership. It has been nationally recognized as a model farm-to-school program.

BELLINGHAM, WA – SUSTAINABLE CONNECTIONS ⁶

SUMMARY

Sustainable Connections is a non-profit organization in Bellingham that works with local businesses and residents to promote sustainable economic development. Its program areas include: Food and Farming, Green Building, Green Power Community Challenge, Sustainable Business Development, and Think Local First.

PROBLEM

To increase market demand and competitiveness of locally-produced agricultural products, the Food & Farming program "informs, empowers and provides resources to producers and buyers; makes connections between farmers, institutions, retailers, and restaurants; and raises public awareness and support of local farms and eating local."

SOLUTIONS

- **TECHNICAL ASSISTANCE SUPPORT:** It offers business education and agricultural mentorship for new farmers.
- **MARKETING / SALES:** It holds "Eat Local (Every) Week" campaign which features restaurants offering menu selections local offerings; develops the "Whatcom Food & Farm Finder," a publication with 30,000 copies of the area's guide and map; and holds community events and tours regularly. Other media promotion includes an e-newsletter, a wholesale directory linking consumers with local producers, and online resources for local producers.

⁶ Sustainable Connections. Oct. 2010. <http://sustainableconnections.org>.

- **LEADERSHIP DEVELOPMENT:** To build a resilient food system, SC invites food producers and community members to serve on the advisory committees; creates business-to-business trade relationships; and fosters cross-sector collaboration between farmers' markets, food banks, and academic institutions.

IMPACTS

The various efforts of Sustainable Connections have been recognized by the NW Washington community. It was selected as a favorite non-profit organization by local residents; received an Environmental Business Hero award; and highlighted as the most important development organization by the Mayor.

BOULDER, CO – BOULDER COUNTY FOOD AND AGRICULTURE POLICY COUNCIL ⁷

SUMMARY

The Boulder County Food and Agriculture Policy Council (FAPC) was established by Boulder County Commissioners to promote a local food system that advances local social, economic, and environmental benefits through research, education, and policy advocacy.

SOLUTIONS

From its strategic plan 2009-2012, several goals advance the local food system:

- **MARKETING / SALES:** Create public databases of local producers and processors engaging in sustainable farming; survey and examine institutions regarding demand for local foods.
- **CAPITAL:** Research economic incentives for sustainable farming practices, processing, and fossil fuel reduction – examples include changes to property taxes, development granting, rewards, worker benefit programs, and consumer purchase incentives.
- **INFRASTRUCTURE:** Explore increases in food production on county open space; assess amount and type of food processing facilities and barriers in the county.
- **WORKFORCE:** Research existing policies on housing, immigration, & insurance benefits for laborers.
- **LEADERSHIP DEVELOPMENT:** Hold a community forum on local food and agriculture twice a year to encourage civil participation and leadership development; establish an open mechanism for soliciting ongoing communication from Boulder residents.



⁷ Boulder County Food and Agriculture Policy Council. www.bouldercounty.org/openspace/advisory/fapc.htm.

- **POLICY:** Formulate policy and other system improvement recommendations regarding economic viability of agriculture, local food production, safe working conditions for agricultural laborers, and conservation of natural resources; partner with county to integrate food and agriculture into zoning code revisions.

CASE STUDIES OF LOCAL FOOD INITIATIVES

Local food production is a trend across the nation, and many non-profit organizations and social businesses are advancing this movement. There are 100's of initiatives nation-wide. Six cases widely recognized are cited here with topics corresponding to Northern New Mexico's - processing, distribution, funding, and marketing/sales channels.

These cases demonstrate several takeaways.

- **Offering economic incentives: loans, grants, tax exemptions / credits are effective to encourage local sustainable agriculture initiatives**
- **Technological advances allows enhancements more convenient and better fit for local infrastructure**
- **Value chain specializations maximize operating efficiency, without the need for massive capital**

FIGURE: CASE STUDIES OF LOCAL FOOD INITIATIVES BY CATEGORY

	Holton Farms	Veritable Vegetable	Revolution Foods	New N. FL Co-op.	TEAM Santa Rosa	PA FFFI
Technical Assistance Support						
Marketing / Sales	✓		✓	✓		
Capital Resources					✓	✓
Infrastructure	✓	✓		✓		
Workforce						
Leadership Development						
Policy						✓

Highlighted cases were selected for their range of issues from community-supported agriculture programs with mobile distribution facilities in Vermont/ New York City, community distributor of organic produce and school cafeterias in California, farm-to-school initiatives and funding liaisons for agricultural initiatives in Florida, to food retailer financing initiative in Pennsylvania. The innovations in each case are summarized below.

HOLTON FARMS, VT – MOBILE CSA FARM IN NEW YORK CITY ⁸

INTRO

Holton Farms is a community supported agriculture (CSA) farm in Westminister, Vermont. Community-supported agriculture (CSA) is a direct distribution model where consumers share risks and benefits of farm production with the growers via membership. CSAs typically have weekly pick-up or delivery. This direct sales channel provides

farmers with working capital in advance and reduce the marketing burden.⁹

INNOVATIONS

Holton Farms provides a “CSA Select” mechanism as their competitive advantage. This differs from traditional CSAs where member consumers have little or no say in what they receive weekly. Members have flexibility in ordering what and when they want. With ten farms in Southern Vermont, Holton Farms offers 100 different products. Another progressive concept is the “Farm Truck,” which brings fresh produce straight from Vermont to New York City, serviced by smiling Holton Farms employees dancing to happy reggae beats, its sells to non-CSA members.

IMPACTS

The truck has about 25 pickup locations in NYC. Other sales channels include farm stands in Vermont; Greenmarket Farmers Markets and restaurants/wholesalers in NYC; and small groceries and supermarkets throughout Vermont, New Hampshire, Massachusetts and New York. Through these diverse channels, Holton Farms brings affordable and fresh food to underserved neighborhoods in NYC. It also accepts food stamps and discounts its prices by 20% for lower-income people.

VERITABLE VEGETABLE, CA – COMMUNITY DISTRIBUTOR OF CERTIFIED ORGANIC PRODUCE¹⁰

INTRO

Veritable Vegetable (VV) is the oldest distributor of certified organic produce in the U.S. It was part of a movement in early 1970s to bring low-cost and nutritious food to neighborhood coops and community storefronts in the greater San Francisco Bay Area. Seeing the demand for organized supply chains to procure or deliver fresh and locally-grown foods, VV established relationships with small- and mid-sized farmers struggling to distribute by themselves.

INNOVATIONS

As a wholesale produce distributor, VV serves growers and retailers. Its purchasing department works with 300+ local growers to broker comprehensive and diverse organic produce and collaborates with salespeople to provide market and price information to customers. It picks-up produce from multiple farmers and shippers via its fleet of trucks, transports those goods to centralized warehouse for storage, and either re-sells goods to retailers, restaurants, and other regional



⁸ Holton Farms. www.holtonfarms.com.

⁹ “Introduction of Community Supported Agriculture.” National Agricultural Library. USDA www.nal.usda.gov/afsic/pubs/csa/csa.shtml.

¹⁰ Veritable Vegetable. www.veritablevegetable.com
“Veritable Vegetable.” Sacramento Natural Foods Co-op. www.sacfoodcoop.com/index.php?option=com_content&view=article&id=430%3Averitable-vegetable&catid=33%3Alocal-growersmain-content=us&Itemid=95.

distributors, or ships to other regions. The integration of transport and warehouses (operating 24 hours a day) distinguishes VV, enabling it to control reliable pick-ups/arrivals and ensure accurate orders. The company is committed to integrate green technologies into operation for sustainability. It installed 560 solar panels on the main warehouse in 2009, reducing grid energy demand by 40%.

IMPACTS

To date, Veritable Vegetable has supplied more than 6,000 items, served 1,000+ farms in California, and distributed produce to states including Hawaii, New Mexico, Arizona, Colorado and Nevada. It was awarded the Steward of Sustainable Agriculture Award at the Eco-Farm Conference, City of San Francisco Environmental Achievement Award, Spirit of Organics Award, and the Cliff Adler Heart in Business Award.

REVOLUTION FOODS, CA – LOCAL INGREDIENTS IN SCHOOL MEALS ¹¹

INTRO

Revolution Foods is a social enterprise founded by Kristin Richmond and Kirsten Tobey in 2006 to support healthier school meals and nutrition education in the greater Bay Area. The federal nutrition guidelines require subsidized school meals to meet criteria on calories and fat, but they do not require school meals to be whole, local, and nutritious to eat. School meal programs do little to curb increasing child obesity rate or help food production in local communities.

INNOVATIONS

Revolution Foods adopts higher standards than the federal nutrition guidelines for school meal programs – meals are prepared fresh daily free of artificial preservatives, colors, flavors and sweeteners. The business also uses organic and locally grown food as much as possible. It establishes a broad network of healthy food suppliers including Whole Foods Market, Organic Valley, Niman Ranch, and local farmers. The two founders expect Revolution Foods will bring both individual changes in child obesity reduction and systematic changes in the federal child nutrition programs.¹² Ms. Richmond and Ms. Tobey hope to see the federal government target new reimbursements to schools that use fresh, healthy, and local ingredients to make meals.

¹¹ Revolution Foods.
www.revfoods.com/browse/home.

¹² Federal child nutrition programs include School Breakfast, National School Lunch, Afterschool Snacks, and Summer Food Service.

IMPACTS

Since inception, Revolution Foods has served more than \$3.5 million meals and reached 40,000 students (mostly low-income). It has expanded operations to Southern California, Colorado, and Washington DC. Schools benefit from Revolution Foods higher attention levels in class, fewer disciplinary problems, increasing interests in healthy food, and student weight loss. In addition to social impact, the business generates environmental benefits (i.e. using energy efficient insulated food storage units and recycled materials) and community involvement (i.e. local economy, education, and employing local residents).

NEW NORTH FLORIDA COOPERATIVE, FL – SUSTAINABLE FARM-TO-SCHOOL PROGRAM¹³

INTRO

The New North Florida Cooperative (NNFC) was formed in 1995 by small-scale vegetable and fruit farmers to aggregate sales, provide marketing, and offer training to participating farmers to serve local schools. The goal of NNFC is to increase sales volume to raise incomes for farmers. When the organization began, the canned and frozen greens markets were filled, so NNFC decided to sell fresh and value-added products by washing, chopping, and bagging to be “ready-for-the-pot.” Value-added processing has given NNFC access to a niche market where consumers look for convenience and enabled NNFC to differentiate itself.

INNOVATIONS

NNFC’s primary crops are collards, field peas, grapes and turnip greens. The co-op focuses on three to four items each season and sells to schools year-around. Products are delivered every two or three days depending on school menus. To ensure product high quality, NNFC built strong infrastructure equipped with a processing shed, a cutting and chopping machine, wash sinks, refrigerated trucks, cold storage systems, and insulation. Co-op members go out on product deliveries. The Co-op also serves as an intermediary to negotiate fair price for both school districts and growers. Profits are re-invested into infrastructure and marketing for improvements and sales opportunities for more than 100 members.

IMPACTS

With the reputation for high-quality produce, prompt deliveries, fair prices, and courteous service, NNFC expanded operation from 13 schools in one county to 15 school districts in three counties (reaching

¹³ “New North Florida Cooperative Farm to School Program.” National Farm to School Network . www.farmtoschool.org/state-programs.php?action=detail&id=23&pid=32; Holmes, Glyn, Vonda Richardson, and Dan Schofer. “Taking it to the next level: success of small Florida vegetable co-op leads to a network of similar cooperatives.” Rural Cooperatives.

300,000 students) over six years. NNFC collaborated with other co-ops to develop the Small Farmer Distribution Network, providing marketing, education, process, and transportation to other co-ops in the region.

TEAM SANTA ROSA ECONOMIC DEVELOPMENT COUNCIL INC., FL – FUNDING LIAISON FOR AGRICULTURE INITIATIVES ¹⁴

INTRO

TEAM Santa Rosa Economic Development Council Inc. in Florida is a portal to serve and support industries in Santa Rosa County, with a focus on agribusiness. Its goal is to advance economic development of the county through growth of a balanced and sustainable local economy. Generally, TEAM Santa Rosa offers financial incentives – tax exemptions and credits, loan programs, to workforce training and assistance through development permitting – to companies that relocate to Northwest Florida. It also helps local businesses understand and connect to state development incentives and grants.

INNOVATIONS

In terms of agribusiness, initiatives include alternative agriculture, agri-tourism, bio-energy, rural development planning, research, networking, and the Panhandle Fresh Marketing Association. For example, TEAM Santa Rosa used a \$175,000 USDA Rural Business Enterprise Grant (RBEG) to set up a revolving loan fund to finance the Panhandle Fresh Marketing Association, a local effort that assists farmers in pooling resources and accessing larger markets in the produce industry. This financing helps farmers transition to crops (i.e. peppers, squash and watermelons) yielding higher profits, and creates opportunities for selling to local markets.

IMPACTS

TEAM Santa Rosa facilitated approximately \$150 million in capital investment in 2009, and created a total of \$82.5 million economic impact to Santa Rosa County from 2006 to 2010. In 2010, it received \$1.3 million in grants for land acquisition, planning and construction, research projects, and agribusiness expansion.

¹⁴ TEAM Santa Rosa Economic Development Council Inc. www.teamsantarosa.com; “Florida Food Hub Ready to Flourish with USDA Support.” Know Your Farmer Know Your Food. USDA, 3 Aug. 2010. <http://kyf.blogs.usda.gov/category/regional-food-hub/>.

PENNSYLVANIA FRESH FOOD FINANCING INITIATIVE, PA – STATEWIDE FINANCING PROGRAM FOR FOOD RETAILERS ¹⁵

INTRO

Pennsylvania Fresh Food Financing Initiative (FFFI) is a public-private partnership of The Food Trust, The Reinvestment Fund, and Urban Affairs Coalition ¹⁶ established in 2004 to encourage food retail in underserved communities. Initiative objectives reduce diet-related diseases by providing healthy food; decrease financing obstacles and operating barriers for food retailers in poor communities; stimulate private investments for employment.

INNOVATIONS

FFFI provides food retailers operating in low-income communities with finance infrastructure are not met by conventional financial institutions. Its model consists of three important strategies – policy advocacy, capital leverage, and market analysis. The advocacy of The Food Trust along with the support of three State Representatives first led to \$30 million allocation from the state government to establish and run FFFI. The Reinvestment Fund leveraged these funds with private sources for a \$120.6 million financing pool. The lending expertise enables FFFI to optimize financing promptly and introduce new capital to meet operators' needs. ¹⁷

Simultaneously, The Food Trust promotes the initiative with food retail developers and communities statewide. It conducts market analyses to identify untapped opportunities. Urban Affairs Coalition facilitates contracting opportunities for minority and disadvantaged groups.

IMPACTS

As of June 2010, FFFI approved more than \$73.2 million loans and \$12.1 million grants, developing 83 supermarkets and fresh food outlets in poor communities across Pennsylvania and providing 400,000 residents with healthy food access while creating/retaining nearly 5,000 jobs. The original \$30 million of state seed money has generated projects totaling \$190 million. FFFI has been widely recognized as a model for food retail finance in underserved communities, and further facilitated a policy creation at the federal level.



¹⁵ "Pennsylvania Fresh Food Financing Initiative." The Food Trust. www.thefoodtrust.org/php/programs/fffi.php; "A Healthy Food Financing Initiative: An Innovative Approach to Improve Health and Spark Economic Development." The Reinvestment Fund. www.trfund.com/financing/realestate/HealthyFoodFinancing_2_17_10.pdf; "Pennsylvania Fresh Food Financing Initiative." The Reinvestment Fund. www.trfund.com/resource/downloads/Fresh_Food_Financing_Initiative_Comprehensive.pdf.

¹⁶ The Food Trust (www.thefoodtrust.org) is an NGO that aims to improve access to healthy, affordable food and to educate children and families about nutrition; Reinvestment Fund (www.trfund.com) is a CDFI (community development financing institution) in Greater Philadelphia; Urban Affairs Coalition (www.gpuac.org) is an NGO that creates opportunities for minority workers.

¹⁷ According to TRF, FFFI has four components: banksyndicated supermarket loan fund, federal New Market Tax Credits (NMTC), TRF's Core Loan Fund, and direct grants to operators/developers. TRF works with applicants to determine which funds best fits needs.