FINANCING FOOD HUBS

OCTOBER 20, 2011
Presentation Outline

- Technical Orientation
- Wallace Center & NGFN Overview
- Three Open Advising Sessions
  - GROWN Locally
  - Healthy Food Hub
  - Grasshoppers Distribution
- Overarching Insights
- Upcoming Opportunities, etc.
Presentation Outline

- Technical Orientation
- Wallace Center & NGFN Overview
  Jeff Farbman
- Three Open Advising Sessions
- Overarching Insights
- Upcoming Opportunities, etc.
Increase small- and medium-sized grower viability

Add economic vitality to rural and urban areas

Reach children and families where they live
NATIONAL GOOD FOOD NETWORK: Activities

ngfn.org

ngfn.org/sysco2009
Presentation Outline

• Technical Orientation

• Wallace Center & NGFN Overview

• Three Open Advising Sessions

• Overarching Insights

• Upcoming Opportunities, etc.

Moderator
John Fisk
Director, Wallace Center at Winrock International
## Hubs

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Johnnice Cross
Who We Are

- Producer Cooperative of Family Farms Based in Rural Northeast Iowa
- Staff includes a Coordinator and Sales and Logistics Person
- Formed in 1999, First Season in 2000
- Governed by a Board of Directors
- Work is Done within a Committee Structure
- Third Party Audited Transfer Facility in Ridgeway, IA
- 5 Million Dollars Liability Insurance Coverage
Meet The Producers

- 30 producers in NE Iowa, SW Wisconsin and SE Minnesota
- 3 Levels of Participation in the Cooperative
  - Active Voting Members
  - First Season, Non-Voting Members
  - Broker Producers
- Audits and Certifications:
  - Internal Audit
  - Some GAP Certified
  - Some Certified Organic
- Season Extension using Hoophouses and Greenhouses
- Mentor Program with Primary and Secondary Growers
Our Markets

- Sell Wholesale to Distributors, Restaurants, Colleges, Schools, Hospitals, Nursing Homes and Retail Stores.

- First Cooperative of Local Producers to Become a Qualified Vendor for Sodexo at Luther College in Decorah, IA

- First Group of Local Producers to Work with Sysco of Iowa.

- Sell Meats, Poultry, Eggs, Fruits and Berries, Herbs, Vegetables, Mushrooms, Maple Syrup, Honey and Baked Goods.
Funding Needs and Challenges

- Infrastructure Needs:
  - Variety of Cold Storage to Store Pallets of Product, especially for Large Distributors
  - Loading Docks for Incoming and Outgoing Deliveries
  - Pack Out Facility with Root Crop Storage Capabilities
  - Processing Facility in NE Iowa for Excess Product and Seconds

- Resources to Recruit and Mentor Producers to Grow on a Wholesale Level.

- Farm Safety Training for GAP Certification

- Marketing Materials

- Production Planning Software
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**Jifunza Wright**

*Healthy Food Hub*
HEALTHY FOOD HUB
Growing Local Food System
Building a Local Food Economy
The Healthy Food Hub

WE ARE BUILDING
A
LOCAL FOOD SYSTEM.
was born...
out of a demand for local food.
To eat healthy year round.
Recipes were shared
& Tried
Market Goers Reported Better Health
Blood Pressures & Sugars Improved
Since Nov. 2009
Healthy Food Hub Market Days
In our own neighborhood
Folks get more for less...year round
In the heart of Chicago’s Food Deserts
30 to 40 cents on every dollar builds a local food economy
Provides Our Farmers with Organic & Non GMO Seeds
Helping Hands at Harvest Time
Through the Practice of Community
We are Creating Social Capital
Invested Eaters in Chicago
Provide Demand for Pembroke Farmers & Urban Gardeners
To Dolton
To hundreds of acres in Pembroke
We are Laying a Template for a Local Food System
Food Foundation:
Promotion, Education & Training
Production, Aggregation & Distribution
Food Access & Distribution

- Maintain and Increase Variety of Food Items in high demand in inventory
  - Communitas $10,000 (2010)
  - Leo-Guthman Fund ($26,000 2010-2011)

- HUFED $25,000 Feasibility Study Award to perfect best practices and build capacity

- Developing member investor plan
A “Lean Mean Replicable Unit” with a core staff to provide oversight and volunteer training

Healthy Food Hubs established at schools, mosques, churches in communities with volunteers from PTA, church members, students

12 hour set up and break down

Keeps operating costs to a minimum so most of the $$$ goes toward production
Pembroke Farmers collectively 100’s of acres of land, largest potential yield

Land in dire need of soil remediation, trenching, ecological irrigation

Equipment Share with maintenance and operations staff

Rotating Apprenticeships with stipends and farmer training

24 month plan to greater food production
Urban & Suburban Food Production

- High Tunnel
- Extended Growing
- Aquaponics
- Plant Medicines
- Specialty Crops
Green Manures to improve soil while raising feed (teff)

Raising own feed will drive the operations costs down so farmers can sell chickens & turkeys at competitive prices

Local or mobile poultry processor needed
Food Aggregation, Processing & Packaging

- Nestle Plant
- Wash
- Drying
- Packaging
- Canning
- Flash Freezing
- Community Kitchen
Fosters unlimited food entrepreneurship through creation of local products

Reduces Food Waste

Can provide food for food pantries and kitchens
Increasing the efficiency & capacity of the “Lean, Mean Replicable Access & Distribution Unit”

Local Food Economy Goals: 20 rural farmers, 20 suburban farmers and 20 urban farmers with a multiplier of 3 to 5 employees per farmer.

Unlimited product possibilities from the Community Kitchen

Employee Owned Social Enterprise
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Description

- Grasshoppers is a **year-round, online local grocery service** that provides a wide variety of fresh, farm foods from over 60 Kentucky and Southern Indiana family farms including vegetables, fruit, eggs, beef, chicken, pork, turkey, fish, milk, artisan cheeses, bread, pasta, soups, baked goods, grains, granola, coffee, numerous jarred items, and more.
- Delivered to the work place, retail partners, churches and community centers

Value Proposition

- Grasshoppers offers consumers a **convenient, flexible one-stop-shopping** subscription service for local foods, and a **trusted brand** for sourcing healthy, sustainably produced foods.
- Grasshoppers offers family-scale farmers and food entrepreneurs a **reliable market with guaranteed pricing**.
Basic Facts

Customers and Producers

- Urban consumers who seek fresh and healthy local foods for themselves and their families, and who care about supporting local farmers and land stewardship
- ~1000 regular subscribers = average spend of ~$35/delivery
- ~60 family-scale farmers in 27 counties in KY and Southern IN
- ~12 local food entrepreneurs

Performance

- Paid producers $1.3+ Million to date
- Revenues ~$1million (doubled over 2010) and approaching break-even
- Need to double again to achieve sustainable scale and ~5% net profits
Strategies For Growth

• **Prepared Foods:** address “cooking fatigue” and enhance margins while increasing farm impact with purchase of seconds and bumper crops through value added production

• **Convenient Distribution:** pilot partnership with existing retailer(s) with compatible brand to make pick-up more convenient for consumer; improve corporate delivery service

• **Technology:** improve consumer experience as well as back-end procurement, inventory management, and financial accounting in order to scale

• **Build Capacity of Nonprofit:** to provide capital, technical assistance, transportation/storage infrastructure to increase family farm capacity
### Grasshoppers Financing Plan: $300k Equity/Grants + $150k Debt

<table>
<thead>
<tr>
<th>Need</th>
<th>$</th>
<th>Detail</th>
</tr>
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<tr>
<td>Prepared foods</td>
<td>$150k LOC</td>
<td>Working capital LOC with covenants to support increased inventory</td>
</tr>
<tr>
<td></td>
<td>$100k</td>
<td>Onsite kitchen to process 2nds / bumper crops / specialty items</td>
</tr>
<tr>
<td></td>
<td>onsite kitchen ($70k done)</td>
<td>Recipe / HACCP plan development</td>
</tr>
<tr>
<td></td>
<td>$20-25k</td>
<td></td>
</tr>
<tr>
<td>Outbound Distribution</td>
<td>$75k</td>
<td>Truck fleet upgrade</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Retail partner pilots</td>
</tr>
<tr>
<td>Technology</td>
<td>$100k</td>
<td>Corporate partner service upgrades</td>
</tr>
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<td></td>
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<tr>
<td>Marketing</td>
<td>$10k</td>
<td>Webstore</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Back-end procurement, inventory management, financial accounting</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Traceability system</td>
</tr>
<tr>
<td>Quality</td>
<td>$65k</td>
<td>Video production / consumer advertising</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Upgrade warehouse facility to support four temperature zones, back-up generator, security, second production line, pallet scale, 3rd party inspection ready</td>
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Seed Capital KY Financing Plan

- Incubator Building: $1M
- Operating Expenses: $200-250k annually for 1st three years
- Technology: $100k
- Loan / Grant Fund for producer investments: $300k
- Rural transportation and storage infrastructure: $175k
Panelist

James Barham

Agricultural Economist
Food Hub Working Group
USDA Agricultural Marketing Service
http://ams.usda.gov

National Food Hub Collaboration
Panelist

John Fisk

Director
Wallace Center at Winrock International
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National Food Hub Collaboration
Panelist

Andy Jermolowicz

Assistant Deputy Administrator
USDA Rural Development
http://www.rurdev.usda.gov
Panelist

David Norman

*VP, Enterprise & Agriculture*

Winrock International

http://winrock.org
Panelist

Nessa Richman

Founder
Brightseed Strategies, Inc.
http://brightseedstrategies.com
Panelist

Leslie Schaller

ACEnet
http://www.acenetworks.org
Panelist

Elizabeth Ü

Executive Director  
Finance for Food
http://financeforfood.com

Consultant  
Cutting Edge Capital
http://cuttingedgecapital.com
AARP Foundation Hunger Grant Program

- Proposals must focus on
  - Food Access
  - Food Affordability
  - Food Adequacy
  - Food Appropriateness
  - Food-insecure adults age 50 and over

- Applicants must be
  - National nonprofits
  - State or local level nonprofits
  - Community-based organizations
  - Faith-based organizations

- [http://aarp.us/qZck9s](http://aarp.us/qZck9s)
Beginning Farmer Rancher Development Program

- These are large, multiyear grants - $600,000 is not uncommon.
- They usually go to well respected research institutions.
- Identify a researcher who is interested in this issue in a nearby institution and contact them.
- Reach out to other organizations similar to yours, as this program likes to see a lot of farmers being trained.
- **Examples of relevant activities:**
  - Feasibility study on streamlining hub processes
  - Feasibility study on replicating hubs in other neighborhoods
  - Feasibility study on washing, packaging and processing in hubs.
  - Feasibility study on equipment share services, irrigation, apprenticeship labor
  - Teaching soil amending and high tunnel production techniques
  - Provide farmer training
  - Community Kitchens for canning, dehydration and preparing seconds and establishing new local product lines
East Point, GA: URBAN OASIS BEGINNING FARMER TRAINING PROGRAM

The Metro Atlanta area has 1.2 million acres of vacant lands and plots, as confirmed by the Chamber of Commerce's Metro Atlanta Quality Growth Task Force. The Atlanta Local Food Initiative estimates that shifting 23,000 acres into cultivation would provide vegetables for the 4 million residents of Atlanta. Considering these challenges and opportunities, the Urban Oasis Beginner Farmer Enterprise Program will create sustainable income opportunities through urban farms, which are accessible to low income communities. Truly Living Well's long-term goals for the Urban Oasis Beginner Farmer Enterprise Training, Internship, and Incubation program are: 1. Increase economic prosperity for low-income communities through viable self employment and employment opportunities in urban farming; 2. Increase access to and consumption of healthy, local food for all income levels in Metro Atlanta; 3. Implementation of a comprehensive beginner urban farming training program and support network that results in increased production of healthy food, without use of petro-chemicals; and 4. Development and use of accessible business models and tools for beginner urban farmers.
Business and Industry Guaranteed Loan Program

- Private lenders are provided loan guarantees by USDA to ensure better terms
- Loans may be used to
  - prevent businesses from closing
  - provide expanded job opportunities;
  - convert, enlarge, repair, modernize or otherwise develop a rural business;
  - purchase and develop land, easements, rights-of-way, buildings, or facilities;
  - purchase equipment, leasehold improvements, machinery, supplies, or inventory
- Total loans from a borrower may not exceed $10 million (with some exceptions)
- Example
  - **Organic Renaissance, LLC** in Athol, MA helps connect local growers to restaurants and retailers by assisting with transportation, aggregation and distribution, while preserving direct relationships between buyers and sellers. In 2010 they received a $450,000 B&I guaranteed loan from GFA Federal Credit Union to expand their operations, build a 100% hydro-powered aggregation facility, build up their online ordering system and educational programs that focus on local agriculture, and food education in the community (especially to children)
Community Development Block Grant Program

- Partially designed to create jobs through the expansion/retention of businesses
- Includes support for business planning, construction, equipment purchase, training and technical assistance
- A grantee must develop and follow a detailed plan which provides for, and encourages, citizen participation
- National objectives for the program:
  - benefit low- and moderate-income persons
  - prevention or elimination of slums or blight
  - address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

http://1.usa.gov/nkvx2j
Community Development Financial Institutions

- CDFIs supply the tools enabling economically disadvantaged individuals to become self-sufficient stakeholders in their own future
  - providing financial services, loans, and investments
  - offering training and technical assistance services
  - promoting development efforts that enable individuals and communities to effectively use credit and capital
- Willing to accept higher risks than traditional banking
- Some banks have some portion of their lending and spending devoted to CDFI investments.

- Coalition of CDFIs - http://www.cdfi.org/
Community Economic Development Program

- Applicants must be a private, non-profit Community Development Corporation
- Address the economic needs of low income people through creation of employment and business opportunities
- Part of the Healthy Food Financing Initiative (HFFI)
- Can finance farmers markets, grocery stores, other retail with construction, equipment purchase, job training, marketing, working capital
- http://1.usa.gov/riOAeB
Community Facilities Grants and Loans

- Provides loans and grants for the construction, acquisition, or renovation of community facilities or for the purchase of equipment for community projects.
- Average loan in FY 2008 was $665,229. Grants given to smaller communities with lower incomes.
- Example
  - In 2010 Polson Loaves and Fishes Pantry in Montana received a $20,000 grant purchase a walk-in freezer to supplement their storage capacity, and a forklift to move the donations they receive from the community.
Community Food Projects

• Intended to increase food security in low income areas
• Allows for infrastructure improvements
• Supports the creation of innovative marketing activities that mutually benefit agricultural producers and low-income consumers.
• $5 million available, grants up to $500,000
• Topic Areas
  o Community Food Projects
  o Training and Technical Assistance Projects (T&TA)
  o Planning Projects
• [Link](http://1.usa.gov/pbaiKz)
Corporate Foundations

- Many corporations have foundations for small grant programs
  - Kroger
  - Lowe’s
  - The Food Marketing Institute Foundation
- Most grocery chains and big box retailers have foundations and a policy of making small grants under $5,000 locally
“Crowdfunding”

- Solicit gift money from your community of customers or producers
- Great to raise small amounts (<$20,000) for tangible items

http://kickstarter.com
http://indiegogo.com
Economic Development Administration

- Department of Commerce program
- Must work in a “distressed” area and show how jobs will be created
- Partner with local government or Economic Development Corporations.
- Funds for facility construction/renovation and equipment purchase
- Many different programs
- http://www.eda.gov/
Equity Investment

- Sell a portion of your business to an investor
  - Investor shares in risk, and reward
  - Does not have to be a public offering

- Shares can be voting or non-voting
  - Non-voting shares raise capital without giving up management rights

- Example:
  - CROPP / Organic Valley model: $5k minimum investment; 5% dividend paid quarterly; available to accredited and non-accredited investors; redemptions are at face value
Low-interest financing for producers to build or upgrade farm storage and handling facilities

- Maximum loan term = 12 years
- Maximum loan amount = $500,000
- October 2011 CCC lending rates are:
  - 1.500 % for Farm Storage Facility Loans with 7 Yrs loan terms
  - 2.125 % for Farm Storage Facility Loans with 10 Yrs loan terms
  - 2.375% for Farm Storage Facility Loans with 12 Yrs loan terms

http://1.usa.gov/pB9Mh2
Farmers Market Promotion Program

- Federal – Administered by USDA Agricultural Marketing Service
- Improve and expand farmers markets, CSAs, and other direct-to-consumer market opportunities.
- FY 2011: $10 million total; max $100,000 per grantee
- Examples of relevant activities:
  - Streamline hub processes
  - Replicate hubs in other neighborhoods
  - Include washing, packaging and processing in hubs
  - Provide equipment share services, irrigation, apprenticeship labor
  - expand to new communities and to businesses and institutions
  - Covers most activities except construction (marketing, equipment purchase, farmer training)

- Email: Carmen.Humphrey@ams.usda.gov
Grasshoppers Distribution, LLC, Louisville, KY, to increase the year-round availability of local food; improve the long-term viability of a growing CSA; enhance product value and sales; and secure equipment for an onsite, commercial kitchen.

Appalachian Sustainable Development Project, Asheville, NC, to increase opportunities of small farmers in the Southern Appalachians to grow and market locally produced nutritious food through an expanded network of CSA programs.

Appalachian Sustainable Development, Abingdon, VA, for making healthy, locally grown foods available to all citizens of southern Appalachia by strengthening and promoting regional farmers markets through education and technical support, and increasing income opportunities for over 250 mostly limited-resource farmers through market expansion and education.

Lulus Local Food, Richmond, VA, for establishing four new virtual (online) farmers markets that will create opportunities for more than 400 small-scale farmers to connect directly with their consumers.

Browse and Grass Growers, Downing, WI, to increase processing, marketing, and distribution capacity and ultimately profit by: 1) educating, training, and supporting producers transitioning to 100 percent grass fed meat and/or value added production on the requirements, opportunities and logistics of direct marketing; and 2) applying this training through experiential learning and the expansion of a farm-to-school program with two culturally and economically diverse specialty schools.
Federal-State Marketing Improvement Program

- Matching funds to states to explore barriers, challenges, and opportunities in marketing, transporting, and distributing food and agricultural products.

- Relevant activities include:
  - Determining market demand for local products
  - Evaluating online marketing tools such as MarketMaker
  - Developing protocols for harvesting excess crops for local food banks
  - Developing business plans for food hubs.

- No maximum grant
  - Average $50,000; generally range is $25,000 - $135,000

- Example
  - In 2010 the Ohio Department of Agriculture, in partnership with the Appalachian Center for Economic Networks (ACENet), was awarded $54,375 to foster development of new local food processing, aggregation and distribution infrastructure in Ohio.

- E-mail: janise.zygmont@ams.usda.gov
Hunger Free Communities

- Includes initiatives for alleviating shopping constraints through the development of creative food resources (buying clubs, food cooperatives, farmers markets, community owned grocery stores, etc.)
- 2010: $1 million for assessment projects, $4 million for implementation
- 20% cost-match required (this program will support 80%)
Intermediary Relending Program

- Finance business facilities and community development projects that alleviate poverty and increase economic activity and employment in rural communities.

- Relevant activities
  - Research/Feasibility Studies/Business Planning
  - Construction
  - Land Lease/Purchase
  - Equipment purchase
  - Training and Technical Assistance

- An intermediary may borrow up to $2 million under its first financing and up to $1 million at a time thereafter. Total debt is capped at $15 million. In recent years, loans to intermediaries have been capped at $750,000. Ultimate recipients may borrow up to $250,000.

Private Loans & Pre-payment

- **Buyers may be willing to extend loans**
  - May be most interested if you can provide a needed service
  - Creative repayment schemes possible

- **Pre-payment discounts**
  - You get access to capital NOW
  - Pre-order discount could be stepped – e.g. 15% off for quarterly pre-payment, 25% off for six months' prepayment
  - Gift certificates
Program Related Investment Loans (PRIs)

- “Mission Driven Financing”
- Foundations use financing methods commonly associated with banks or other private investors
  - Loans
  - loan guarantees
  - linked deposits
  - Even equity investments in charitable organizations or in commercial ventures for charitable purposes
- Unlike a bank loan, foundations are willing to
  - take some elevated level of risk
  - offer low cost (e.g. low interest) capital
    ... to support outcomes in line with the foundations’ mission
Regional Commissions

• Appalachian Regional Commission
  o Community infrastructure
  o Education and training
  o Entrepreneurship and business development
  o Health
• http://www.arc.gov/

• Delta Regional Authority
  o Growing Small Businesses
  o Promoting a Healthy Delta
• http://www.dra.gov/
RSF Social Finance

- “Alternative” lender
- Several innovative programs
- Investing
- Lending
- Giving

http://rsfsocialfinance.org/
Rural Business Enterprise Grant

- Supports the development of physical infrastructure and facilities, including food processing, marketing, and distribution business ventures for locally-grown agricultural products.

- Relevant activities include:
  - Acquisition or development of land, easements, or rights of way
  - Construction, conversion, renovation of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities
  - Pollution control and abatement
  - Capitalization of revolving loan funds including funds that will make loans for start-ups and working capital
  - Training and technical assistance
  - Distance adult learning for job training and advancement
  - Rural transportation improvement
  - Project planning

- No maximum grant size
  - Usually $10,000 - $500,000 (smaller projects are given higher priority).

- Example
  - Coast Grown in San Luis Obispo received an $88,000 RBEG grant in 2007 to form the Coast Grown Cooperative of 18 independent farms and ranches along California’s Central Coast and to build the first Mobile Harvest Unit in California. The grant helped pay for a producer survey, cooperative feasibility report, mobile unit feasibility report, business plan, seat a board of directors, articles of incorporation, by-laws, develop quality standards, ranch facility requirements, hazard analysis plan, standard sanitation operation plan, all mobile unit permits and guidelines in place, MHU modifications, website, logo and brochures, new member application packet, and to hire a CEO.

- Contact your local Rural Development office: [http://www.rurdev.usda.gov/recd_map.html](http://www.rurdev.usda.gov/recd_map.html)
Rural Business Opportunity Grant

- Supports training and technical assistance for business development (to include support for food processing, marketing and distribution business development of locally-grown agricultural products).

- Relevant activities
  - Research/Feasibility Studies/Business Planning
  - Marketing & Promotion
  - Training & Technical Assistance

- Funding varies annually. 2011 - up to $50,000 (single-state projects), $150,000 (multi-state projects)

Contact your local Rural Development office: http://www.rurdev.usda.gov/recd_map.html
Specialty Crop Block Grant

- States administer grant program to enhance the competitiveness of specialty crops (fruits, vegetables, tree nuts, dried fruits, horticulture, nursery crops, floriculture), including locally grown and consumed specialty crops.
- Applications go through the state department of agriculture.
- States have a lot of leeway in how they spend these funds.
- Each state has a contact person and usually has a minimum or maximum grant award amount.
  - Depending on the state the amounts vary widely. For some $25K would be average, others range up to $500K.
- Funds must be spent SOLELY to promote specialty crops. This must be carefully monitored.
- Examples of relevant activities:
  - Feasibility studies for replication of hubs in other neighborhoods, implementation of these hubs
  - Specialty crop only hub-based washing, packaging, processing equipment
  - Specialty crop only kitchens and kitchen-based canning dehydration equipment
  - GAP and HACCP training/technical assistance, marketing and promotion.
  - Farm to school programs
Specialty Crop Block Grant Examples

- CA: Partner with the Sacramento Area Council of Governments to assess the feasibility of building a local food hub, with a specific focus on creating the volume and transport of local specialty crops needed to supply food banks and others with an ongoing supply of local specialty crops. Stakeholders interested in developing or receiving data, tools and analysis from the project will be required to verify their status as specialty crop operation in writing.

- PA: Partner with Pennsylvania Association for Sustainable Agriculture to plan and implement the development of a Northeast Pennsylvania “Food Hub”, which will increase the production and sales of Pennsylvania grown specialty crops.

- VT: Partner with Mad River Food Hub (MRFH) to increase local farmers’ salable crops by reducing wastage through the provision of a small blast freezer to freeze specialty crops that are harvestable, ripe, and remain unsold. This freezer will be monitored by MRFH through a sign-in protocol to ensure it is only used to freeze specialty crops.

- IA: Partner with Iowa Food Systems Council, Iowa Department on Aging, Iowa State University, and Regional Food Systems Working Groups to conduct a feasibility study that will outline the steps necessary for existing licensed kitchens to become potential specialty crop value-added processing sites. Only specialty crop producers will be included in the survey and the focus group meetings which will be completed as part of the project.
Risk Management Education Cooperative Marketing Grant

- $3.5 M available; grant sizes $20,000 - $100,000
- Partner with (or be) a non-profit, university, extension.
- Training on GAP, development of marketing materials, help with recruiting new farmers through training/education activities
- More info: http://1.usa.gov/nUv2Zr
Value Added Producer Grant

- Agricultural product that has undergone a change in physical state or was produced, marketed, or segregated (e.g. identity-preserved, eco-labeling, etc.) in a manner that enhances its value or expands the customer base of the product.
- Grants may be used to fund one of the following two activities:
  - Develop business plans and feasibility studies (including marketing plans or other planning activities) needed to establish viable marketing opportunities for value-added products; or
  - Acquire working capital to operate a value-added business venture or alliance. Working capital applications generally must be supported by an independent feasibility study as well as a business plan.
- Grant funds may not be used for a building or facility or fixed equipment.
- Up to $100,000 for planning; up to $300,000 for working capital. Typical award: $130,000.
- Matching funds are required (>= Federal funds awarded) and must be expended in advance.

- National office: cpgrants@wdc.usda.gov
- Contact your local Rural Development office: http://www.rurdev.usda.gov/recd_map.html
Whole Foods Producer Grant Program

- Low-interest loans to small, local producers
- $10,000 - $100,000 (up to $10 million pool)
- Effort made to minimize
  - Fees
  - Interest rates
  - Paperwork

Presentation Outline

- Technical Orientation
- Wallace Center & NGFN Overview
- Three Open Advising Sessions
- Overarching Insights
- Upcoming Opportunities, etc.
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Webinars are Archived

TOPICS!

http://ngfn.org/webinars
NGFN Webinars

• 3rd Thursday of each month
  3:30p EST (12:30p PST)

http://ngfn.org/webinars

• November 17
  Two Revolutionary Tools for Beginning Farmers
Other Upcoming Webinars

- Oct 21 (tomorrow) - 2-3:30p Eastern (11a Pacific)  
  Beginning Farmer Rancher Development Program  
  http://nifa-connect.nifa.usda.gov/bfrdp

- Oct 27 – 1p Eastern (10a Pacific)  
  Healthier Food For Sale: Finding the Funding  
  http://www.phlpnet.org/php/webinar-php-20110728
Two New Websites

- **www.FoodHub.info**
  - Food Hub “hub”
  - Research, case studies, list and map of hubs across the country, much more.

- **www.HUFED.org**
  - About the initiative
  - Grantee profiles
  - Library of many of the best food access resources
Get Connected, Stay Connected

http://ngfn.org/database

New! National Good Food Network Database
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