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S. Hrg. 112–692

HEALTHY FOOD INITIATIVES, LOCAL PRODUCTION AND NUTRITION

HEARING

[BEFORE THE]

COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY UNITED STATES SENATE

ONE HUNDRED TWELFTH CONGRESS

SECOND SESSION

MARCH 7, 2012

Printed for the use of the
Committee on Agriculture, Nutrition, and Forestry

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HEALTHY FOOD INITIATIVES, LOCAL PRODUCTION AND NUTRITION

Wednesday, March 7, 2012

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY,
Washington, DC

The committee met, pursuant to notice, at 9:40 a.m., in room 216, Hart Senate Office Building, Hon. Debbie Stabenow, Chairwoman of the committee, presiding.

Present or submitting a statement: Senators Stabenow, Leahy, Brown (of Ohio), Casey, Klobuchar, Roberts, Johanns, Boozman, Grassley, and Thune.

STATEMENT OF HON. DEBBIE STABENOW, U.S. SENATOR FROM THE STATE OF MICHIGAN, CHAIRWOMAN, COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY

Chairwoman STABENOW. Good morning. We will call to order the Committee on Agriculture, Nutrition and Forestry.

We are pleased that all of you are here today during National Agriculture Week, so this is an important time for us to be having a very important hearing as we continue our efforts to work together on the 2012 farm bill.

Today, we focus on the increasing demand for locally grown food and the opportunities that that creates for farmers and ranchers across the country. We also take a look at how we can strengthen access to healthy food for communities that are in need.

You know, when I go home to Michigan on the weekends, I love seeing the "Michigan Made" produce in the supermarkets, and we have, of course, everything from apples and cherries and blueberries and sweet corn and hot dogs and sausage and more kinds of vegetables than you can imagine, and a growing selection of Michigan beer and wine. So we have everything in Michigan. It makes me hungry this morning.

But Michigan State University recently partnered with Myers Stores to promote "Made in Michigan" products in the grocery aisles, including locally grown produce and value-added products like salsas and jams and spaghetti sauces. So we are seeing "Michigan Made" signs in grocery stores all across the State. That is a trend I want to see continue, and it is certainly one that people in Michigan want to see continue.

Whether a Kansas farmer is growing wheat that will be made into bread in the Wichita bakery or a farmer in Georgia is selling peaches to schools through a food hub in Atlanta, local food systems mean a win-win for agriculture and the local economy. And

those are big wins. In Michigan, we know that for every household that would spend just $10 more on locally grown food, we could put $40 million back into our economy. When we buy local, we support local jobs.

The growing demand for local food has also created great opportunities for young and beginning farmers, which is a big priority for us on the committee. Through farmers' markets and food hubs, new farmers are getting help marketing, aggregating, and processing their products.

We also know how important local food systems have been in this very difficult economy. Food Policy Councils, farmers' markets, co-ops, food hubs are bringing farmers together with low-income school districts, food banks, grocers, and food deserts to provide fruits, vegetables, and other healthy products to families in need.

This is not always an easy task. Resources like the Healthy Food Financing Initiative can help bridge the gap and have helped new grocers get established in places like Philadelphia and Detroit. These stores are making profits and providing an important—meeting an important need in local communities and using food hubs to connect with local farmers.

We know that, too often, parents who are struggling multiple jobs and working long hours find it difficult to prepare healthy meals for their kids. That is why the nutrition education efforts, coupled with incentives to buy healthy, nutritious foods, are so important to so many families in so many communities.

The sad irony is that as the economy declines and so many people lost their jobs, there was more need for food help in community food banks, but at the same time, fewer people had the resources to make the donations to the organizations that could help. They were squeezed on both sides. But through innovation and creative partnerships, farmers and local food systems are helping to bridge the gap.

One of our very first hearings focused on accountability, stretching every dollar to get the best results, eliminating duplication, cutting red tape, getting better results for everyone. That is still the lens through which I view the farm bill. Local food programs represent a very small percentage of the farm bill, but they make a very big impact in our communities, creating jobs and improving access to locally grown foods.

The continued success of the agricultural economy and the continued growth of jobs in agriculture require both— not either/or, both—traditional production agriculture as well as local efforts. America's farmers are not just feeding the world, although they are. They are also feeding their neighbors and the local community. Local food efforts are leveraging private dollars to create more economic impact in rural communities and more choices for consumers.

So I want to thank all of our excellent witnesses that are here today, certainly thanking the Secretary, and I will introduce him more formally in a moment, but we appreciate both the work of Secretary Vilsack and the Department and also all of you who are involved in very, very important work in communities all across America.

Without objection, I would like to submit for the record a letter from 49 nutrition and hunger groups supporting key programs that protect against hunger, improve nutrition and health outcomes, and strengthen community-based initiatives that link farmers with consumers and increase access to healthy food.

[The letter can be found on page 114 in the appendix.]

Chairwoman STABENOW. I would now like to turn to my friend and Ranking Member Senator Roberts for his opening remarks.

STATEMENT OF HON. PAT ROBERTS, U.S. SENATOR FROM THE STATE OF KANSAS

Senator ROBERTS. Well, I thank my friend. Madam Chairwoman, thank you for our witnesses for joining today.

And Secretary Tom, it is good to see you here, and thank you for your cooperation as we work together to protect the food safety of our country from threats that we both know exist. I truly appreciate your cooperation, your insight, and your support. So it is good to see you here today and we look forward to your testimony.

And I look forward to hearing from each of the witnesses as we talk about the next farm bill and how we shape policy, specifically in the areas of nutrition programs and the marketing of local and regional products.

To those producers who market their crops locally, special congratulations and keep up the good work. You are part of the fastest growing sector in agriculture, and I commend farmers and ranchers around the country for taking advantage of opportunities to add value to their products. This exciting and fast paced growth helps bring new opportunities to rural areas.

But I must caution that the belief that locally grown and purchased food is inherently better, safer, more environmentally sustainable than food produced elsewhere in our country can pit one farmer against another farmer, town against town, and State against State. All food grown in this country is local to their communities regardless of where it is sold. Now is a time when all of agriculture needs to come under one tent to meet the growing demands of a troubled and hungry world and a global population expected to hit nine billion people in several decades.

I agree that a freshly sliced ripe tomato grown from your backyard and garden, and using a little more sodium than perhaps recommended by the Secretary of Health and Human Services——

[Laughter.]

Senator ROBERTS. —can be quite tasty throughout most of the year. However, this is just not practical in Kansas and many other States. So sometimes purchasing a tomato grown in Southeast Kansas at a local farmers' market on a hot summer day makes the most sense, big time. And sometimes purchasing a tomato grown in Florida, however, at the local grocery store during the cold winter months makes the most sense.

Regardless of the season, consumers continue to demand more local products and many businesses and markets are meeting this demand without the need for taxpayer support.

The Department recently released a report highlighting 27 programs—27—geared toward the local foods sector. This is somewhat concerning given our budget situation and coupled with our mis-

sion to reduce waste and duplication and redundancy. I know the Secretary has been working very hard on this. As we hear from our witnesses here today, I look forward to hearing how we can consolidate, how we can streamline, how we can consider programs that are the best use of our taxpayer dollars, just like we asked our conservation and rural development and energy witnesses in previous hearings.

On the nutrition front, the President has requested $70 billion for 2013 to fund the benefits in the Supplemental Nutrition Assistant Program, SNAP, or formerly known as Food Stamps. With a retailer trafficking rate of one percent and improper benefits payments totaling 3.8 percent, annual SNAP errors total $3.4 billion. Now, let me repeat that, $3.4 billion per year in errors. Now, I want to point out to my colleagues that the total is over two-thirds of the annual support programs for our commodity programs that we have been providing to farmers nationwide who produce most of our food and fiber. We should be at least as motivated to eliminate fraud, waste, and abuse loopholes and to find efficiencies—all hard to do, I know—in SNAP as others are motivated to eliminate commodity safety net programs.

I appreciate very much the Secretary taking his very valuable time to testify and I look forward to today's hearing. Thank you, Madam Chairman.

Chairwoman STABENOW. Thank you very much.

And before proceeding, I certainly welcome written opening statements from colleagues this morning, and I know that Senator Brown is going to have to leave for another hearing and has a witness that he wanted to recognize and introduce who will be on the second panel, so Senator Brown, will you——

STATEMENT OF HON. SHERROD BROWN, U.S. SENATOR FROM THE STATE OF OHIO

Senator BROWN. Thank you, Madam Chair, and thank you for going out of order, and I welcome Secretary Vilsack.

I want to introduce Anne Goodman, who is the CEO and has been for a dozen years of the Cleveland Foodbank. It is award winning, one of the best food banks in the United States of America and she makes us proud in greater Cleveland for the work she and her paid staff and huge number of volunteer staff do. I have been to her food bank maybe three, four, or five times by now and seen the kind of work she does and so appreciate it. She is one of many heroes in this country holding the line against hunger.

I so appreciate, too, the work that Secretary Vilsack is doing on understanding that USDA is reporting record lows of fraud and abuse in the SNAP program. I know the attention you pay to that and your Department pays to that. It is such an important, important program for our country, and to undermine it and make threats about cutting it because of fraud and abuse is wrong-headed. We need to attack fraud and abuse, for sure, but the Secretary is doing a good job. We need to continue that.

I am so appreciative of the work that he does and that Anne Goodman does for my community, so thank you, Madam Chair.

Chairwoman STABENOW. Thank you very much.

And now let me turn to Secretary Vilsack, certainly no stranger to the committee. We very much appreciate your coming back before us on another very important part of the farm bill.

As we all know, Secretary Vilsack is working hard to strengthen our American agriculture economy, to revitalize rural communities, protect and conserve our natural resources, and to provide a safe, nutritious, and sufficient food supply for the American people. We all know that he served as Governor of Iowa for two terms before coming to serve our country in his current position and has also been in the role of a State Senator and a mayor, and so has served at every level and we greatly appreciate your service and the leadership you are providing with the Department of Agriculture. So welcome this morning.

STATEMENT OF HON. THOMAS VILSACK, SECRETARY, U.S. DEPARTMENT OF AGRICULTURE

Secretary VILSACK. Madam Chair, thank you very much, and to Senator Roberts, thank you, and to the committee members for this opportunity.

You have my written statement, but if I could just spend a minute or two to create a context for why this discussion of local and regional food systems is important.

I would like to take you back to the mid-1980s. At that time, I was not in public life. I was a county seat lawyer. I was operating a county seat law firm where, basically, whatever walked in the door was what we attended to. We were in the midst of a very difficult crisis in farm country. There were many human tragedies that were reported. There were foreclosures. There were suicides. There were killings. It was a very, very sad time. I had the great privilege of representing a number of farmers who were being foreclosed upon and worked hard to make sure that they had an opportunity to stay in business.

As a result of that experience and listening to the tragic stories of these families being torn apart by financial stress, I decided that if I ever had the opportunity to be engaged in public life, that I would do everything that I could possibly do to provide as many diverse opportunities for income for rural folks as I could find. And I am proud to say that USDA is engaged in that effort and that is what we are going to discuss today, one element of a number of elements that we are focused on.

To rebuild the rural economy in this country, to provide hope and opportunity for families in rural America, we obviously start with production agriculture. There is no question about that. That is the heart and soul of rural America. And that is why we are proud of the work that those producers are doing in feeding America and feeding the world and leading us in record exports, adding value, creating new opportunities and efficiencies.

We want to complement what they do, and one way we can complement that is by the bio-based economy, and I want to acknowledge the Chair's work in putting together a proposal that would help advance bio-based opportunities in this country, which creates yet another income opportunity for farmers and ranchers and growers.

The conservation efforts that this committee has supported so well creates tremendous opportunities for outdoor recreation, which we know is a multi-hundred-billion dollar enterprise that can create new jobs and opportunity in rural America.

In the same vein, local and regional food systems, which, as Senator Roberts indicated, is a fast-growing aspect of agriculture, can, indeed, help create opportunities to maintain wealth in rural communities, help to create new opportunities for entrepreneurship and innovation, an entry point for young farmers to get into this business, and a job creator.

We are using all of the programs at USDA to help all aspects of agriculture and we are proud of the "Know Your Farmer" compass that Senator Roberts alluded to earlier, a report that documents ways in which we are using existing programs that not only help regional and local food systems, but are also being used to help improve the quality of life in communities, to expand production agricultural opportunities, to encourage small business development, to expand opportunities in outdoor recreation and the bio-based economy. So these programs that are reported in the compass, the "Know Your Farmer, Know Your Food" compass, are not solely directed to local and regional food systems. They are just basically part of the arsenal, the tool chest that we use. Can there be efficiencies? Absolutely. Can there be consolidation of programs? For sure. But we want to make sure that we have enough flexibility to be able to use them to advance the bio-based economy, to advance production agriculture, to advance outdoor recreational opportunities, and to advance local and regional food systems.

I will not spend the committee's time talking in great detail about SNAP because I suspect that there are going to be a number of questions about that. Just let me say that in the last year that we have data for, over 784,000 investigations and inquiries were made of individuals in terms of SNAP. Forty-four thousand people were disqualified. We have the lowest error rate and the lowest fraud rate we have had in the history of the program. We are not stopping there. We are going to continue to focus on this issue. We have new rules and regulations that we are proposing, additional guidance that we are providing to States. So we are very serious about maintaining the integrity of this program, and we understand that that is our responsibility.

At the same time, this is a program that is providing help and assistance to millions of Americans, and many of them are working. Forty-one percent of SNAP beneficiaries currently have earnings in the family. Four major groups make up the SNAP beneficiaries: Senior citizens, people with disabilities, children, and working men and women. We obviously want to help those folks. We want to value work. We want to acknowledge that they are playing by the rules. And we want to continue to have a strong and viable program.

So, Madam Chair, we appreciate this opportunity, look forward to the questions, and thanks again for the chance to visit with you today.

[The prepared statement of Hon. Thomas Vilsack can be found on page 78 in the appendix.]

Chairwoman STABENOW. Well, thank you very much.

I wonder if we might start by your expanding on how you see USDA's role in helping to facilitate these new processes around local sourcing. We have got a lot of consumer demand for locally and regionally produced products. That continues to grow. We have a lot of companies and schools and hospitals that are now engaging in local sourcing. What do you see as the USDA's role in really facilitating that process?

Secretary VILSACK. I think there are three basic responsibilities. One, providing opportunities for people to get into this business to begin with, whether they are on the producer side or on the retailer side. That is why we have the Value-Added Producer Grant Program. That is why we have the Beginning Farmer and Rancher Development Program. It is why we provide FSA ownership and operating loans to individuals who want to get into a business where they are selling locally.

We also have a responsibility to create local markets and to support local regional food systems, the way in which these products can be marketed. That is why we have a Farmers' Market Promotion Program, a 54 percent increase in the number of farmers' markets in the last three years. It is why we maintain the Specialty Crop Block Grant that was scheduled to be eliminated by the previous administration. And it is why we have used the Rural Cooperative Development effort to try to promote opportunities for the development of farmers' markets, food hubs, ways in which these items can be marketed to local institutions and local consumers.

And finally, there is the need for technical assistance and infrastructure, brick and mortar opportunities. There are communities that are interested in having year-long farmers' markets. To do that in some climates requires brick and mortar opportunities, so that is why we use the B and I Guaranteed Loan Program, the Rural Enterprise and Opportunity Grant Program. We also provide technical assistance through the small help desk that FSIS has established as well as using the EQIP program to help expand high hoop houses to extend the growing season.

So it is establishing an opportunity, creating markets, and providing the infrastructure that supports those markets.

Chairwoman STABENOW. Thank you. Talk a little bit more about new and beginning farmers. I know this is an area of great concern to you and to me and, I think, to all of us, when the average of an American farmer is 58. We talk a lot about new opportunities, but in this context, could you talk a little bit more about how local and regional food systems are helping new farmers be able to get into agriculture and be able to succeed.

Secretary VILSACK. One of the trends that we are seeing is that a lot of people in their 20s and 30s are very interested in coming back to rural areas and becoming interested in farming, perhaps not on a large scale because the capital needs are so intense, but they would like to have their foot in the door. They would like to have an entry point. And certainly developing a small value-added operation—maybe it is an organic operation, it does not necessarily have to be—is one way of doing that. Or maybe it is taking a portion of the production agricultural system and setting aside an acre or two and diversifying that operation and giving a family member and opportunity to get back into the business.

So we provide loans for farmers through the Ownership and Operating Loan Program of FSA. We have got the Beginning Farmer and Rancher Development Program that provides resources to enable people to have a good business plan that they, in turn, can take to FSA or a bank to get the initial financing. We try to establish with Farm-to-School Programs and other activities opportunities for additional market and an awareness of the local market, both on the institutional purchaser side and on the consumer side. So this is an entry point.

Now, having said that, I think it is going to be very important for this committee, as you craft the farm bill, to be very acutely aware of the challenges we have with the aging nature of our farmers, particularly our production agriculture operations, and to look not just at the farm bill provisions, but also at tax and regulatory provisions. There needs to be some understanding and appreciation for how crop insurance should be managed differently between beginning operations and more mature operations, what the credit needs are of beginning operations, and how difficult it is today to transfer land or even to consider transferring land because of the way the tax structures are.

Chairwoman STABENOW. And finally, let me ask, we have heard you talk about the SNAP program and congratulate you for focusing on fraud and abuse in the system, because in this climate, we need every dollar to go to somebody who needs it because there are just way too many people that need temporary help right now. But in the farm bill, what additional measures would you suggest that we should be providing you in terms of tools to be able to fight fraud and abuse, to be able to improve the programs, because we want to make sure those dollars are going exactly where they need to be.

Secretary VILSACK. Well, certainly in the area of fraud, we are deeply concerned about high-risk areas and locations, and oftentimes those higher-risk locations are not large grocery store chain stores where a substantial percentage—84 percent of SNAP benefits are redeemed in 16 percent of the stores in America. But many of the fraud issues that we are dealing with are in small-scale venues.

Tightening up what stores can qualify for SNAP participation would be helpful. Right now, the rules are fairly loose and it allows smaller-scale stores to participate, and oftentimes we find repeat patterns of trafficking and difficulties in those stores. Even though we have sanctioned them, even though we have disqualified certain owners, the location gets transferred to a new owner and it ends up creating the same type of opportunity. So that would be one suggestion I would make in the time. I see my time has expired.

Chairwoman STABENOW. Yes. Well, thank you very much. My time is up and I will turn to Senator Roberts.

Senator ROBERTS. Well, thank you, Mr. Secretary. My questions are probably redundant, but that has never stopped me before.

The Department's "Know Your Farmer, Know Your Food" report issued last week, as I indicated in my opening statement, highlighted, and then you talked about this, 27 programs that target local and regional agriculture food systems—27 programs for the fastest-growing segment of agriculture. My question is pretty sim-

ple, and you have already gotten into this. Are 27 different programs necessary for a sector of agriculture that represents less than two percent of our agricultural economy but seems to be growing like gangbusters on their own? With budgets as tight as they are, should we not streamline and consolidate and, most of all, focus on programs that deliver the most bang for the taxpayer buck?

Now, you said in your opening statement, and you have already basically answered the Chairwoman's question, but you said in your opening statement that you have some new requests to allow you to better streamline this or to consolidate. Could you focus on that and just—but you have also said in your statement that you need flexibility in certain areas, and that maybe one program might work in one particular area but another program would fit in another area. I just do not think we need 27. At any rate, would you amplify on that, sir, and what do you need from us?

Secretary VILSACK. Well, I think there needs to be a program that makes it a little bit easier for people to get in the farming business. That does not necessarily have to be limited to local and regional food systems. It can also be production agricultural opportunities.

Senator ROBERTS. Sure.

Secretary VILSACK. So that is one area. And if you had a program that basically consolidated many of the programs that are currently providing that entry point with enough flexibility to use it for production agriculture or for local regional food systems, you could satisfy—you could have fewer programs and still satisfy the need.

We obviously want to continue to support markets, both local and foreign market opportunities, and that is why the Farmers' Market Promotion Program is an important tool. The Community Facility Grant Program is used for many purposes. It is used for hospitals, police stations, fire stations, you know this. But it can also be used for brick and mortar opportunities to build and to expand on a farmers' market and create a better venue for more opportunities. The ability to use that program flexibly and to have adequate resources in the program obviously will allow us to use that single program for brick and mortar opportunities.

You may be focusing on a larger-scale operation. The Chairwoman is certainly familiar with Eastern Market. She certainly has made me familiar with Eastern Market. And that is a rather large operation and it may not be sufficient for a Community Facility Grant because it is located in an urban area. Maybe a little bit more flexibility with our Business and Industry Loan Program in terms of precisely where we can invest those resources, if it can be of help to rural facilities as opposed to solely being located in a rural community.

So there are many ways to deal with this. But I want to point out that these 27 programs and regulations and so forth that are identified are not necessarily solely dedicated to local and regional food systems. They also serve—for example, the EQIP program is mentioned there. Well, you know very well that EQIP is primarily being used by production agriculture, as it should be.

Senator ROBERTS. I appreciate that. Your own Economic Research Service found that producers growing and selling locally em-

ployed 13 workers per $13 million in revenue in 2008. What definition of "local" did the ERS use in their analysis? Does the Department have a standard definition of "local" that is used all across the program?

Secretary VILSACK. Senator, I want to make sure that I understand. There has been some confusion about that ERS report. I want to make sure that we all understand. For every million dollars of sales to local and regional food systems, it supports 13 operators. So, in other words, 13 farming operations——

Senator ROBERTS. Right.

Secretary VILSACK. —small-scale, are supported. On the production agriculture scale, it is one million for every seven-and-a-half producers. That is basically the statistic.

The definitions are very, very complicated, and I think you have actually adequately pointed this out in your opening statement, that local—everything that is sold, regardless of where it ultimately ends up, has a local impact. I think ERS basically was taking a look at a geographic region that was fairly constrained. When I talk about this, I talk about areas within 50 to 100 miles that surround when we talk about schools and institutional purchasers.

Senator ROBERTS. Would the Department want to define "local" so it has a standard definition, and what would that definition be?

Secretary VILSACK. Well——

Senator ROBERTS. Let us let the last part of that go. Just let me ask you, would you like to define what "local" means so we have a standard definition?

Secretary VILSACK. To be candid with you, Senator, I would prefer that the committee focus on its single definition of "rural." That is causing far more confusion than the "local" definition. If we had a single definition of "rural," we could apply that to this topic, as well.

I think we have at least 11 different definitions. We really need to be thinking carefully about what it means to have a rural development aspect of USDA and how we can help rural communities. Even if it is investing in Eastern Market in the middle of a city, that could be of some benefit to folks who live, work, and raise their families in rural areas.

Senator ROBERTS. You are not using any of this money to recruit three-point shooters for Iowa State when they beat Kansas State, are you?

[Laughter.]

Secretary VILSACK. I am not going to—can I take the Fifth on that?

[Laughter.]

Senator ROBERTS. I am looking into that.

Secretary VILSACK. Did we not win twice this year, if I am not mistaken?

Senator ROBERTS. Yes, and if Baylor had not defeated you, we would have played you again for the third shot, but—

Secretary VILSACK. Well, actually, we beat Baylor just a few days ago. I want to bring you up to date on this. We are now in the top 25.

[Laughter.]

Senator ROBERTS. We have to play Baylor.

Chairwoman STABENOW. All right——

Senator ROBERTS. Then if we beat Baylor, we play you.

Secretary VILSACK. Good luck, Senator.

Senator ROBERTS. But it is that one guy that—I just understood that, somehow, he got a grant from the USDA on the three-point shots.

Secretary VILSACK. I must say, I love Fred Horburg. I will do anything for him.

Chairwoman STABENOW. I just want to point out for the record that the Big Ten Championship Title is shared by Michigan and Michigan State, just for the record, this year.

[Laughter.]

Chairwoman STABENOW. So we are going on to the tournament.

Senator Klobuchar.

Senator KLOBUCHAR. Okay. That is a hard act to follow, but I would assume that those players all have had nutritious food in Iowa, is that correct?

Secretary VILSACK. Yes.

Senator KLOBUCHAR. Okay. Good. Back to our topic at hand here, I want to thank you for your work implementing the nutrition bill. We were very pleased to work on it and I want to thank the Chairwoman for her leadership. And I wanted to talk about a piece of that, and that is the vending machines. What are you doing to ensure that the food and beverages sold in the vending machines stack up to the nutrition standards that we now have for the lunch lines?

Secretary VILSACK. Senator, we will be coming out with a rule on what we refer to as competitive foods, which would include vending machines and a la carte lines, which we believe is very consistent with the efforts at improving the quality of meals and aligning them with the dietary guidelines. And I think, frankly, we want to make that healthy choice a relatively easy choice. We want to make an informed choice. And I think our rule will do that.

Senator KLOBUCHAR. Good. And do you know when that will come out?

Secretary VILSACK. You know, I never want to guess on all the various folks who have to sign off on these things, but I can tell you that it is our intent to get this out very quickly.

Senator KLOBUCHAR. Okay. As you may know, 110 Minnesota elementary schools are participating in the Fresh Fruit and Vegetable Program. Could you talk a little bit about that and how it is going and why you think it is important.

Secretary VILSACK. Well, we have a very interesting opportunity that we are exploring in Michigan and Florida on the issue of fresh fruits and vegetables. We have to get through a protest process, but we really want to see whether or not we can empower schools to use more of their resources that are provided for school lunch to purchase locally fresh fruits and vegetables and we are going to have this pilot in two States to see how it works.

You know, I think there is tremendous opportunity here, not only in terms of purchasing but also encouraging schools to have gardens, communities to have gardens that would be supportive. We know from a number of examples that there are youngsters who learn great lessons from growing something in a garden and then

seeing it in an a la carte line or in a salad bar or in a meal that they consume at school.

And we at USDA have been engaged in this. We have a People's Garden Program. There are over 1,500 People's Gardens. I am proud to say that we donated almost 900,000 pounds of fruits and vegetables to food banks across the country where USDA offices are located.

So we are heavily engaged in this. We have got the Department of Defense issue. We have got the Fresh Fruit Snack Program. We have got this pilot that we are working. We are working in Massachusetts on a SNAP effort to see whether or not point-of-sale incentives can encourage SNAP families to participate and purchase more fruits and vegetables. So there is a concerted effort and a consistent effort throughout all of our programs.

Senator KLOBUCHAR. Okay. And then how about how the school districts are doing? Obviously, they are facing budget cuts and they want to do their best to serve healthy foods and we want to do our best to make sure they have the tools they need to do that. Could you talk a little bit about what USDA is doing to make sure that school districts have the support that they need to comply with the rules.

Secretary VILSACK. Well, we—the Congress was kind enough to provide for the first time in 30 years additional support for the School Lunch and School Breakfast Program with a six-cent per meal reimbursement rate increase, which is the first non-inflationary rate increase that schools could qualify for. We are encouraging schools to participate and to adopt the new nutrition standards quickly so that they can benefit from that.

We are also working with schools to make sure that their pricing of meals is properly aligned to make sure that they are utilizing their resources properly.

We are also trying to make the certification and the qualification programs and processes for participation in the various programs easier and less of an administrative burden, particularly in communities that have high unemployment or high poverty rates. By making it streamlined, we are hopeful to save administrative dollars that are going into paperwork and redirect it into improving the nutritional value of the meals.

Senator KLOBUCHAR. Thank you. And then one last question. This past December, I joined a number of our colleagues. We sent a letter to you urging you and Ambassador Kirk to defend the country of origin labeling law from challenges at the WTO. I appreciate your commitment to ensuring that you will work with our trade representatives on the implementation of this law. How do you see the "Know Your Farmer, Know Your Food" initiative as helping producers market their products to consumers interested in this information?

Secretary VILSACK. Well, you know, part of the great thing about this effort is that it allows consumers to personally get to know the producers. You go to a farmers' market, you can see tremendous community activity and involvement, conversation and communication taking place. And as a result, I think we are getting consumers that have a better understanding, and maybe hopefully a better appreciation for American farmers and ranchers.

I would say that one group of Americans that are under-valued, under-appreciated are our farmers and ranchers, and by having these opportunities to meet producers, to talk about the weather conditions and the impact on crops, to talk about pests and diseases that might impact some of this—there may be less at a farmers' market one year than another, people get to know why that is so—there may be a better appreciation for how challenging this business is, whether it is a local and regional food system effort or production agriculture that is exporting to China.

Senator KLOBUCHAR. Thank you very much.

Chairwoman STABENOW. Thank you.

Senator Johanns.

Senator JOHANNS. Thank you, Madam Chair.

Mr. Secretary, let me just start out and again give you some applause for the Ag Outlook Forum. As you know, the former Secretaries participated in that. It was great to be with them again. But, secondly, I looked around the room. Well over 1,000 attendees, which is a remarkable turnout for a program, so congratulations to you and your team. It was really good.

Secretary VILSACK. Well, Senator, people really, really appreciated that forum, and we actually had an overflow room. You would have seen another thousand people. It was a record attendance. So we appreciate your participation in it.

Senator JOHANNS. Yes, glad to do it.

You, in your testimony, highlighted the Farmers' Marketing Promotion Program. You supported during your time as Secretary a number of programs to try to boost local farming initiatives. You have emphasized the importance of extending energy title programs and a whole host of items. Yet all of these programs, as you know, do not have a baseline. So at the end of this year, they just simply expire in terms of not having funding to go forward. In addition, in the budget that was submitted by the USDA, there is not any money, I think the footnote indicated, subject to reauthorization or something of that nature.

Give us your best advice on how to handle this long, long list of programs, many of which have a lot of support, not only at the USDA but in the country, because today, there just is not funding available, and as you know, it is going to be a very, very tight budget process to even get a farm bill. What are your thoughts on how we figure out how to create or get the money to pay for those programs?

Secretary VILSACK. Senator, I think the key here is to take a look at programs that you know are going to continue to exist and figure out how to make them flexible enough to give the Department the capacity to use them in creative ways.

I will take the Business and Industry Loan Program, for example. That program could help brick and mortar opportunities for local and regional food systems. It could also help the bio-based economy. The problem is that, currently, the only way we can use that is for, as you well know, for commercially viable products and things that have already been established in the market, and the result of that is that it really narrows what we can do with that program. There is a tremendous capacity in that program, and with fees and so forth, it is not a great strain on the budget. To the ex-

tent that you can take existing programs and create the flexibility to use them creatively, that is number one.

Number two, we are going to be challenged at USDA to continue to look for new partners in all of this, and that is why we have reached out to the foundation world. We think foundations not only can provide grant opportunities, but they also invest money to be able to make grants, and we are encouraging foundations to consider investment opportunities in rural areas. The problem has been that we have not really done a good job of acquainting people with what those opportunities are.

The third thing is to look outside the farm bill. There are the constraints of the farm bill. When we deal with beginning farmers, for example, as I alluded to earlier, I think there are tax issues there that probably could be as helpful and as beneficial in terms of being able to promote land transfers and things of that nature that we often do not talk about. We talk about the estate tax, and that is certainly understandable. But right now, as you well know, in your State and my State, land values are going up and people are landlocked because they are concerned about the income tax consequences. So I think there are a lot of creative ways to deal with this even though we are constrained fiscally.

Senator JOHANNS. You know, I had a group in my office just within the last few days and the purpose for the meeting—it was a group from back home—they wanted to talk about additional funding for ag research. One need only look back briefly at what we have done with ag research in our country, all across the United States, and it is really the reason why agriculture has done so many positive things here.

I offered this statement, and I would like your assessment of it. The more we take and spend on other programs in the farm bill, the less money is going to be available for important programs like research and other things. And the old days of, well, we got that out of the farm bill, now let us go back and they will give us a whole bunch more for ag research is really over because we do not have the money.

Offer your thoughts on balancing the priorities in the farm bill and trying to figure out how do we get money to programs that have really made a difference, have really been game changers, like research.

Secretary VILSACK. Well, as you know, Senator, I am very interested in seeing a continued investment in research, an extended investment in research, and our budget has reflected that. And the President also believes in the power of research.

You know, again, I think it is about being really creative of how those research dollars are used to promote multiple purposes. I mean, the challenge that—that is one challenge.

The second challenge is to continue to promote the competitive nature of research because that compels land grant universities to be creative in terms of partnerships and collaborations that stretch those research dollars further than they might otherwise be stretched—a private sector partner, another land grant university partner, a foundation partner. You know, we are challenged to be creative. That is what this time forces us to do, and actually, it is an exciting time. I do not see this as a difficult and challenging

time. I see this as an exciting opportunity for us to really be creative. The key here is for you all to give us the flexibility to be creative, not to pigeonhole us in specific program requirements that make it very difficult for us to be collaborative.

And finally, allow us to focus on regional opportunities, not just specific communities or specific business opportunities. Enable us to really use our resources in regional strategies because that is also a way of extending limited resources and actually getting a bigger bang for your buck.

Senator JOHANNS. Thank you, Madam Chair.

Chairwoman STABENOW. Thank you.

Senator Boozman.

Senator BOOZMAN. Thank you, Madam Chair.

Mr. Secretary, in Arkansas, we have had issues with some of our farmers' markets because of a lack of a definition of "local." People are selling products there as local, and yet they are not local. So some clarity would be helpful. I think Senator Roberts alluded to that earlier.

The other problem that we have got is really to define "rural." You know, we have got the same sort of thing. So could you comment on that and kind of tell us how that is progressing? That would really help as we go forward.

Secretary VILSACK. Well, Senator, first of all, let me say that we look forward to working with the committee and with you and other members of the committee on these definitional issues because they are important, and we look forward to figuring out ideas creatively to deal with these issues.

But let me just say, as it relates to the definition of rural, we have been too focused on population numbers—too focused on population numbers—as opposed to the impact that a particular investment could have on folks in rural areas. And I think we would be better off having a definition of rural that allows us to look at a number of criteria and to score or gauge those criteria in defining the impact of an investment on rural areas as opposed to saying that investment must be made in a community of 10,000 or 5,000 or 20,000 or 50,000.

That is—to Senator Johanns's question, that is the kind of narrowness that I understand in the past, but in this day and age, please, give us the capacity and then judge us by the results of our investments as opposed to pigeonholing us in a particular—so you can only invest in this community with this program. Give us the capacity to look regionally, to think creatively, to look for collaborative partnerships. So the definition of "rural," it seems to me, ought to be based on a series of factors that we can evaluate.

Senator BOOZMAN. I agree, and certainly, I think the committee would agree in the sense that we need to go forward and use that input and committee input and then actually come up with a definition. That would be really helpful.

The other thing I would really like for you to look at for me, I was at the Boonville facility, the Dale Bumpers Research Facility, this last week. It is scheduled for closure. It is a 2,000-acre facility, and we are talking about local markets. The research that is going on there really is unique in the sense that it is small farm production-type research. It is the only place in the country that is doing

research on lands and goats, which with the increased immigration, there is a tremendous market for those kind of things right now, lots of that type of research. It is the only place in the country, too, where they are doing phosphorous, seeing how that is affecting our streams and things like that. So as we have the local production going, then there are byproducts from that as you fertilize the soil and things like that.

But I would really like for you to look at that facility. I think it is unique. I am not just saying that because I happen to be from Arkansas and represent that. But truly, the research that is going on there—I am seeing some snickers back in the audience, but the research going on there, I do not think there is any place to duplicate it.

And then the other problem is, if we decided in the future that we needed to get it done, some of the structures that are set up literally would take ten or 15 years to do. But that is just kind of for what it is worth.

Secretary VILSACK. Senator, you know, these are always really hard decisions and we will—we take them very seriously and we understand that the research that is being done in all these facilities is important, and our belief is that that important research is going to continue.

Let me just simply say one other aspect of these closings that is to the questions that we have talked about earlier about beginning farmers. Many of these facilities are surrounded by hundreds, in some cases thousands, of acres of land. And right now, there is a very prescriptive way in which USDA is required to deal with the land that they will have to get rid of or sell or transfer.

And it seems to us that maybe this is an opportunity for us to take a look at incenting returning veterans who want to get into farming and beginning farming operations by making that land more available than it is today and giving us a few more opportunities and a few more tools to use that land in a creative way in partnership with a land grant university or in partnership with another university that may be co-located or near there. We think that is another creative solution to this issue of how do beginning farmers get started. Well, maybe the Federal Government can lease them land. How do we bring veterans an opportunity if they are really interested in returning to their home State and actually getting in the farming business.

Senator BOOZMAN. No, I agree, and yet I think that another way to look at it is to do just that, that some of this unique research that has been started to carry that on, you know, with the veterans' help.

So thank you, Madam Chair.

Chairwoman STABENOW. Thank you very much, and thank you again, Mr. Secretary. We appreciate your service and we appreciate your coming today on a very important topic. So we look forward to working with you on many of these ideas that you have laid out today, so thank you very much.

Secretary VILSACK. Thank you.

Chairwoman STABENOW. And we will ask our second panel to come forward. Senator Roberts will be back in a moment. He

stepped out for the Finance Committee, but we will ask folks to come forward. Thank you.

[Pause.]

Chairwoman STABENOW. Well, thank you very much to each of you for joining us today for this very important hearing. We appreciate all of your great work, and let me introduce each of our witnesses first and then we will turn it over to each of you. As you know, we ask for five minutes of verbal testimony. We welcome any other written testimony that you would like to share with the committee, as well.

First, I am very pleased to introduce our first witness today, a resident of the great City of Detroit, Michigan, Mr. Dan Carmody, who is the President of Eastern Market Corporation in Detroit since 2007 when he took the lead in operating the region's premier public market and revitalizing the business district around the market. He is now leading the charge to convert Eastern Market into a healthy metropolitan food hub. Before coming to Eastern Market, Mr. Carmody led three different economic development organizations throughout the Midwest. He provided more than 30 North American Community Development Programs with consultant services. So we are very pleased to have you and appreciate so much all the great work that you are doing in Detroit.

Now, I would like to turn to Senator Boozman to introduce two excellent witnesses. How did you get two witnesses from Arkansas today? This must be pretty special—

Senator BOOZMAN. Because of your generosity.

Chairwoman STABENOW. Well, we are happy to do it. We are very impressed with your witnesses, so Senator Boozman.

Senator BOOZMAN. Thank you very much. We are really pleased to have Jody Hardin from Grady, Arkansas. Jody is a fifth generation Arkansas farmer and a pioneer and advocate for local access in Arkansas. He has helped establish several local farmers' markets in our State and is a strong advocate for local and community-driven agricultural systems.

I think, Jody, I have heard that testifying before Congress is a bit of a family tradition for you all. Jody said his grandfather used to testify regularly. But we really are proud of you to be here and continue that tradition.

Ron McCormick is also with us, of Bentonville, Arkansas. Ron is the Senior Director for Local and Sustainable Produce Sourcing for Walmart. We are proud of Walmart in Arkansas and proud of the fact that Walmart has chosen to be a global retail leader in providing access to locally sourced foods and other sustainable practices. Many people do not realize this, but one of Walmart's greatest strengths is logistics, and their knowledge and experience can help us clear many hurdles that have come between many Americans and the local foods they would like to have access to.

Under Ron's leadership, Walmart has committed to opening as many as 300 stores serving food to underserved areas. Walmart has pledged to sell one billion lbs of locally sourced foods produced by small and medium-sized farmers by 2015. Furthermore, Walmart is looking on improved nutrition initiatives and is being such a generous partner in the fight against hunger in the United

States and also in the world. So, Ron, thank you very much for being here.

We are very, very proud of our Arkansas representatives today, Madam Chair.

Chairwoman STABENOW. As you should be, and we welcome them.

Ms. Goodman, who was introduced already by Senator Sherrod Brown, let me just say, has been the President and the CEO of the Cleveland Foodbank, the largest hunger relief organization in Northeast Ohio, since 1999, and we appreciate all of your efforts and welcome you here today, as well.

And I know that Senator Casey had wanted to be here, Mr. Weidman, to be able—and he may hopefully be able to be here. He is juggling, as many of our members are today, multiple hearings. But we certainly want to welcome you Mr. John Weidman comes to us from Philadelphia, Pennsylvania. Mr. Weidman is the Deputy Executive Director of the Food Trust, a Philadelphia-based nonprofit that works to ensure that everyone has access to affordable and nutritious food. He provides oversight for the organization's National Supermarket Campaign and its regional farmers' markets program and led the effort to open Philadelphia's Headhouse Farmers' Market. We appreciate also your serving on the Pennsylvania Emergency Food Assistance Advisory Committee and other important awards.

So welcome to each and every one of you, and again, we ask for five minutes of opening comments before we turn to questions. And first, we will turn to Mr. Carmody. Welcome.

STATEMENT OF DAN CARMODY, PRESIDENT, EASTERN MARKET CORPORATION, DETROIT, MICHIGAN

Mr. CARMODY. Good morning, Senator. Thank you. It is a pleasure to be here, and thank you, members, for hosting this really important discussion. Warm greetings from the east side of Detroit.

I thought in this sterile Federal office we would bring you a little slice of Eastern Market.

[Beginning of videotape.]

Mr. FOGELMAN. Eastern Market Corporation assumed management of the market in August of 2006, and in July of 2007, we applied to the USDA to accept Bridge Cards on behalf of the farmers and vendors here at the market. The first week that we did the Bridge Card program, we accepted $83 in tokens. This past July, we sold over $14,000 in tokens.

Double-Up Food Bucks is a SNAP incentive program. Working with the Fair Food Network, Eastern Market Corporation piloted the program in the summer of 2009. We kicked it off full-fledged with them in 2010 and 2011 and it has been incredibly successful.

Basically, the program works like this. Our customers come to our Welcome Center and they purchase at least $20 of Food Stamp Bridge Card tokens, and we will match them up to $20 with a Double-Up Food Buck token. And the difference between the Double-Up Food Bucks tokens and the regular ones is the Double-Up are only good for Michigan-grown fruits and vegetables. So it is really a win-win. It puts more produce in the hands of the people that

often have the least access to it, and it also puts more money into our growers' pockets.

Mr. JENTZEN. It is money in the bank. You know, it keeps revenue generating.

Ms. LEADLEY. The fact that folks can use their EBT here at the market and can get access to produce that they have maybe not experienced before, and certainly are out of a lot of people's price range if they did not have the EBT is really awesome.

Mr. YOUNG. It brings more money back into Detroit, back down to the city.

Mr. STADLER. I think it is really a good thing because it helps promote the whole entire marketplace.

Mr. GYERGYOV. I guess that is the bottom line, is just more income that we bring in for ourselves.

Ms. BIELAT. Very surprised at the diversity. It is older people, younger people, a lot of different races, a lot of different ethnicities. It is just the diverse people that have——

Mr. FOGELMAN. When you add the $791,646 in Bridge Card sales since the program began in 2007 to the $236,592 in Double-Up Food Bucks distributed over the past three years, you have over a million dollars circulated here at Detroit's Eastern Market, and that is over a million dollars into the pockets of our farmers and vendors, which means over a million dollars directly back into the Michigan economy.

[End of videotape.]

Mr. CARMODY. Now, we are proud of our work to leverage SNAP to benefit both consumers and farmers. We think that is the way to go to try to make more with the tools we have got. But that million dollars is a small drop in the bucket to total SNAP redeemed in the City of Detroit, and as we pointed out earlier, despite geometric growth, farmers' markets still are a fraction of our overall food industry.

Fortunately, Eastern Market is not just a farmers' market. It really is a regional food hub. In addition to our retail markets, we also have a wholesale market that serves regional growers and we are in a food district surrounded by 80 food processing and distribution retail businesses.

This notion of complementary entrepreneurial small local food, regional food businesses existing with larger-scale food systems is, I think, really at the heart of some of the discussions today. We think there is a huge opportunity. We see other industries, publishing, where blogs thrive while major dailies contract and merge. We see my favorite metaphor from the world of beer, where in 1980, there were 101 breweries. Today, the large brewers continue to get bigger, but since 1980, more than 1,800 small craft breweries have set up shop, selling beer based on consumer demand, no government program, people wanting to pay more for a little bit different quality product.

We think that is what has to happen in our food world. We think that there is a chance to really create a lot of wealth and new jobs in Detroit and regions throughout the country based on local and regional food systems working in complementary fashion with regional, global, and national systems.

Healthy Metropolitan Food Hub, we take those words carefully. Healthy, because we believe food hubs can help create multiple channels for these small and emerging growers and processors who are trying to create new jobs and new wealth. Healthy, because we think that can contribute. As a public market, we are a place where the public convenes, a place where we can have a discussion about what is nutritious food. Lastly, metropolitan because we believe that is the scale that is important, because that is where rural, urban, and suburban places can come together.

On your sheet, you will see a number of initiatives we have done to try to build ourselves out as a food hub, including working with Detroit Public Schools, trying to, again, grow the number of processors that are starting out in Detroit. Four years ago, we had no specialty food processors. This time of year, we have as many as 60. We are building a community kitchen to make sure that we can explode that number in the future.

I would be happy to answer any further questions about the USDA support we have got, relatively small, a couple hundred thousand dollars over the last few years to leverage more than $15 million in private, foundation, and city support to help rebuild this old market into a healthy metropolitan food hub.

[The prepared statement of Mr. Carmody can be found on page 42 in the appendix.]

Chairwoman STABENOW. Well, thank you very much.

I see that Senator Casey is here, and I know I briefly introduced Mr. Weidman, but if you wanted to make comments, as well, I told him that you were coming and certainly wanted to have an opportunity to welcome him.

STATEMENT OF HON. ROBERT CASEY, JR., U.S. SENATOR FROM THE STATE OF PENNSYLVANIA

Senator CASEY. Well, thanks very much, Madam Chair. I appreciate you calling this hearing and for your leadership and for covering for me.

And as I come to this hearing, there is so much to eat on the table here, we should have more of these.

Chairwoman STABENOW. That is right.

Senator CASEY. We are usually not greeted with those kinds of surprises.

I will be brief, but I did want to thank our witnesses for being here at this hearing and also wanted to take a couple of minutes to introduce John Weidman and talk a little bit about his background, some of which you have already heard, and I have not had the chance to formally say hello to him, and my arm is not that long so I will not try to reach over the table.

But John is the Deputy Executive Director of the Food Trust, which is a Philadelphia-based nonprofit corporation working to ensure that everyone has access to affordable and nutritious food. He advocates for public policy changes at the local, State, and Federal levels, and he helps us better understand the factors impacting the nutrition of lower-income individuals. He provides oversight for the organization's National Supermarket Campaign and its regional farmers' market program and led the effort to open Philadelphia's Headhouse Farmers' Market.

John has 18 years of experience in public policy advocacy in nonprofit communication. He holds a Master's, and you might have heard this before, a Master's degree in political science from the University of Pennsylvania and serves on the Pennsylvania Emergency Food Assistance Advisory Committee and the Board of Directors for the Pennsylvania Public Interest Research Group.

I wanted to also add that I appreciate the work that the Food Trust itself does to connect poor children and families to the SNAP program as well as other vital services. As the Chairman of the Joint Economic Committee, I asked our committee, the staff of our committee, to put together a report on Food Stamps and the SNAP program and the impact that the program has had during the recession. We know that the program prevented literally 4.4 million—I want to say that again, 4.4 million families—from falling into poverty than otherwise would have been the case in the midst of what has been for so many families a horrific recession. We know that millions of families had to temporarily rely upon the program when they lost their jobs and lost their ability to feed their families.

So this program, as we all know, is critical to millions of American families and especially those who are vulnerable. It has the lowest error rate in the program's history and it operates quite efficiently. That is why I have been a strong supporter of it and I know this will be a continuing source of focus as we work on the farm bill and other issues.

So, Madam Chair, I am grateful for your leadership on all these issues, and John, I want to formally welcome you here today.

Chairwoman STABENOW. Thank you very much.

We will proceed with Mr. McCormick. Welcome.

STATEMENT OF RON McCORMICK, SENIOR DIRECTOR OF LOCAL SOURCING AND SUSTAINABLE AGRICULTURE, WALMART STORES, INC., BENTONVILLE, ARKANSAS

Mr. MCCORMICK. Good morning, Madam Chair. I want to thank you for the opportunity to be here this morning. I am Ron McCormick. I am responsible for local produce sourcing programs and I lead our sustainable agriculture efforts at Walmart U.S. It is an honor to be here to talk about our locally grown produce sourcing program and our nutrition initiatives to help customers make healthy choices.

Our consumer insights research shows us that more than 40 percent of our customers tell us that buying local really matters to them. They believe it tastes better, they know it is fresher, and they like supporting local economies.

We have been sourcing local produce at Walmart for many years, but we formalized that commitment last year, in 2010, by pledging to double our sales of locally-grown produce, achieving nine percent of our total produce sales by the year 2015. We are really excited to be able to say that we exceeded that nine percent this last year and are continuing to see huge demand from our customers and huge sales on locally-grown produce.

Walmart buys more U.S. agricultural products than any other retailer in the world, so we see an opportunity to use our position in

the marketplace to improve access to healthy and affordable local foods for our customers and for consumers all across the nation.

Aside from our scale, we also see that our geographic footprint provides us with the unique ability to affect change. We operate 41 state-of-the-art grocery distribution centers across the country. The advantage here is that many of them are located in potentially productive agricultural areas. We work to source more produce from areas close to these centers, allowing us to cut costs from the supply chain and to sell a more affordable, fresher product to our customers.

One of the many important benefits of sourcing locally relates to a larger Walmart initiative that addresses an issue our customers face every day: How to feed their families affordable and nutritious meals. With the understanding that making it easier to eat healthy depends on making it easier to shop healthy, we launched a nutrition initiative to reformulate thousands of everyday food items, locate more stores near food deserts, save our customers a billion dollars on buying fresh fruits and vegetables, support nutrition education programs, and launch a new front-of-pack icon to help busy families identify healthier options as they shop in our stores.

We also have a responsibility and an opportunity to promote more sustainable practices in the food and agriculture supply chain. One step we believe that is important is reducing the miles that food travels from farm to fork. For example, a few years ago, we bought—jalapenos came from Mexico and just a very few Southwestern States. Today, we are buying jalapenos from farmers in 27 different States, even as far north as Minnesota.

But this commitment to grow and sell more local produce has not come without challenges. We regularly talk to our suppliers and our farmers, your constituents, and we understand that farming specialty crops is difficult and risky due to unpredictable weather, the lack of a ready labor force, complex H(2)(a) requirements, a lack of capital, and a general aging of the American farmers.

Large farms in traditional agricultural States will always be a major part of our business. As a big retailer, we value those relationships. But as the population grows and as we encourage greater consumption of fruits and vegetables, we will need even more sources of product to meet the demand that we anticipate in the future. These challenges present an opportunity for us to do more to help small-scale farmers.

One step we have taken, and working with the USDA in this effort, is creating small farmer intensive workshops which outline what farmers need to do to work with big customers like Walmart and other retailers and the food service industry. These workshops focus on food safety, labeling, refrigeration and packaging requirements, equipment and workforce needs, and third-party resources. As we expand this program, it is very important that everyone has access to it and we are working to identify and create more opportunities for women and minority-owned farmers to sell to Walmart.

Of course, it is impossible for us to talk to every farmer and deal with every grower, so we strongly support farmer-led co-ops and third-party management partners. These partnerships add value and allow farmers access to markets that they otherwise would not.

But let me stress that sourcing locally cannot compromise food safety or the health and wellness of our customers, so we worked with the Global Food Safety Initiative to create a scalable approach to food safety for our small and developing suppliers. This gives Walmart the confidence that these farmers have critical food safety programs in place.

To scale this, we need to engage stakeholders in ag finance and a whole range of sources. To the end that we are making headway here, I think what speaks the loudest is the amount of product that we have been able to buy from local farmers and that our shoppers find in our stores all across the country, whether it is from States like Michigan, where we source dozens of items, to other States where we are just developing brand new programs that we hope someday will rival those availabilities of product close to the customer that we do business with. Working together, we see the possibility of doing so much more in the future.

We certainly appreciate—on behalf of all the Walmart associates that are working on this program, we thank you for the opportunity to be here and the opportunity to work together with so many important people.

[The prepared statement of Mr. McCormick can be found on page 68 in the appendix.]

Chairwoman STABENOW. Well, thank you very much.

Mr. Hardin, welcome.

STATEMENT OF JODY HARDIN, FARMER, GRADY, ARKANSAS

Mr. HARDIN. Yes. Thank you, Madam Chair, for this opportunity to be here to talk about local food production.

I am a fifth generation family farmer from Grady, Arkansas. We own 1,000 acres with about 50 percent of it leased to other row crop farmers. We raise 150 acres in vegetables that we sell in regional wholesale markets and directly to consumers through a community-supported agriculture program and in our own farm stores.

I have been participating in farmers' markets for 26 years, income which I used to pay for my college education and my boarding school. As founder and President of the Certified Arkansas Farmers' Market, I have witnessed the tremendous growth in demand for local foods and its impact on the rural economy. We have about 37 employees that are employed in my local food businesses, including jobs at our store in a downtown food desert. I am here today to share the successful economic opportunities I have found in producing food for local markets and to discuss the barriers that we face for continued growth.

In 2009, we received a Farmers' Market Promotion Program grant from USDA's Ag Marketing Service. Through competitive grants, FMPP increases and strengthens direct producer-to-consumer channels by funding marketing proposals for CSAs, farmers' markets, roadside stands, and other direct marketing strategies, such as agrotourism.

Our small FMPP grant had big payoffs. We went from about 400 customers per market day to over 1,000. We quadrupled our annual sales thanks to FMPP. Our 2008 season came in at about $300,000 in sales. In 2010, our sales were about $1.5 million, the year after our grant.

As farmers got wind of the increasing consumer demand, we went from between 12 to 15 farmers per market day to over 30. We developed 20 lasting partnerships with local and regional chefs that continue today. All in all, we were able to build a larger clientele, we were able to build a larger base of farmers, and we generated dollars back into the local economy. In fact, I can honestly say that without our FMPP grant, our market and the economy would be lagging.

But we have a real problem. There is a widespread and growing demand for locally-produced food, but significant barriers exist to meeting this demand. All roads point to a glass ceiling for small-scale diversified farms, a glass ceiling that we can shatter with investment in minimal processing, aggregation, storage, infrastructure, as well as appropriate market technologies, training, and risk management tools.

For example, in the summer in Arkansas, a large number of our crops come off the farm around the same time. This is when farmers need help the most because prices are very low. At the same time, schools are looking for an inventory of affordable local foods that they can plan their meals out in advance of the coming school year. If we could process food in the summer when farmers are producing and schools are out using simple processing techniques like IQF and then store these products for the school year, farmers would win and schools would win. School food service companies like Sysco can work with the food center to distribute the food.

One part of the solution is an aggregation and distribution center which we have tried to start. Unfortunately, despite our best efforts and my own experience, we cannot seem to get the food center off the ground. We need public dollars to jump-start this initiative. Just like we found with our FMPP grant, a little seed money in the short term can make a huge difference in the long term.

Two of our major distributors as well as retailers are begging me to connect them with local farmers and send them local food. Their combined sales in Arkansas are about half-a-billion dollars per year. What we lack, however, is the appropriate infrastructure to get the foods ready for market. We need FMPP plus a local marketing promotion program to enable farmers to supply wholesale local foods.

We have more and more farmers and ranchers wanting to connect with schools, grocery stores, and restaurants to boost income. Along with renewing and increasing funding for FMPP in the new farm bill, I would like to see the program expanded programmatically and in dollars to include grants for these scaled-up sales.

Chairwoman STABENOW. you recently championed the National Food Safety Farmer Training Program. Thank you for this very much. In Arkansas, most of our farmers do not have GAP certification which our three food distribution companies require. As you write the next farm bill, I would like to see this program funded so it can train farmers and small processors on food safety measures.

I learned from my father and on my own the extraordinary challenges that specialty crop producers and diversified farm operators face when it comes to crop insurance. I want the new farm bill to authorize the creation and implementation of a whole farm revenue

insurance product that is available in all States and in all counties. The product would work for all diversified operations, including but not limited to specialty crops, mixed grain, livestock, or dairy operations, both organic and conventional.

Finally, I would like to speak to the many crop insurance barriers that organic producers face. Organic farmers have been required to pay a surcharge for coverage based on a dubious assumption that organic production methods result in more risk. Second, FSA and RMA lack reliable organic price data. As a result, organic farmers have found that most crop insurance policies do not pay farmers for losses at organic prices, but instead at convention prices for the crop. The new farm bill should ensure RMA has sufficient data on organic crop prices so producers can receive payments at the correct prices. I would also like for the new farm bill to remove the organic premium surcharge on all crops.

Thank you very much for this opportunity and I would be happy to take questions.

[The prepared statement of Mr. Hardin can be found on page 61 in the appendix.]

Chairwoman STABENOW. Thank you very much.

Ms. Goodman, welcome.

STATEMENT OF ANNE GOODMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER, CLEVELAND FOODBANK, CLEVELAND, OHIO

Ms. GOODMAN. Thank you. Good morning, Madam Chairwoman and members of the committee. I am honored to be here representing food banks and agencies involved in the day-to-day fight against hunger. There are 200 food banks covering every county in the United States who are members of Feeding America. Together, we serve more than 61,000 pantries, shelters, soup kitchens, and other organizations that provide food directly to people in need.

The need is currently greater than ever. Demand continues to increase, even as we have begun to see a decline in unemployment. We are seeing new faces. Many have run out of unemployment benefits, exhausted savings, or had to take jobs paying far less than they were making before the recession. They have turned to pantries, the SNAP program, or both for help.

But while our ability to meet the need has been tested, the effectiveness with which food banks and the Federal nutrition programs together have responded provides me with great hope. It is critical that we continue to support these programs to ensure their ability to meet the immediate need, but it is important to note these investments also reap long-term benefits, preventing higher health, education, and workforce productivity costs associated with hunger and poor nutrition.

One of the greatest success stories of the recent recession is how effectively SNAP responded to protect families from hunger. SNAP expands in hard times, helping families buy groceries and freeing up resources for other needs like rent, utilities, and transportation. SNAP is serving millions of people who cannot find a job, can only find part-time work, or cannot work because of a disability.

Do not get me wrong, it is still a struggle. On average, SNAP only allows $1.50 per person per meal. So in most cases, SNAP

does not provide enough money to last recipients throughout the month. There are also many people struggling to put food on the table who do not qualify for SNAP. In both cases, they turn to emergency food pantries to fill the gaps. Any cuts to SNAP benefits or eligibility would only increase the overwhelming need we are already seeing.

To illustrate this point, let me tell you about Cassandra, who has three children and is making $11 an hour working full-time. She is not eligible for SNAP. She takes home $1,468 a month after taxes. She pays rent, utilities, puts gas in the car to get to work, and one of her children has asthma, requiring frequent doctor visits and daily medication. There is no room for error for Cassandra, no room for a muffler that needs repairing or a few days off from work to care for a sick child. She makes choices. One month, she pays the electric bill, and the next it is the gas bill. Food is a genuine luxury. Because the food bank helped Cassandra supplement her meager food budget, she was able to pay both the electric bill and the gas bill in the same month.

Our food bank and the pantries we serve rely on The Emergency Food Assistance Program, or TEFAP, which supplied 27 percent of the food we distributed last year. TEFAP provides some of the most nutritious food we distribute, such as milk, green beans, and chickens. Unfortunately, unlike SNAP, TEFAP does not automatically grow when need grows. In fact, TEFAP actually declined markedly when we needed it most, falling 30 percent in 2011. Because strong agriculture markets led to fewer bonus purchases, no other sources are increasing to fill that gap and more Federal TEFAP support is urgently needed.

In addition to emergency food, we continue to develop programs to better meet our clients' needs. One of those areas is nutrition. In 2011, 28 percent of the food we distributed was produce. We are working on a project right now to allow local farmers to blast-freeze their product and sell it year-round. A portion of that would be donated so our food bank could distribute frozen fruits and vegetables throughout the year.

Providing healthy food is important, but sometimes people do not know how to prepare it. I have handed out produce countless times where a client did not know what to do with something, like leeks or a turnip, and passed it over. But when we provide recipes and samples, people are informed and they make different choices. We educate clients about how to grow, cook, and shop for healthy food on a limited budget. We use community gardens, tastings, and demonstrations to show the impact of nutrition on health and just how good healthy food can taste.

Another area where we are evolving to meet our clients' needs is the growing senior population. We deliver food boxes to several senior programs throughout the Commodity Supplemental Food Program. I talked to a woman at one site about how hard it is to take two buses to get to the nearest grocery store. Even then, she is only able to carry two bags home. When we could distribute the CSFP food box package to her once a month, it was a Godsend.

I have spent time with her and I wish you could, too. I urge each one of you to visit your local food bank. Decisions that are small numbers in the Federal budget have such an impact on real people.

Feeding the hungry is not a partisan issue, it is a collective responsibility. Indeed, I think it is a moral responsibility. We have the power to make sure people like Cassandra do not have to choose between food and heat for her family and that an elderly woman is not home without groceries.

With our nation focused on deficit reduction, I am here to plead with you not to cut these programs. I urge you instead to make small, targeted investments to enable food banks like mine to better meet the need.

With that, I offer these recommendations. Protect SNAP from cuts and harmful policy changes. The program is working as intended to provide benefits that are timely, targeted, and temporary. I can tell you for certain that charity cannot make up the difference if SNAP benefits or eligibility are cut.

Increase the funding for mandatory TEFAP and set aside a portion of the specialty crop purchase requirements to go specifically to food banks. The farm bill should also clarify USDA's authority to make TEFAP bonus purchases.

Let me close by telling you about a special woman who has been visiting a food bank pantry for several months. She sent us a check for five dollars over the holidays. Even with scarce resources, she made the sacrifice because she wanted to do her part. I am confident that even in a time of limited resources, we, too, can make decisions that reflect our shared value of helping our neighbors in need.

[The prepared statement of Ms. Goodman can be found on page 46 in the appendix.]

Chairwoman STABENOW. Thank you very much.

Mr. Weidman.

STATEMENT OF JOHN WEIDMAN, DEPUTY EXECUTIVE DIRECTOR, FOOD TRUST, PHILADELPHIA, PENNSYLVANIA

Mr. WEIDMAN. Thank you, Madam Chairwoman, Ranking Member Roberts, and members of the committee for inviting me to testify. My name is John Weidman and I am the Deputy Executive Director of the Food Trust, a nonprofit group founded in Philadelphia 20 years ago with the mission of improving access to affordable, nutritious food. We work with over 65,000 children each year through the SNAP–Ed Program, where we work to implement fun and innovative nutrition education programs that have been proven to reduce childhood obesity by 50 percent. We also run 26 farmers' markets, manage a Healthy Corner Store Program with over 600 stores, and work around the country to bring more grocery stores to urban and rural areas.

For the past five months, the Food Trust has been convening a regional farm bill working group composed of farmers, public health advocates, environmentalists, and hunger advocates to discuss the upcoming farm bill reauthorization. We know that the farm bill will have a huge impact on greater Philadelphia. Thousands living in poverty in our region depend on SNAP and those SNAP dollars, in turn, are a vital part of the economy in low-income communities.

The farm bill also supports our regional food system through programs like the Farmers' Market Nutrition Program, the Farmers'

Market Promotion Program, and the Community Food Projects Program. We believe there is a tremendous opportunity through the farm bill to improve access to healthy food in low-income communities across the country.

And I want to share with you today three innovative food initiatives that we are involved with which are improving the health and economies of urban and rural communities and which have the potential to be scaled up and expanded.

The first is the Fresh Food Financing Initiative, launched in 2004 as a public-private partnership with the Commonwealth of Pennsylvania, the Food Trust, and the Reinvestment Fund. The program provides one-time loan and grant financing to attract grocery stores to underserved urban and rural areas. And using a State investment of $30 million leveraged with additional capital by TRF, the program has led to 88 projects totaling $190 million in investment and 5,000 jobs.

Stores range from full-service 70,000-square-foot supermarkets to small corner groceries, farmers' markets, and co-ops, and approximately two-thirds of the projects are in rural areas and small towns. Research shows that access matters. The Food Trust and Policy Link reviewed 132 different studies that found that access impacts health, it improves eating habits, and those habits prevent obesity.

In 2011, using the Pennsylvania program as a model, the Obama administration launched the Healthy Food Financing Initiative. The Food Trust has been proud to be working with our partners, Policy Link, the Reinvestment Fund, and the National Grocers Association, and many others to realize this vision. Since its launch, $77 million has been allocated for HFFI projects and other projects improving access to healthy food. And by providing this one-time loan and grant financing as an incentive, the HFFI will attract fresh food retailers the communities want and need.

There is a significant momentum for HFFI around the country, and places like New York, Illinois, California, New Jersey, New Orleans have all created financing programs based on the Pennsylvania model. In each of these programs, CDFIs have been key drivers of success because of their ability to leverage additional private dollars. For example, in New York, the Low Income Investment Fund, a CDFI, was able to leverage a $10 million State investment with an additional $20 million in private capital.

This national effort, though, is still in a very nascent stage, and in order to realize the incredible success that Pennsylvania has achieved over five years, we will need a large and sustained effort over several years. The good news is that we know what to do and we can do it successfully, and this one-time infusion of grant and loan financing results in businesses that are both economic and social anchors for urban and rural areas.

Senator Gillibrand has introduced legislation to build on the National Healthy Food Financing Program through the creation of a National Fund Manager housed at the USDA. This structure would mirror closely the public-private partnership of the Pennsylvania Fresh Food Program and allow the leverage of millions in private capital nationally.

The farm bill is an appropriate vehicle to fully invest in a national effort to bring healthy food access to every city and small town that needs it.

Next, I want to tell you about efforts in our region to get more locally grown produce into schools. In greater Philadelphia, there is great momentum around farm-to-school programs to educate youth and increase consumption of healthy food. In particular, I want to talk about the Eat Fresh Here Program that we launched with the School District of Philadelphia. It is providing fresh locally grown fruits and vegetables to students, teachers, and school staff. And working with Fair Food and a food hub called the Common Market, we have provided 32 schools with over 56,000 pounds of fresh produce so far this year. The program provides training and technical assistance for school cafeteria staff and cooks that help them incorporate fresh produce into school meals, and many more farm-to-school programs like Eat Fresh Here could be started or scaled up around the nation, helping to prevent childhood obesity and grow rural farm jobs.

And last, a Healthy Food Incentive Program called the Philly Food Bucks Program, similar to Mr. Carmody's program at Eastern Market. Over the last two years, the Food Trust in partnership with the Philadelphia Department of Public Health has piloted the Philly Food Bucks Program, a $2 coupon provided to SNAP beneficiaries for every $5 spent at any of our 26 farmers' markets in Philadelphia. And the evaluation of the program has yielded some very interesting data. Over two years, SNAP sales have increased 335 percent within our farmers' market network, and 77 percent of Philly Food Bucks users report an increased intake of fruits and vegetables. So the evaluation has shown that Philly Food Bucks is working to encourage healthier eating and our farmers like it, too. Over 70 percent reported an increase in sales due to the program.

In closing, we are proud of the success we are having in our region, yet we know that one in three children will develop Type II diabetes in their lifetime. This is not acceptable for our children's health and it is not sustainable for our economy. By expanding these food initiatives nationally, we know that we can create thousands of jobs as well as prevent obesity and diet-related diseases that threaten to worsen our deficit. Our region's continued progress depends on a strong farm bill that steers our citizens towards healthier foods, supports regional farm systems, and ensures that all children grow up surrounded by easily accessible and affordable nutritious food.

Thank you, and I look forward to your questions.

[The prepared statement of Mr. Weidman can be found on page 87 in the appendix.]

Chairwoman STABENOW. Thank you very much. We appreciate all of your testimony and the really important work that all of you are doing.

Let me start with Dan Carmody and what is happening at Eastern Market. You have been operating a farmers' market and a food hub for a lot of years. Eastern Market has been around a long time. But I know that you are now working with other communities, both around Detroit but also up in Traverse City in northern Michigan and so on, helping them to set up food hubs or working

with them to try to do that. What have you found to be the greatest challenges in getting some of these markets started or helping markets to expand into serving as a food hub?

Mr. CARMODY. A lot of communities with successful farmers' markets are trying to figure out how to take the next step, because really, the difference between a farmers' market is farmer-to-public sales. A food hub is farmer-to-multiple sale channels. When I lose sleep at night, it is because this surge of young starter farmer-ranchers comes to the market in August with their truckload of tomatoes and they are not there for Senator Roberts' November delivery date. Somebody has got to be in the middle helping to develop the multiple sales channels and go into processing or third-party transactions to go to Walmart or wherever. And especially the smaller farmers, that does not happen by itself.

In terms of trying to take farmers' markets to the next step, in the State of Michigan, the State MDA in partnership with MSU is trying to build a regional food hub system throughout the State. We have been working with people in Traverse City that have a great facility, an old mental health facility that has a full commissary that could be a very integrated food processing distribution facility overnight. But most places do not have facilities in place and trying to build that aggregation point, there is an infrastructure need.

I think before you get to the infrastructure, though, you have to get some best practices around networking and who needs to be at the table, and that grouping of producers and distributors and aggregators and end users have to get together and try to understand where the gaps are in the system. We found that sort of backdoor working with institutional buyers in Chicago—in Detroit, trying to build new distribution channels for our growers. Detroit Public Schools wants to replace 30 percent of its student meal content from highly processed to locally grown or minimally processed, but we had to send Michigan-grown produce to Indianapolis because we could not find a small processing house to cut, wash, and pack the product.

We discovered a senior Meals on Wheels program that imports from Jackson, Mississippi, daily 4,100 senior meals. Now, no knock against Jackson, Mississippi, but somehow, there ought to be a food system that can supply that product a little closer to home.

And so as you begin to peel back and try to figure out where those gaps are in the market, that is where the food hub concept comes in. Again, it is not replacing. It is really trying to figure out where those entrepreneurial opportunities are that maybe are a little smaller scale that the bigger systems are overlooking.

Chairwoman STABENOW. Thank you.

Mr. Hardin, I wonder a couple of things. One, I know you have a farmers' market in Argenta and it is in a food desert——

Mr. HARDIN. Yes.

Chairwoman STABENOW. —a very important concept now as we look at what is happening for so many urban areas and certain rural areas. How has the local community around the market developed since you have created it? Have you seen a change?

Mr. HARDIN. Yes, a very good question. I have witnessed something I had never seen before in growth. About 2007, we began our

local food movement, developing a brand new market called the Certified Arkansas Farmers' Market, and since then, we have just seen—it was a blighted area. No one would ever come down to this part of town. And since 2007, we have seen new restaurants, new grocery stores, which I co-founded one, but there was tremendous community investment in it and support from that, and now I think there are over 1,200 homes planned in the downtown area now. People want to live there. People were building walkable communities. It is an amazing growth that we have seen and everybody around Central Arkansas has witnessed this growth and everybody now wants to create their own farmers' market and help their farmers.

Chairwoman STABENOW. That is great.

Mr. HARDIN. Thank you.

Chairwoman STABENOW. Mr. McCormick—I am sorry, Mr. Carmody——

Mr. CARMODY. Could I just add an outsider's perspective on the Argenta situation?

Chairwoman STABENOW. Absolutely.

Mr. CARMODY. I actually wrote an economic development strategy in 1996 before all of that was happening. But I think it just illustrates a good point between what happens when you take light rail and a transportation system investment and add it on to a local food system investment.

Mr. HARDIN. Exactly.

Mr. CARMODY. You really get miraculous results. It is, again, one of those examples, I think, in an austere fiscal world when you can add two plus two and get ten.

Chairwoman STABENOW. Great. Thanks.

And then, finally, before my time is up, Mr. McCormick, could you just speak to a little bit more—you have talked about small farmers and the work that Walmart is doing, which we appreciate. But if you had a food hub, would that allow you organizationally to be able to do more with small growers or medium-sized growers in the kinds of things we are talking about here?

Mr. MCCORMICK. I think when I go to bed at night and have dreams of things that would be wonderful, having food hubs near our 41 food distribution centers would be the answer to my personal prayers and a great part of our business model, because for us, we are talking about more sustainable agriculture and for building a supply chain that can sustain itself. And I think, there, it is an integrated supply chain, not just buying from lots of small farmers.

Chairwoman STABENOW. Great. Thank you very much.

Senator Roberts.

Senator ROBERTS. Well, thank you, Madam Chairman, and it is an absolute delight to see my colleague from Vermont, Senator Leahy, come here. I thought it was a dairy hearing.

Chairwoman STABENOW. They are passing notes back and forth. [Laughter.]

Senator ROBERTS. Anyway, the champion of the small farmer in Vermont, five-foot-two, and a retired stockbroker, but then there is another whole story to that.

Chairwoman STABENOW. Do not go there.

Senator ROBERTS. I will not go there.

[Laughter.]

Senator ROBERTS. Mr. McCormick, meeting your food safety requirements, why is it difficult or more difficult for a grower with 50 acres to implement food safety standards and undergo food safety audits? It would seem to me that somebody with smaller land and limited commodities, that you could implement the good agriculture practices as opposed to somebody in Western Kansas who has 5,000 acres or 15,000 acres and several different commodities.

Mr. MCCORMICK. Senator, I think that it is not necessarily harder. It is a matter of the obstacles being greater for a small farmer that does not have a lot of capital and does not have a lot of time to invest in it.

Senator ROBERTS. What obstacles?

Mr. MCCORMICK. A piece of it is simply the cost of the audit itself. So for a small farmer to pay for an audit that is going to average them around $1,500, it is a large capital outlay for them.

Senator ROBERTS. So on scale——

Mr. MCCORMICK. Yes.

Senator ROBERTS. Okay.

Mr. MCCORMICK. So it is difficult. And one of the great values of routine audits is more than just what the auditor helps prevent happening. It is the repeated visits from an audit help a farmer get better, whether he is small or he is large. It helps him develop a system that prevents the threats to food safety from occurring. So often for a very small farmer that wants to grow to be a bigger farmer, there is a capital outlay that is going to come there, too. So the audit is—and it is a new experience sometimes for the small farmer. So it is just a daunting experience and the time that is involved and the capital outlay is a lot for a very small farmer.

Senator ROBERTS. Does Walmart require third-party food safety audits of all suppliers, regardless of size?

Mr. MCCORMICK. All suppliers, regardless of size. Our smallest farmers, we have kind of a step-up program where we work to take them to GFSI certification standards, the highest standards that are around.

Senator ROBERTS. What is the cost of an audit for a grower with 50 acres of land, and how have you been able to try to mitigate these costs with these folks?

Mr. MCCORMICK. So an audit can cost $750 to about $1,500, plus sometimes the travel cost of the audit. Often, the travel cost is some of the most expensive. So one of the things that our small farmers tend to benefit from us is that our food safety department and the small farmers in an area around one of our distribution centers coordinate our activity together. So rather than have an auditor fly in and pay a large amount of money to fly in to do the audit for that one farmer——

Senator ROBERTS. Fly in?

Mr. MCCORMICK. Fly in, drive in, it depends on where the farm is. That is a challenge to food safety today, is having——

Senator ROBERTS. Why can they not drive? Why do they have to fly? How do they fly? General aviation, or what?

Mr. MCCORMICK. They fly on commercial aviation, and it depends on where it is.

Senator ROBERTS. Yes.

Mr. MCCORMICK. Some small farmers are—and big farmers are fortunate that they have auditors close by. Other farmers, especially small farmers in areas where there is not a concentration of small farmers, the auditor has to fly into a town and drive also into the farm.

Senator ROBERTS. I have got it. All right.

Mr. Hardin, one concern I hear from consumers purchasing at local farmers' markets is that in not all cases are the products actually grown and processed and shipped locally. In other words, if you had a Chiquita banana sold at the local farmers' market, clearly, that was not grown down the street, or for that matter even in this country. What have the markets in your areas done to ensure vendors are selling only the local product?

Mr. HARDIN. Well, that was a big issue for us starting about 2004 or 2005 and we have been working for several years trying to figure it out. We have determined that source verification, actually creating markets where we require a source verification, where we go on farms, some market management goes there, and we have realized that is just necessary. We cannot have a successful market without it because there are impostors that will come into the market and they will put on their farmer hat and sell things and tell the customer they came from local areas and it is really displacing a local farmer. So it is really important to me that we verify the source of the produce.

Senator ROBERTS. Mr. Weidman, you provide local fresh fruits and vegetables to schools in Philadelphia all year. How do you do that in the winter?

Mr. WEIDMAN. Yes, it is tougher in the winter, absolutely. So we work seasonally, mainly with the food hub, the common market. There are some products that do go year-round, though. We actually have a farmers' market in Philadelphia that is open all throughout the winter, root vegetables and other things, but——

Senator ROBERTS. Where do they get those from in the middle of the winter?

Mr. WEIDMAN. Some of them are using—I am actually not a farming expert, but some of them use hoop houses, things that try to extend the growing season. But, yes, it is definitely—we have the most stuff comes in closer to the growing season and the harvest season.

Senator ROBERTS. Okay. Thank you, Madam Chairwoman. My time is up.

Chairwoman STABENOW. Well, thank you very much.

And Senator Leahy, former Chairman of the committee, welcome this morning.

STATEMENT OF HON. PATRICK J. LEAHY, U.S. SENATOR FROM THE STATE OF VERMONT

Senator LEAHY. Thank you, Chairwoman. Of course, I remember working with Senator Roberts when he chaired the House Agriculture Committee. Thank you for holding the hearing. I think it is important——

Senator ROBERTS. Senator, that was another era.

[Laughter.]

Senator ROBERTS. Thrilling days of yesteryear, however, I would add.

Senator LEAHY. It was not that long ago. Neither one of us had hair then, either.

[Laughter.]

Senator LEAHY. I think it is important to have this kind of a hearing. It shows the importance of local food as an economic driver in our States. It know it is extremely important in mine.

But before I get started on the questions, I would ask consent, Madam Chairwoman, to submit several documents for the record relating to local food issues in Vermont.

[The information of Hon. Patrick J. Leahy can be found on pages 114, 119, 168 and 220 in the appendix.]

Chairwoman STABENOW. Without objection.

Senator LEAHY. Now, as I read your testimony, many of you point out the Farmers' Market Promotion Program has been instrumental in strengthening producer-to-consumer efforts, improving access to local foods. In Vermont, we have had the availability of EBT machines so participants in Vermont's SNAP program—we call it Three Squares Vermont— can take advantage of farmers' markets. We have 37 market locations. EBT sales totaled around $70,000. That may seem small in large States. It is significant in a small State like ours.

Mr. Hardin, you mentioned some of the successes you have seen with the EBT program in Arkansas. What are some of the barriers that you found in expanding EBT to farmers' markets, because even a State as large as Arkansas, I am sure you have some of the same issues that we have in our State of Vermont.

Mr. HARDIN. Yes. I think our sales are about the same as Vermont. We have really had a slow start, but it right now seems to be gaining momentum.

I would like to see an expansion of the program, or access to more of the electronic wireless devices so that farmers can, you know, CSA programs can have these things and farm stores can have the tools so that——

Senator LEAHY. Is that one of the biggest barriers?

Mr. HARDIN. No, it is not, actually. One of the biggest barriers is just an awareness of where the markets are and that you can—that EBT is accepted at farmers' markets. We really have lacking in a campaign in our State to really get it out there. But as the awareness grows, we are seeing much more interest and participation each year, and I think we are really building on that this year and next. I have seen a lot of growth recently.

Senator LEAHY. I wrote the farm-to-school program included in the child nutrition law, and this year it is going to be rolled out with the mandatory grant money to get school kids locally grown, nutritious foods. But we also find the problems when you have either outdated or non-existent infrastructure. How can States work best on that to get food from a regional or local area to the schools? Could you have more flexible delivery options, for example?

Mr. HARDIN. Well, we—are you still addressing me?

Senator LEAHY. Sure, as well as anybody else who wants to jump in on that one, too.

Mr. HARDIN. Well, I am sure there is a better answer here, but I would like to say that we have struggled with this. What we would like to do is set up aggregation processing facilities geared directly for our schools. Our biggest concern from the schools are that they cannot—there is no inventory of local food and they are required to do a lot more meal planning throughout the school year. So we want to have an inventory, have some kind of projection of what will be available for the school year so that they can adequately plan for their menus. Regional markets, more organized distribution centers.

Senator LEAHY. Does anybody else want to add to that?

Mr. CARMODY. One thing that could contribute mightily would be to allow commodity entitlement credits to be used to buy local products. It would be a procedural change.

Senator LEAHY. Thank you.

Mr. WEIDMAN. And we are working with the National Farm-To-School Network regionally in our region, kind of taking a traveling road show to the different school districts to teach things like knife skills training and recipe demonstrations to help them, you know, encourage them to get more fresh produce and locally grown produce into the school meals.

Mr. CARMODY. I would just further add that it is really—you have to think 360 about this. It is how to get to the kids, the teachers, and parents. And so we will be announcing in April in Detroit with the DPS a major expansion in their school garden program tied to kids learning in the classroom what they eat in the cafeteria and then trying to build in a parent education piece through the SNAP education program, and it really ties it all together.

Senator LEAHY. Anyone else? Thank you.

Chairwoman STABENOW. Thank you very much.

Senator LEAHY. Chairwoman, thank you. I will probably have some further questions for the record.

Chairwoman STABENOW. Well, thank you very, very much.

Before we close the hearing, I did want to ask Ms. Goodman, because I think your testimony was so important in terms of need and what is happening for real families every day and how important all of the food assistance programs are, but I am wondering, how do each of the programs that the food banks utilize fit together from your standpoint to be able to meet the need, whether it is emergency food assistance or SNAP or food bank dollars or Commodity Supplemental Food Program. How do they fit together, and what happens when one of those is cut?

Ms. GOODMAN. Well, that is a great question and I am glad you asked. Here today, I mentioned CSFP, TEFAP, and SNAP, and those three particularly work together well with the private efforts of food banks. It is kind of a public-private leveraging capability that is really perfect, in my view.

But SNAP really is the first line of defense, I would say, for people, because it is grocery dollars that people can get to supplement budgets that just do not allow them to get by, as I said.

And then they are not going to be able to make it through the month, and there are people, as I mentioned, that do not get—are not eligible for SNAP benefits. So there is the Emergency Food System, and we are providing, however small, six percent of the emer-

gency food in this country. So we have got to be there, and 75 percent of that food actually comes from the private sector. But 25 percent does come from the TEFAP program and it is among the most nutritious food that we provide. I mean, last year, off the top of my head, we had milk, we had chicken, we had green beans, we had fresh oranges. I mean, it is tremendous product. So that Emergency Food System is the safety net, I would say, for the people who are not eligible for SNAP or who are using SNAP and it does not make it through the month.

And then CSFP is particularly important because SNAP is so underutilized by seniors. There are a couple of reasons, I think. The first is it is particularly stigmatized by seniors and many seniors that I have seen think, well, somebody needs it worse than I do. But then mobility issues are a really big deal, just getting down to the Department of Job and Family Services to apply for Food Stamps and then getting to the grocery store, to use the example that I mentioned in my testimony. So just accessing the grocery store makes Food Stamps perhaps moot in some cases. So those food boxes that are delivered directly to, say, the senior high-rise for seniors are crucial, and there are actually meals in those boxes that are specifically designed for the nutritional needs of those senior clients.

So you can see that certainly each of them is serving a specific need and they work together in a way that is not necessarily duplicative but complementary, and they are working with the private sector, as well. So we are all working together.

Chairwoman STABENOW. Right. Well, thank you very much, again, to all of you. This is a very, very important part of what we do in constructing a farm bill to meet nutritional needs and create new opportunities for growers around every community, I think, in America. So we thank you again for your testimony.

Any additional questions for the record should be submitted to the committee clerk five business days from today, which is five o'clock on Wednesday, March 14.

The meeting is adjourned.

[Whereupon, at 11:32 a.m., the committee was adjourned.]

A P P E N D I X

MARCH 7, 2012

Agriculture Committee Hearing
March 7, 2012
Healthy Food Initiatives, Local Production, and Nutrition
Statement for the Record
Senator Robert P. Casey, Jr.

I want to thank the Chairwoman and Ranking Member for holding today's hearing. It's important to talk about how agriculture is helping our local economies. Supporting Pennsylvanian agriculture has been a priority of mine since taking office. Agriculture provides jobs for many Pennsylvanians. And as we know, successful local, healthy food systems bolster local economies, provide access to fresh, healthy foods and improve nutrition for consumers.

I introduced a bill, the Growing Opportunities for Agriculture and Responding to Markets Act, or the GO FARM Act, which will help to create jobs in the agriculture industry by enhancing local food systems and encouraging production of food for local communities. The GO FARM Act will authorize the U.S. Department of Agriculture (USDA) to provide low-interest loans to rural organizations, which will in turn make small, low-interest loans to producers who grow crops for local markets like schools, stores, and farmers markets. The bill will support farmers who want to grow for local markets, which are an essential source of economic activity and are vital to getting healthy, local food from farm to table.

As we'll hear from one of our witnesses today, Pennsylvania is once again leading our Nation in innovative projects to create viable food systems – projects that support access to healthy fresh foods, job creation, and the local economy. For example, farmers' markets support sustainable food systems, healthy eating and agricultural employment. Farmers' markets stimulate local economies because a greater percentage of the sales revenue is retained locally. And it's not only the sale of food that stimulates the local economy but also farmers purchasing equipment and materials from local suppliers. We know that for every dollar spent at a locally-owned business, over 68 cents of that dollar stays in the local area and for every dollar spent at a farmer's market, over 80 cents of that dollar stays in the local economy.

Another supporter of local economies is the Supplemental Nutrition Assistance Program (SNAP). The Joint Economic Committee (JEC), which I chair, released a report in November entitled, "Lifeline for Families, Support for the Economy: The Supplemental Nutrition Assistance Program." The report found that SNAP not only provides much-needed support for vulnerable Americans, but also gives a significant boost to the economy. According to recent estimates, one dollar of spending on SNAP increases GDP by as much as $1.79, a significant bang for the buck, and that an increase of $1 billion in SNAP spending generates as many as 17,900 full-time jobs.

Ending hunger remains one of my top priorities as it cuts across all of the major challenges we are facing, including preventive health care, quality of life for families, and the ability of children to reach their full potential. Federal nutrition programs not only reduce hunger, they reduce poverty, prevent obesity and help to improve the economy.

As we'll hear from another witness today, food banks have been reporting a significant increase in the number of people seeking emergency food assistance, and the nutrition safety net is so important for hungry families across our nation.

In order to ensure the food security of our Nation, I believe strongly that Pennsylvania farmers will continue to be productive, competitive and successful and supply healthy, fresh foods to communities in Pennsylvania, throughout the country and the world. Pennsylvania's proud agriculture tradition helped to build the Nation and agriculture continues to drive our economy.

We live in a nation that is as diverse in agricultural production as it is in the people who consume the products that farmers grow. The 2008 Farm Bill reflected great cooperation among Members of Congress who represent a wide variety of producers and consumers. As we reflect upon the past Farm Bills, and look toward the future, I hope we can again ensure that we have a safe, stable, secure supply of healthy, local food.

Senate Committee on Agriculture, Nutrition, and Forestry
Opening Statement for Hearing on Healthy Food Initiatives, Local Production, and Nutrition
Senator Richard G. Lugar
March 7, 2012

Thank you, Madam Chairman. As the Committee is no doubt aware, according to the U.S. Department of Agriculture, an estimated 49 million people in the United States were food insecure last year. That means that, at times during the last year, these households were uncertain of having, or unable to acquire, enough food to meet the needs of all their members because they had insufficient money or other resources for food.

The food and nutrition programs administered by this Committee provide real assistance to hungry people in Indiana and across America. In December, there were 46.5 million people participating in the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program), an increase of 5.5 percent from this time last year. Food and nutrition programs, like SNAP, provide important assistance to those in need.

In their January 2012 baseline projections, the Congressional Budget Office (CBO) estimated that nutrition spending (most notably SNAP and child nutrition programs) will cost the federal government $102 billion in 2013, an increase of $4 billion over this year. That accounts for an astounding 84 percent of the total food and agriculture budget. While some proposals have cut substantial amounts of funding from these food and nutrition programs, there are ways to achieve real budget savings without devastating the programs relied upon by so many Hoosiers and Americans.

That is one reason why I introduced the Rural Economic Farm and Ranch Sustainability and Hunger (REFRESH) Act, S. 1658, on October 5, 2011. The REFRESH Act creates real reforms to U.S. farm and food support programs. These reforms create a true producer safety net that will serve more farmers more fairly, while being responsive to regional and national crises that endanger the continuing success of America's farmers. The reforms also improve accuracy and efficiency in federal nutrition programs, while protecting America's hungry. The REFRESH Act accomplishes all of this while **saving $40 billion** in taxpayer dollars over the next ten years.

The nutrition title of the REFRESH Act is expected to save taxpayers nearly $14 billion over the next 10 years, accounting for roughly one-third of the REFRESH Act savings, but less than a 2 percent reduction in overall nutrition program spending. By focusing on closing eligibility loopholes, eliminating government overlap, and improving the efficiency of SNAP, real savings were realized in the REFRESH Act that did not fundamentally alter the underlying food and nutrition programs.

Specifically, the REFRESH Act would eliminate broad-based categorical eligibility for SNAP benefits. Under existing legislation, participants can be automatically or "categorically" eligible for SNAP benefits, based on their eligibility for other low-income assistance programs. Under my bill, categorical eligibility for SNAP would be limited and available only to those receiving *cash* benefits from another qualifying program. This would ensure that those individuals eligible

for SNAP benefits continue to receive benefits through an equitable determination of eligibility, while eliminating eligibility for those who would otherwise not be eligible to receive SNAP benefits.

The REFRESH Act also eliminates duplicative federal government programs. The bill would eliminate the U.S. Department of Agriculture's Food and Nutrition Service employment and training program, which reimburses states for certain training programs. According to the Government Accountability Office (GAO), there are currently 47 federal government programs that provide employment and training. My bill helps to reduce some of that government overlap and duplication.

In addition, savings can be realized through improved enforcement of federal food and nutrition programs. The REFRESH Act would improve the quality control and enforcement for SNAP. In addition, the bill eliminates the funding for "bonus" payments made to the states that demonstrate "high or most improved performance" in implementing the SNAP. States do not need federally-funded awards for doing what they should be doing – implementing food and nutrition programs accurately.

I appreciate the Agriculture Committee taking up food and nutrition policies in this hearing today. I look forward to working with my colleagues on a Farm Bill nutrition title that will eliminate unfair loopholes and reduce government overlap. I offer the REFRESH Act to begin those discussions and ask that it be entered into the record.

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EASTERN MARKET CORPORATION

United States Senate
Committee on Agriculture, Nutrition, and Forestry

Healthy Food Initiatives, Local Production, and Nutrition
March 7, 2012

Testimony of
Dan Carmody
President
Eastern Market Corporation (EMC)
Detroit, Michigan

Good morning Chairman Stabenow and Distinguished Members. Thank you for hosting this important discussion, and warm greetings from the eastside of Detroit. I would like to begin by bringing you a hearty slice of Eastern Market in this short video.

We are proud that we have been able to leverage SNAP to benefit both consumers and producers.

Yet, despite attracting more than two million customers each year to our retail market, Eastern Market's SNAP redemptions are a tiny fraction of all SNAP redeemed in Detroit. Just as at the nation level, despite geometric growth, farmers markets account for only a few percentage points of total food sales.

But Eastern Market is not just a farmers' market. In addition to our Tuesday and Saturday Retail Markets, we also have an overnight wholesale market during the Michigan growing season and we are surrounded by eighty food processors, distributors, and retailers that provide growers with multiple sales channels while creating jobs and wealth for the under nourished local economy.

Eastern Market is both a remnant of an earlier food system, one before consolidation, concentration, and globalization and a pioneer of more diverse future food system.

Make no mistake; you do not need to be a Luddite to support the development of strong local or regional food systems. More robust regional food systems compliment national and global systems. We need both to feed hungry people around the world.

Incremental growth of small entrepreneurial businesses alongside the continued consolidation of large firms is happening in many industries. In the media thousands of blogs successfully compete with the daily newspapers published by fewer and larger survivors. In the world of beer the number of successful small craft breweries has exploded while the number of large breweries dwindles.

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In 1980 there were 101 breweries in the United States. Today there are more than 1,900. Consumer demand has driven this growth. People, willing to pay more for more diverse and higher quality products, have strengthened that industry with the net result of more than 1,800 new job creating and tax paying businesses.

With the surge of interest in local food sourcing, food hubs like Eastern Market can help local growers and processors harness the power of consumer choice to strengthen the agriculture and food sector. We are not alone; there are more than 400 food hubs around the country trying to improve the market channels of small and emerging growers and processors.

Building upon its historic food system assets, Eastern Market is building a comprehensive *Healthy Metropolitan* Food Hub to support regional food system development.

Healthy because we believe we can help contribute to a healthier economy in southeast Michigan. Last summer economic guru Michael Porter investigated food systems in Detroit and Boston and found the food sector has an unparalleled potential to deliver significant jobs across a full spectrum of skill sets.

It is estimated that if Detroit could access 20% of its food from regional sources, nearly 5,000 jobs, $25 million in new state and local taxes, and $125 million of new household income would be generated. Local food system development can address structural unemployment in both urban and rural places with few job opportunities.

Healthy because there is a connection between what we eat and our health. The USDA recommends half of our daily caloric intake should be in the form of fruits and vegetables and food hubs can play an integral role in promoting greater consumption of produce. Public markets are a common ground where communities convene and are convivial places where a civic discussion of food and other important issues can ensue.

Metropolitan because we believe that is the appropriate scale. We believe regional food system work can help reconnect urban, rural, and suburban communities who have common cause to create jobs and improve their health.

Here are some examples of the kind of work we are doing to strengthen regional agriculture in southeast Michigan.

- **Farm to School**

  Detroit Public Schools spends more than $16 million per year on direct food purchases. The Office of Food Service plans on replacing 30% of highly processed student meal content with locally grown and/or minimally processed food.

  We are working with them as their community partner to remove food chain barriers and connect local growers and processors to this $5 million dollar market. Recent USDA

pilot programs in the area of school nutrition have been of great assistance. Any steps USDA can take to make it easier for school districts to increase whole and minimally processed foods in student meals would be appreciated.

- **Institutional Buyers**

  Beyond public schools, EMC is connecting growers and processors with institutional markets. Our partner, Source Detroit, is a consortium of Wayne State University, Henry Ford Health Systems, Detroit Medical Center and a few other large institutions that have pledged to buy more local products. An early victory was a local bakery that picked up a contract worth several hundred thousand dollars annually from a local hospital.

- **Incubating Niche Food Processors**

  Four years ago, Eastern Market had no prepared food vendors at its retail markets. Today there are between 30 and 60 prepared food vendors depending upon the season. Some of these firms are growing rapidly. Already, several hundred jobs have been created. Pickles, pies, sausage, pasta, are just some of the products that are already being made with Michigan crops. A shared-use Community Kitchen is under-construction to increase our rate of business formation.

- **Web Based Virtual Market**

  Small growers and independent restaurants are often not able to visit our midnight to 5am wholesale market so we are working with a technology partner to develop an on-line sales and logistics tool that can make it easy for restaurants to purchase locally grown or processed foods on-line and using existing food service delivery routes to get food from Eastern Market to the buyer.

- **Neighborhood Farmers Markets**

  A 2010 USDA Farmers' Market Promotion Program grant enabled EMC to spearhead the continued development of a network of four neighborhood markets in the City of Detroit that have become effective sales outlets for many smaller growers.

- **Connecting to Existing Food Processors**

  With a Specialty Crop Block Grant, EMC and a handful of state and local economic development agencies have developed a regional network of food and Ag businesses. Though early in the process of network building there have been a few notable victories including the success of a tortilla manufacturer sourcing 3 million pounds of white corn from Michigan growers.

- **Commissary Functions**

  EMC has identified a number of food processing opportunities as we have begun to explore current food sourcing practices. In one case 4,100 meals per day (more than 1.5 million annually) are fabricated in Jackson, MS and shipped to Detroit for a senior meals on wheels programs.

- **Nutrition Drop In Center**

  Many of our retail customers wouldn't know which end of a zucchini to hold. To help improve food literacy, EMC is working with health care providers to develop a wide variety of community engagement and programming to provide people with the skills then need to become more frequent buyers of produce. SNAP Education funds have been useful in this endeavor.

Eastern Market is well on its way of evolving into a comprehensive, *healthy, metropolitan* food hub. To date, modest USDA investments have helped us grow the market and improve our farmers' bottom lines. Continued support of these programs is needed:

- ✓ Specialty Crop Block Grants
- ✓ Farmers' Market Promotion Program
- ✓ Community Food Projects

To assist with the development of a national network of food hubs we urge support for measures to help fund food hub development.

- ✓ Continued support of USDA AMS to conduct research and provide technical assistance needed to support food hub development
- ✓ Identify partnerships with HUD and DOT to include food hub development as part of the Sustainable Communities Initiative.
- ✓ Remove barriers within existing USDA program to using infrastructure development funds for food hub projects in urban areas that benefit rural growers.

Thank you for your time and attention.

Materials Attached:
Eastern Market Development Strategy
Detroit Eastern Market SNAP Program video
Detroit Food System Report

Testimony Submitted by Anne Goodman, President and CEO
Cleveland Foodbank, Cleveland, Ohio
for the Senate Agriculture Committee hearing
Healthy Food Initiatives, Local Production, and Nutrition
Wednesday, March 7, 2012

On behalf of the Cleveland Foodbank, thank you for the opportunity to provide testimony today. The Cleveland Foodbank serves over 230,000 people[i] in a six county service territory and last year distributed enough food for 27 million meals.[ii] Our food bank is a member of the Ohio Association of Second Harvest Foodbanks, a 12-member association working to secure resources and advocate for policies on behalf of food banks and hungry people. We are also a member of Feeding America, a national network of over 200 food banks working in partnership with 61,000 local agencies like soup kitchens, emergency shelters, and food pantries to serve 37 million people each year, including 14 million children and 3 million seniors.[iii]

The Role of Food Banking

In Ohio, 17.1 percent of individuals are food insecure, nearly 2 million people.[iv] This is unacceptable and ensuring access to adequate nutrition for low-income families should be a priority for our nation. In addition to our traditional role distributing emergency food, many food banks are now operating a variety of programs to meet the needs of food insecure people. The face, geography and timeline of hunger are not uniform, and a range of complementary programs and tactics are necessary to serve clients of different ages or mobility levels; families with temporary, episodic, or long-term need; and communities spanning rural and urban, low- and high-income areas. We leverage federal and state programs and partner with diverse private, non-profit, and public stakeholders.

In 2011, the Cleveland Food Bank provided 34 million pounds of food for distribution through 450 local agencies.[v] We rely on a variety of public and private sources for the food we receive and distribute. The Emergency Food Assistance Program (TEFAP) is particularly important and provides about 27 percent of food at our food bank and 25 percent of the food moving through

Feeding America's national network of food banks.[vi] Food banks supplement TEFAP with a range of other food streams, including food donated from grocery retailers, food manufacturers, state agencies and food purchased using charitable contributions. At the Cleveland Foodbank, in addition to the 27 percent of our food that comes from TEFAP, we receive 11 percent from retailers, 21 percent from national and local manufacturers, and 21 percent from the State of Ohio and purchase the remaining 20 percent.[vii] Policies such as the charitable tax deduction, the enhanced food donation tax deduction, and even the reduced non-profit mailing rate support our efforts to raise much needed food and funds.

About 34 percent of our client households include children under age 18, and 15 percent include seniors age 65 and over.[viii] These particularly vulnerable populations cause extra concern. Research has shown that children cannot grow and learn properly without good nutrition, and a lack of adequate nutrition for children has a lasting impact. Seniors are more likely to have difficulty preparing or consuming food due to limited mobility, cognitive impairments, and other age-related conditions.[ix] We have programs specifically targeted toward children that supplement the school lunch and breakfast program. We have afterschool meals, weekend backpacks, summer feeding, and nutrition education geared toward vulnerable children to help them develop and grow. We also operate programs targeted specifically at vulnerable seniors. In recognition of the limited mobility that many in this population face, we distribute Commodity Supplemental Food Program (CSFP) senior food packages and operate a mobile pantry in a senior high rise facility.

Because 79 percent of our client households have income at or below 100 percent of the federal poverty guideline, we conduct outreach to connect those clients with the Supplemental Nutrition Assistance Program (SNAP).[x] This outreach is especially important for clients in need of more than just short-term food assistance. We operate mobile food pantries to reach clients in rural and underserved areas and partner with local farmers' markets to increase access in urban food deserts.

Too often hunger and obesity present dual burdens for low-income families. We have a Nutrition Academy that trains our local agencies in how to cook healthy meals, buy healthy ingredients on a budget, educate their clients about the effects of good nutrition on their

health, and experience how good vegetables they might be unfamiliar with can taste. We also provide nutrition education utilizing community gardens, and educational materials to help low-income individuals and children learn how to grow, and prepare a nutritious meal using the food they have grown, cared for and harvested.

We leverage strong relationships with local farmers to increase our distribution of fresh produce. Through generous support from the state of Ohio, our state network of food banks is the largest purchaser of Ohio produce. This supports our aggressive produce purchasing initiatives aimed at increasing the amount of fresh produce available to our clients. We are in conversation with local partners about establishing a flash-freezing facility that would enable us to store produce so we can make frozen fruits and vegetables available to our clients during the winter as well.

Increasing Demand for Food Assistance

The Cleveland Foodbank and food banks around the country have seen a significant increase in the need for food assistance in the last several years due to the recession. Though Ohio's unemployment rate has recently dipped to 7.9 percent, it remains higher in some of the areas we serve, and poverty and food insecurity are still higher than ever.[xi] Many people are working but scraping by on reduced wages as they have seen their hours cut back. Our state, too, is suffering from the mortgage crisis that has families struggling to hold onto their homes. Even as the unemployment rate begins to fall, we continue to see increases in need. Some of these are families who held on as long as they could, spending down savings and cutting expenses, but who could not quite ride out the recession.

The face of hunger in America is a family making difficult choices between basic necessities. It is a family choosing between paying the mortgage or putting food on the table. It is a senior choosing between buying medicine or food. According to *Hunger in America 2010*, a quadrennial study by Feeding America, 39 percent of Cleveland Foodbank client households reported choosing between food and utilities, 35 percent between food and health care, and 27 percent between food and housing.[xii]

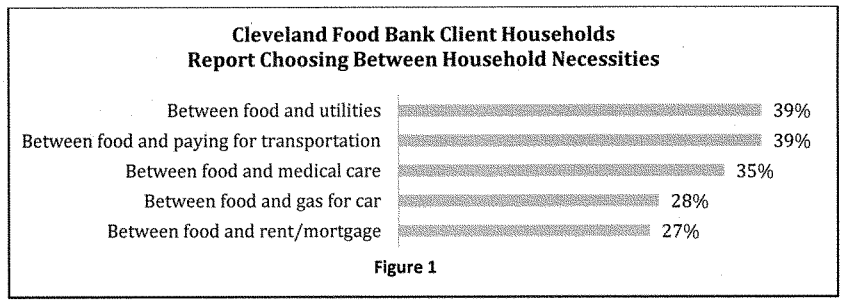

Figure 1

What is unique about the elevated need in this recession is that many families are accessing food assistance for the first time. Some of our volunteers who used to make regular donations to the food bank are now regular clients. But while hunger's encroachment into the middle class has received a lot of attention, we must not forget that this recent spike in demand and the new faces we are seeing were built on top of a long-term, underlying poverty problem whereby families struggle to attain economic opportunity and self-sufficiency.

The increased hardship brought by the recession has demonstrated both the tremendous effectiveness of the nutrition safety net and also revealed a few weak points that Congress has an opportunity to address in the 2012 Farm Bill reauthorization.

The Emergency Food Assistance Program (TEFAP)

TEFAP is truly the foundation of the emergency food system, supplying about 25 percent of all the food moving through Feeding America's national network of food banks and 27 percent of the food provided to Cleveland Foodbank in 2011 – enough for about 7 million meals.[xiii] TEFAP is a means-tested federal program that provides food commodities at no cost to Americans in need of food assistance through emergency food providers like food banks, pantries, soup kitchens, and shelters.[xiv]

There are three main funding streams through TEFAP. Mandatory TEFAP commodities were set at $250 million annually in the 2008 Farm Bill and adjust annually for food price inflation. Bonus TEFAP commodities are provided when USDA purchases surplus commodities to stabilize weak

agricultural markets or purchases commodities to meet the Farm Bill specialty crop purchase requirement. TEFAP storage and distribution funding is funded separately through the annual appropriations process and provides states with funding to assist food banks and other emergency food providers in defraying the costs to store, transport and distribute this food .

TEFAP has a strong, positive impact on America's farm economy. All commodity products made available by USDA are produced in America. Producers of commodities provided through bonus TEFAP purchases receive an estimated 85 cents per dollar of Federal expenditure. Producers of commodities provided through TEFAP mandatory purchases receive about 27 cents per dollar.[xv] By contrast, only about 16 cents of every retail food dollar goes back to the farmer.[xvi]

TEFAP commodities are also high in nutritional value. USDA selects foods for TEFAP that are low in sugar, salt, and fat as recommended by the Dietary Guidelines for Americans. TEFAP foods include fruits canned in water or light syrup, low-sodium canned vegetables, and leaner meats. A January 2012 USDA study rated TEFAP foods at 88.9[xvii] on the Healthy Eating Index (HEI), significantly higher than the HEI score of 57.5[xviii] for the average American diet. Vegetables and fruits represent 33 percent of food by weight delivered through TEFAP, with proteins comprising another 33 percent. Cereals, grains, starches, milk, and oil make up the remainder.[xix] Last year, for example, the Cleveland Foodbank received 1 percent milk, whole chickens, fresh oranges, fresh potatoes, and applesauce among other items. These products are invaluable when, like us, you consider nutrition to be a high priority.

Because the variety and quantity of charitable food donations fluctuate month-to-month, TEFAP commodities enable emergency food providers to acquire types of items that may be lacking in donations from private entities. Unfortunately, the need for emergency food assistance has outpaced supply, in part because of sharp declines in TEFAP bonus commodities at a time of high unemployment, leaving food banks without a strong base supply of food.

Recent high food prices and strong agricultural markets have led to less USDA intervention in the agriculture economy, resulting in a 30 percent drop in TEFAP commodity purchases in FY2011.[xx] In FY2011, TEFAP provided approximately $459 million worth of nutrition food commodities, compared to $655 million in FY2010. Bonus TEFAP commodities provide a

substantial portion of overall TEFAP commodity support. For example, in 2011, the Cleveland Foodbank received 5.1 million pounds of mandatory TEFAP commodities and 4 million pounds of bonus TEFAP commodities.[xxi] Thus declines in bonus TEFAP purchases have a significant impact on our ability to serve our clients. In 2012, the Cleveland Foodbank expects bonus TEFAP commodities to drop to 2.3 million pounds, a more than 42 percent decline from the already much lower levels we saw in 2011.[xxii]

This drop off is occurring at a time when food banks are experiencing sharply increased need due to widespread unemployment and reduced wages. Feeding America's national network of food banks experienced a 46 percent increase in demand for food assistance from 2006 to 2010.[xxiii] Many food banks continue to report increases in demand and are struggling to make up the difference. At the Cleveland Food bank, the declines in available TEFAP commodities combined with significant increases in demand have hit us hard. We are forced to increase the amount of food we purchase, and are working aggressively to raise the necessary funds, so that we have enough food to provide for our clients.

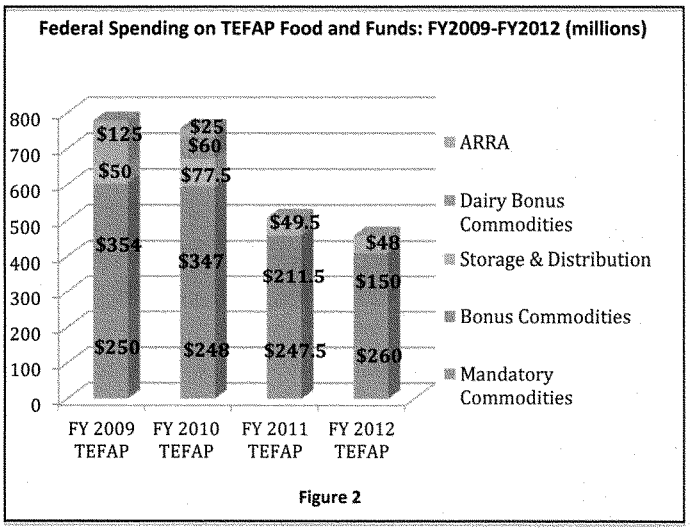

Figure 2

There are three important steps that the Committee can take in the Farm Bill to prevent such significant shortfalls between supply and demand. First, increase mandatory funding for TEFAP commodities to better reflect the rising demand for food assistance resulting from higher unemployment and food insecurity. We are grateful that the Committee recognized this need in its recommendations to the Super Committee of a $100 million increase in TEFAP over 10 years. However, nationally, TEFAP saw a nearly $200 million decline in 2011 alone, and more funding is urgently needed. The Committee should also enhance the Secretary of Agriculture's authority to purchase bonus commodities not only when agriculture markets are weak but also when the economy is weak and the need for emergency food assistance is high so the program is responsive to both excess supply and excess need. High need could be defined by elevated unemployment, food insecurity, and poverty, or by the designation of large-scale regional or national disasters. Finally, the Committee should designate that a portion of the specialty crop purchase requirement be provided to food banks.

Supplemental Nutrition Assistance Program (SNAP)

SNAP is the foundation of the nutrition assistance safety net, delivering monthly benefits to 46 million participants through electronic debit (EBT) cards that can be used to purchase groceries at over 200,000 authorized retailers nationwide.[xxiv] One of the strongest features of SNAP is its ability to adjust quickly to fluctuations in economic conditions, whether nationally as during the recent recession, or locally as in response to a plant closing or natural disaster, providing benefits that are timely, targeted, and temporary. SNAP's responsiveness to unemployment proved it to be one of the most effective safety net programs during the recent recession, providing families with a stable source of food. As the number of unemployed people increased by 94 percent from 2007 to 2011, SNAP responded with a 70 percent increase in participation over the same period.[xxv]

SNAP benefits are also targeted at our most vulnerable. 76 percent of SNAP households included a child, elderly person, or disabled person, and these households receive 84 percent of all SNAP benefits.[xxvi] While SNAP serves households with income up to 130 percent of poverty, the vast majority of SNAP households have income well below the maximum. 85 percent of SNAP households have gross income at or below 100 percent of the poverty line, or $22,350 for

a family of four, and these households receive 93 percent of all benefits.[xxvii] Similarly, SNAP rules limit eligibility to households with assets of no more than $2000, but most SNAP households fall far short of the maximum, and the average SNAP household has assets of only $333.[xxviii]

Finally, SNAP provides benefits that are temporary. The average amount of time a new participant spends on SNAP is about 10 months, and the SNAP benefit formula is structured to provide a strong work incentive.[xxix] For every additional dollar a SNAP participant earns, their benefits decline by about 24 to 36 cents, not a full dollar, so participants have incentive to find a job, work longer hours, or seek better-paying employment.

SNAP is a highly efficient program and its accuracy rate of 96.19 percent is one the highest among federal programs.[xxx] Two-thirds of all SNAP payment errors are a result of caseworker error and nearly 20 percent of payment errors are underpayments, which occur when participants receive less in benefits than the amount for which they are eligible.[xxxi]

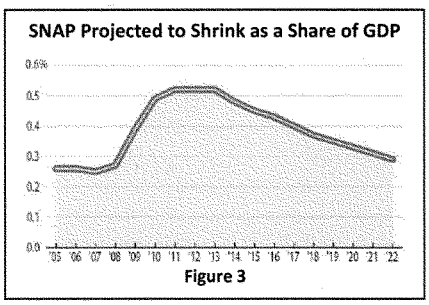

Figure 3

Because SNAP participation follows trends in poverty and unemployment, as the economy recovers and unemployment and poverty fall, SNAP participation will decline. The Congressional Budget Office projects that SNAP will shrink to nearly pre-recession levels as the economy recovers and need abates; however, these declines will take time, and past recessions demonstrate a lag time between falling unemployment and declining SNAP participation. Even as jobs become available, families may not be able to regain their pre-recession income. With heavy competition for jobs, workers with higher education and skills will get back to work first, while recovery for low-income workers will take longer. It is critical that Congress protect the current structure of SNAP and oppose efforts to block grant the program to allow it to continue to respond effectively to fluctuations in need.

The recent recession also highlighted the inadequacy of the SNAP benefit. For many families, SNAP benefits do not last the entire month. The average monthly SNAP benefit per person was

$133.85 in Fiscal Year 2011, or less than $1.50 per person per meal,[xxxii] hardly enough for an adequate nutritious diet. Most SNAP benefits are used up before the end of the month, with 90 percent of benefits redeemed by day 21.[xxxiii] As a result, many SNAP participants regularly turn to food banks to make up the difference. A September 2011 Feeding America study found that 58 percent of food pantry clients receiving SNAP benefits turn to food pantries for assistance for at least 6 months out of the year.[xxxiv]

In recognition of SNAP benefit inadequacy and the increased need for food assistance in the recession, Congress provided a temporary boost to SNAP benefit levels in the American Recovery and Reinvestment Act (ARRA). A U.S. Department of Agriculture study demonstrated that this boost reduced food insecurity even as poverty and unemployment continued to grow, underscoring the need for increased benefit levels in order to make progress against hunger.[xxxv] Unfortunately, Congress rescinded part of the boost to pay for legislation in 2010, which will subject families to a sharp cliff in benefit levels on November 1, 2013 rather than allowing the boost to phase out gradually as intended. Congress should restore the cut to the SNAP ARRA benefit boost used to pay for the 2010 child nutrition bill and phase out the boost in a way that protects families from a cliff in benefit levels. In the long-term, Congress should consider permanent improvements to benefit adequacy to make greater progress against hunger and enable families to afford more nutritious foods.

Commodity Supplemental Food Program (CSFP)

CSFP provides nutritious monthly food packages to low-income participants, nearly 97 percent of whom are seniors living at or below 130 percent of poverty ($14,157 for a senior living alone).[xxxvi] Nationally the program serves nearly 600,000 people each month, including over 20,000 in Ohio.[xxxvii] The program is designed to meet the unique nutritional needs of participants, supplementing diets with a monthly package of healthy, nutritious USDA commodities, helping to combat the poor health conditions often found in food insecure seniors. The senior population is increasing every day and will continue to grow. They will live longer, many on fixed incomes that will not keep pace with inflation, increasing the risk of senior food insecurity.

According to National Health and Nutrition Examination Survey data, food insecure seniors over the age of 60 are significantly more likely to have lower intakes of major vitamins, to be in poor or fair health, and to have limitations in activities of daily living.[xxxviii] A January 2012 USDA study found that the CSFP senior food package provides 23 percent of seniors' total energy needs and contained a third or more of the recommended daily reference intake (DRI)[xxxix] for protein, calcium, vitamins A and C, and several B vitamins.[xl] The report rated CSFP's senior food package at 76.6 on the Healthy Eating Index (HEI), significantly higher than the HEI score of 57.5 for the average American diet.[xli]

CSFP leverages government buying power to maximize the impact of the monthly food package. The USDA commodity foods included in the package are all American produced products. While the cost to USDA to provide the food package is about $20 per month, the average retail value is $50, making it a highly efficient use of federal dollars.[xlii]

CSFP also serves a small number of women, infants, and children up to age six living at or below 185 percent of poverty, reflecting the fact that CSFP was the precursor to WIC.[xliii] However, nearly 97 percent of participants are seniors[xliv]. In recognition of CSFP's evolution to serving primarily seniors, Ohio made CSFP a seniors-only program in 2010, and both Feeding America and the National Commodity Supplemental Food Program Association recommend that Congress make CSFP a seniors-only program in the upcoming Farm Bill. This transition should protect women, infants, and children currently enrolled in the program by grandfathering their participation until they are no longer eligible for the program under current rules.

Nutrition Promotion

Nutrition education has become a big part of what we do because of the special difficulties faced by the clients our agencies serve in affording a nutritious diet. In Ohio, one-third of our children will be obese by the time they reach Kindergarten.[xlv] Lack of access to affordable, nutritious foods, inadequate resources and community factors can often lead to the dual burden of food insecurity and obesity. The Cleveland Foodbank now offers education on helping clients shop on a budget and offer cooking classes and demonstrations of healthy foods. We also provide healthy recipes using produce and education to children on gardening. We work with

the American Diabetes Association and the American Heart Association so that we can coordinate efforts to promote healthy eating.

SNAP nutrition education (SNAP-Ed) helps families maximize limited benefits and improves their nutrition and health. SNAP-Ed initiatives around the country have demonstrated increased consumption of fruits and vegetables, changed food purchasing habits, and decreased likelihood of being overweight.[xlvi] Many food banks are leveraging SNAP-Ed dollars to help their clients maximize their limited food budgets through nutrition education programs.

Some food banks are working with local partners through Community Food Projects competitive grants to establish community gardens and create innovative programs that connect low-income families with food produced by local farmers. These projects can provide hands-on nutrition education, increase access to fresh, healthy produce in under-served communities, and offer opportunities for job training.

Congress can continue to promote better nutrition by maintaining SNAP-Ed, incentivizing the purchase of healthy foods, and strengthening SNAP national vendor standards to improve the availability of healthy foods. Healthier kids and families will lead to lower future health care costs and investing in SNAP nutrition education is a wise use of federal resources.

Conclusion

In closing, it is important to emphasize that fighting hunger is a public-private partnership. Hunger is a national problem, and it needs a national solution that brings the resources and strengths of both private charity and a strong federal safety net. Charity can do a lot, but food banks like mine cannot fill the gap if TEFAP commodity support does not increase and if cuts are made to critical programs like SNAP.

The need for food assistance is very real, and your support for nutrition programs in the upcoming Farm Bill is critical. Hunger and malnutrition cost our society in many ways, including higher heath care costs and lower workforce productivity and worse health and educational outcomes. These are costs we cannot afford.

In light of the immense budgetary pressures to reduce the federal deficit, it must be all too easy to think about these programs as numbers on a ledger. But these decisions will affect real people in communities all across America. I encourage each of you to visit the food banks serving your state to see for yourself the challenges your constituents are facing and how effectively these programs are working to serve them.

As the Committee makes decisions about how to allocate limited resources, I urge you to continue protecting families from hunger and supporting good nutrition by protecting SNAP, investing in TEFAP, and exploring innovative opportunities to support low-income families and local farmers at the same time.

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[xliii] CSFP also serves pregnant and breastfeeding women; other new mothers up to one year postpartum; infants; and children up to age six living at or below 185 percent of poverty (about $34,281 for a family of three in 2011). The food assistance needs of this vulnerable population are increasingly met by the Special

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Statement of Jody Hardin
Farmer, Hardin Farms, Grady, AR, and Scott Heritage Farm, Scott, AR

Hearing on Healthy Food Initiatives, Local Production, and Nutrition
U.S. Senate Committee on Agriculture, Nutrition, and Forestry

March 7, 2012

Good morning Chairwoman Stabenow, Ranking Member Roberts, and Members of the Senate Agriculture Committee. Thank you for this opportunity to testify about the economic benefits of food production for local markets. I know from my own experience that local food is good for farmers, consumers, and our communities, and I am delighted to share my story with you.

I am a fifth-generation family farmer from Grady, Arkansas. I have been farming since I was a child on a farm that has seen many changes throughout our 110-year history. Our family has witnessed many changes over the years, and we are known for being innovative and quick to adapt to changes as they come. I hope that with over one hundred years of farming the same land my testimony will give you a fresh perspective on the meaning of the words sustainable farming.

We currently own 1,000 acres, with about 50 percent of it leased to conventional row-crop farmers. We raise nearly 150 acres in vegetables each year that are sold in regional wholesale markets, and directly to consumers through a community supported agriculture (CSA) program with 80 family subscribers and in our own farm stores that feature local and regional specialty crops. One of these stores, Argenta Market, is located in a downtown food desert, and the other, Hardin's Farm Market, is located in a rural location adjacent to our CSA farm in Central Arkansas. I have been participating in farmers markets for over 26 years, the income from which I used to fund my college education.

In addition to being a farmer, I am also an entrepreneur. I was the founder of the All Arkansas Basket a Month CSA that has served nearly 200 families with locally grown food year-round for the last six years, and I am proud to say, with great success. This cooperative buying program serves nearly 40 farmers and was a catalyst that seemed to spawn a local foods movement in central Arkansas that continues to expand today.

As founder and President of the Certified Arkansas Farmers Market, a non-profit producer cooperative (501-C6) since 2007, I have personally witnessed the tremendous growth in the demand for local foods and its impact on the local and rural economy. I have 37 employees that are supported by the local food economy, including jobs that were created in a downtown food desert through our store.

I am here today to share the successful economic opportunities I have found in producing food for local markets, and to discuss the barriers to continued growth.

Farmers Market Promotion Program (FMPP)

In 2009, Delta Land & Community, a community-based organization in Arkansas, received a Farmers Market Promotion Program (FMPP) grant from USDA's Agricultural Marketing Service (AMS). FMPP increases and strengthens direct producer-to-consumer marketing channels through a competitive grants application process, funding marketing proposals for community-supported

agriculture (CSA) programs, farmers markets, roadside stands, and other direct marketing strategies such as agritourism. The FMPP grant was awarded to improve sales at two existing farmers markets, including our Certified Arkansas Farmers Market in Argenta, and to establish two new farmers markets in the state.

The FMPP grant was an incredible opportunity. It gave us a lot of impetus to build our farmers market. Small farmers are not well organized and lack a collective voice in the marketplace. Through efficient advertising and effective communication, FMPP brought farmers together to create a robust farmers market.

With the FMPP grant, we were able to create food festivals coinciding with peak harvest periods throughout the spring, summer, and fall growing seasons that greatly assisted many of our farm vendors. We realized that farmers' sales could not keep pace with harvest. For example, when strawberries were ready for harvest, farmers lacked sufficient demand to sell their entire product. The new FMPP-funded harvest festivals changed that. We did research on peak harvest for several crops. Then, we invited 20 top chefs from Little Rock to each partner with a local farmer. These festival-placed partnerships, with chefs present at our farmers market, attracted an additional 2,000 to 3,000 customers. We went from insufficient demand to a booming marketplace. Plus, we created a huge demand from the chefs themselves. They started buying from the farmers and these farmer-chef relationships are ongoing. With the help of FMPP, we were able to build direct relationships with farmers and chefs that led to exponential growth of our small farm products in the years to follow, creating greater demand than supply of local products and thus leaving room for new farming opportunities in our area.

Along with these stories, the numbers say it all. FMPP literally changed our lives. Our customer base went from 400 per market day to over 1,000. We went from less than $5,000 in sales per market day during the summer season to between $15,000 and $20,000 in sales per market day after our FMPP grant. In total, we went from $300,000 in sales in our 2008 season to $1.5 million in our 2010 season, the year after our FMPP grant. We quadrupled our annual sales thanks to FMPP. As farmers got wind of the increasing consumer demand, we went from between 12 and 15 farmers per market day to over 30; in other words, we doubled our farmer presence at the market in a three-year period. Through community collaboration, we developed 20 lasting partnerships with local and regional chefs that continue today. All in all, we were able to build a larger clientele, we were able to build a larger base of farmers, and we generated dollars back into the economy.

FMPP worked. We were able to leverage the grant funds to build one of the most exciting new farmers markets in the state, one that has attracted thousands of customers, chefs, children, and tourists to a once blighted downtown food desert. The success of this farmers market has led to the development of new restaurants in the area, the new grocery store Argenta Market that I co-founded, and unprecedented real estate development in the downtown North Little Rock area. Our grant was a great experience for us, and it had a major impact. In fact, I can honestly say that without it, our market and thus our economy would be lagging.

We have seen incredible growth at our direct producer-to-consumer outlets through our FMPP grant. I live and breathe this. My father and grandfather are in disbelief at the growth and opportunities to sell locally produced food.

But we have a real problem. There is widespread and growing demand for locally produced food, but significant barriers exist to meeting that demand. All roads point to a glass ceiling for small-scale, diversified farms that we can shatter – with an investment in minimal processing, aggregation, and storage infrastructure, as well as with appropriate market technologies, training, and risk management tools.

"Food Hubs" – Aggregation, Processing, Storage, and Distribution

We were not able to tap the school market and in fact had to turn schools away. We have the buyers lined up. We have the demand lined up. We even have a grassroots effort in our state to get farm to school programs going, to get Arkansas-grown food into our schools. We just cannot get the critical mass due to a distinct lack of the necessary infrastructure to meet the demand.

It is a huge obstacle. School food has unique needs. It needs light processing and packaging in a way that school districts can accept it and prepare it to serve to our nation's schoolchildren. The same applies for other institutional markets like hospitals and prisons. Retail outlets – our grocery and corner stores – as well as restaurants, also have their own specific needs for purchased food products.

One part of the solution is an aggregation and distribution center, which we have tried to start. Today some folks are calling these places "food hubs" – centers that can aggregate, process, store, and distribute product. No matter what you call it, it makes sense.

I'll give you an example. In the summer in Arkansas, a large number of our crops come off the farm around the same time. It is when farmers need the most help because prices are lower. At the same time, schools are looking for an inventory of affordable, local food so that they can plan their meals out in advance of the coming school year. If we could process food in the summer – when farmers are producing and schools are out – using simple processing techniques like individually quick frozen (IQF) flash-freezing and then store these products for the school year, farmers would win and schools would win. Schools could buy the large supplies they need at the prices they can afford when farmers need help the most. Then, school food service companies like Sysco can work with the food center to distribute the food to the buyers, the schools.

As I mentioned already, we tried to start such a center in Arkansas. Unfortunately, despite our best efforts and my experience, we cannot seem to get a food center off the ground. We first tried to start the aggregation and distribution center with only private money. We thought we could do this with the help of our customers and local philanthropists and using my own entrepreneurial skills. When this did not go as planned, we started a multi-step project.

First, we would buy products directly from farmers and distribute directly to consumers, all on a small scale. We had no need for capital because our customers were prepaying. This went along for six years, but we could not grow.

We then decided we needed a facility to keep us going. As I communicated with schools, I found a big statewide need. People from all over, not just in and around Little Rock, were saying, "We need this." Not just farmers and not just schools. We had two food distribution companies wanting such a center too. They wanted it located centrally so they could distribute across the state and region.

USDA's Rural Development Under Secretary Dallas Tonsager suggested we apply for a Rural Development grant. Much to our disappointment, there was not a good match for what we wanted to do from among the Rural Development programs. While food centers benefit farmers in rural areas, the distribution sites sometimes need to be situated closer to the larger markets, which may be outside the area served by Rural Development. We also tried USDA's Farm Service Agency (FSA) for a loan, since they are not restricted in the same fashion, but FSA is also not well equipped and prepared to serve this small but growing local food producer sector. Hopefully, this situation is improving to a degree as the Department's Know Your Farmer, Know Your Food initiative begins to mature and FSA becomes more familiar with the needs of these food systems. The situation would also be improved by providing access in the Farm Bill to grants and loans that support aggregation and distribution facilities in larger populations areas. Although these facilities truly benefit rural growers, most do not qualify for programs like Rural Development business and cooperative programs.

I have come to realize that we need public dollars to jump-start the initiative as a public-private partnership. I am thrilled to report that we are getting local cooperation and some state help, but we still need federal support. Just like we found with our FMPP grant, a little seed money in the short-term can make a huge difference in the long-term. We have food service companies eager and willing to buy our products. We have three major distributors in our area: Sysco, Ben E. Keith, and PFG. Two of them are begging me to connect them with local farmers and to send them local food. Their combined sales in Arkansas are about half a billion dollars per year. This is an incredible opportunity for my state. What we lack, however, is the appropriate infrastructure to get the foods ready for market. We need some federal assistance to get if off the ground and become sustainable.

Need for Local Marketing Promotion Program – Direct and "Scaled Up" Sales

Earlier I spoke about the overwhelming success of our Farmers Market Promotion Program, which works well for direct producer-to-consumer sales. As I think about the growing desire by farmers to supply wholesale local foods, I realize we are in need of an "FMPP plus" or a Local Marketing Promotion Program. We have more and more farmers and ranchers wanting to connect with schools, grocery stores, and restaurants to boost income. Along with renewing and increasing funding for the Farmers Market Promotion Program (FMPP) in the new farm bill, I would like to see the program expanded, programmatically and in dollars, to include grants for these "scaled up" sales. As my story illustrates, limited dollar investments in marketing activities go a long way in fostering sustained growth in economic activity.

Expanding Access to Electronic Benefit Transfers (EBT) Technology

As our experience with FMPP has shown, marketing can go a long way in boosting local food sales and in improving farmer income. Along these lines, I would like to mention another simple, inexpensive step that can be taken to enhance sales at direct marketing outlets like farmers markets, thus stimulating local economies.

As you know, low-income Americans use their electronic benefit transfers (EBT) cards when making SNAP purchases. Grocery and corner stores can receive federal and state funding for their EBT equipment and fees, but the same does not apply for wireless food retailers like my farmers market. We need to level the playing field. Wireless outlets, not just farmers markets but also farm

and roadside stands and other places farmers sell fresh food directly to consumers, deserve the same opportunity as stores.

Currently, only about five percent of sales at the Certified Arkansas Farmers Market (CAFM) are SNAP purchases. The opportunity, however, is far greater. Wearing my hat as President of the Arkansas Farmers Market Association, I have heard nothing but positive stories about the economic gains made by accepting SNAP at farmers markets. Not only do all consumers have access to fresh, local foods, but farmers also win. It is simple: when SNAP benefits are accepted, market sales increase. More dollars are put in our farmers' pockets and more dollars are kept in our own community. The markets currently not accepting SNAP due to lack of access to wireless equipment are losing customers and thus losing dollars. SNAP recipients are losing access to fresh, local food. The next farm bill should fix this. All wireless outlets where producers sell directly to consumers deserve a fair chance to sell their products to SNAP participants.

Food Safety Training for Farmers and Small Processors

Along with needing basic infrastructure to aggregate and process Arkansas-grown and -raised foods, there is another particular challenge that producers of local food are facing as they work to seize the institutional and retail demand for local foods. As I mentioned, we have three food distribution companies in the state that service our schools, hospitals, and other institutions. All three of these companies require that their farmers have Good Agricultural Practices (GAP) certification, which our farmers more often than not do not have.

Chairwoman Stabenow, in the recent Food Safety Modernization Act, you championed a National Food Safety Training, Education, Extension, Outreach, and Technical Assistance competitive grants program. Thank you for this. It is incredibly important. As you write the next farm bill, I would like to see this program funded so it can begin providing grants to train farmers and small processors on food safety measures. We all want a safe food supply. This program would help us to realize this goal. If we can train farmers in groups as this program would allow, we can reach more people with less dollars, thus maximizing our federal investments in food safety.

Whole Farm Adjusted Revenue Risk Management Insurance (Whole FARRM)

I learned from my father, a fourth generation farmer, and subsequently experienced on my own, the extraordinary challenge specialty crop producers and diversified farm operators face when it comes to crop insurance. Over the years, we have had disasters on our farm. In fact, we face increased adversity every year from a changing ecosystem. In Arkansas, as I understand is the case around the country, we have a checkerboard approach to crop insurance for farmers like me. A special form of revenue insurance is available in certain states in certain places within states to farmers with diversified production including multiple crops or integrated crops and livestock. Some counties have this option available to them, but most do not. Called Adjusted Gross Revenue (AGR) insurance and Adjusted Gross Revenue-Lite (AGR-Lite), these products insure the total farm revenue stream on coverage up to $250,000 based upon the average revenue reported on five years of farm tax returns. The product does not allow for buy up coverage equivalent to most revenue insurance products and its diversification incentive is quite weak. While it may work in some places and for some folks, the plain truth is that this "hit or miss" approach does not adequately serve diversified and produce farms.

I would like to see our federal agriculture policy keep AGR and AGR-Lite in place so those producers who use it now and like it can maintain their coverage. Additionally, however, I want the new farm bill to authorize the creation and implementation of a Whole Farm Adjusted Revenue Risk Management (Whole FARRM) product that is available in all states and all counties and is relevant to all diversified operations, including but not limited to specialty crops and mixed grain/livestock or dairy operations, both organic and conventional. The Whole Farm product should be offered at the same buy-up coverage levels as other policies and should include a strong diversification incentive to reward risk reduction through diversity.

I am not only confident that such an insurance product would serve my family well, but more importantly that it would serve my entire community well. By offering specialty crops producers and other diversified farm operators a crop insurance option that works for them, you would be making a tremendous contribution to the health of the farming sector and the rural environment. It is critical the new farm bill direct RMA to develop this product as quickly and efficiently as possible.

Organic Crop Insurance

Finally, I would like to speak to the specific crop insurance barriers for organic producers. Like demand for foods grown locally, demand for organic foods has skyrocketed. Even in the worst economic downturn in 80 years, the organic sector experienced positive growth and grew by 8 percent in 2010.

My family operates what we like to call a "crossover farm." We have conventional row crops and are in the process of transitioning to certified organic production for our produce. As we make this transition, my family and I are learning the challenges organic producers face in today's marketplace.

As a real world example, I will tell you about the difficulty my younger brother faced when he went to the Farm Service Agency (FSA) to get an operating loan for his organic crop production system. The first year, he was flat out rejected despite having done everything right according to USDA's organic program and because of this rejection almost went out of business. The following year, he was fortunate enough to get an FSA loan. This experience demonstrates the urgent need for loan officers, be they FSA or Farm Credit or commercial banks, to become more knowledgeable about and conversant with organic production and organic markets. We need fair access and a level playing field.

We have a multi-faceted crop insurance problem for organic agriculture. First, organic farmers have been required to pay a surcharge for coverage on organic crops based on the dubious assumption that organic production methods result in more risk. The 2008 Farm Bill mandated that the Federal Crop Insurance Corporation (FCIC) enter into one or more contracts to review the underwriting risk and loss experience of organic crops to determine the variation in loss history between organic and nonorganic crops. As a result of these investigations, the surcharge for a handful of organic crops has thankfully been removed to date, but the unjustified surcharge must be removed for all organic crops.

Second, FSA and RMA lack organic price data that they can rely on. As a result, organic farmers have found that most crop insurance policies do not pay farmers for losses at organic prices but instead at conventional prices for the crop, which are generally considerably lower. Furthermore, organic farmers with diverse, integrated operations have difficulty sourcing crop insurance and other

effective risk management tools because most risk management tools are designed for mono-cropping, while most organic operations have diversified and integrated systems.

The new farm bill should ensure RMA has sufficient data on organic prices for crops so that organic producers can receive indemnity payments at the correct prices should there be a disaster. I would also like the new farm bill to remove the organic premium surcharge from all crops, not just some. These simple, low-costs steps can go a long way in leveling the playing field for organic producers like me and give us access to the effective risk management tools from which the rest of agriculture benefits.

Thank you for the opportunity to testify today. I would be happy to try to answer any questions you may have.

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Testimony of Ronald G. McCormick
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Produce, Floral and Local Sourcing
Wal-Mart Stores, Inc.

Before the
United States Senate Agriculture Committee

"Healthy Food Initiatives, Local Production, and Nutrition"

Wednesday, March 7th, 2012

Walmart

Local and Regional Produce Sourcing Initiatives at Walmart

Chairwoman Stabenow, Senator Roberts, Members of the Committee, thank you for the opportunity to be here this morning.

My name is Ron McCormick, and I am the Senior Director for Sustainable Agriculture for Walmart US, the largest division of Wal-Mart Stores, Inc.

It is an honor to speak with you today about Walmart's locally grown produce sourcing program and some of the nutrition initiatives we have implemented to encourage greater consumption of healthier foods.

At Walmart, we see multiple benefits for customers, for farmers, and for the economies of local communities by sourcing more fresh fruits and vegetables locally.

Buying local products has long been a priority for Walmart. Our origins are rooted in rural Arkansas, and we've since grown into a global company serving more than 200 million customers a week in over 10,000 stores in 27 countries around the world. In the U.S. alone, Walmart operates more than 3,800 retail stores serving customers in all 50 states and Puerto Rico.

Today, consumers all across the country—not just those who shop in our stores—have a growing interest in where their fruits and vegetables are grown, and supporting farms and farmers in the communities and regions where they live.

Our own consumer insights research shows that more than 40 percent of our customers tell us that buying local produce matters to them. In addition, the 2010 U.S. Grocery Shopper Trends survey prepared by the Food Marketing Institute, consumers demonstrated that they like locally sourced produce because it offers more freshness, and they like supporting local economies. They also perceive the taste to be better, and they like knowing the source of the product.

Today I will share more information about those benefits, our commitment to local sourcing, the challenges and successes we have encountered to date, and what we see as the path forward.

Our Commitment

Although we had been sourcing local produce for many years, in 2010, we announced a formal commitment, pledging to double our sales of locally grown produce -- 9 percent -- of all produce we sell from local farms by the year 2015.

Today, I am proud to announce that it is 2012 and we have already surpassed that initial goal. In fact nearly 11 percent of our produce today is locally sourced.

Walmart

Why did we make this commitment?

Since Walmart buys more United States agricultural products than any other retailer in the world, we saw an opportunity to use our market position to improve access to healthy, affordable, local foods not only for the customers who shop in our stores, but for consumers across the nation.

Aside from our scale, we also saw that our geographic footprint—literally where our facilities are located—provided us with a unique ability to effect change.

Walmart operates 41 grocery distribution centers (DC's) located across the country. These are essentially the clearinghouses for almost all perishable food we sell in our stores. The great advantage here is that many of these DC's are located in rural areas. We see incredible potential to source from productive areas within close proximity these DC's.

The closer food grows to our DC's, the fresher it is when it hits our stores and the better off we are from an efficiency perspective.

In addition to our ability to make an impact on a national scale, there are numerous other reasons that we source locally.

Nutrition

One of the most important benefits of local sourcing relates to a larger Walmart initiative we launched to address an issue our customers face every day: how to lower the cost of healthier foods, help our customers identify healthier foods, and consequently feed their families more affordable and nutritious meals.

Walmart's nutrition initiative is a commitment to work with suppliers to reformulate thousands of everyday foods by reducing sodium and added sugars and by removing all industrially produced trans fats.

It is also a commitment to locate more stores in food deserts, where access to healthy and fresh foods is limited. Since making that commitment alongside First Lady Michelle Obama last July, we've opened 23 stores serving food desert areas and expect to open 50-60 more this fiscal year.

Our commitment has already saved our customers over $1 billion on fresh fruits and vegetables by working throughout the supply chain to cut costs and pass on those savings to customers.

With the understanding that making it easier to eat healthy starts by making it easier to shop healthy, our commitment also included supporting nutrition education programs through the Walmart Foundation. To date, we have distributed more than

13 million dollars to organizations like Share Our Strength to fund important programs like "Cooking Matters" and "Shopping Matters," which teach low-income families how to select and prepare nutritious meals so they have the skills and the tools to provide the best nourishment possible to their families.

Finally, we are working to help busy families identify great-for-you options with a simple, front-of-pack icon.

The "Great For You" icon we launched last month was inspired by our customers, informed by nutrition experts, and driven by a desire to help busy customers identify healthier, affordable choices for their families. Our icon stems from our belief that we have a responsibility and an opportunity to address an issue that many feel is too complicated or too hard, and to demonstrate that it doesn't have to be.

It will begin to appear on our shelves this spring in produce aisles, and then gradually roll out on packages of our private brand food items as we run through packaging inventory.

Local sourcing supports this nutrition initiative in two important ways. First, by sourcing products from regions closer to their point of sale, we're able to reduce the miles that products have to travel, and in turn, cut transportation costs out of the supply chain. We can then pass those savings along to customers. This is one way we have been able to save customers more than $1 billion on fresh fruits and vegetables.

Value to Consumers

As mentioned earlier, our own consumer insights research, and the 2010 U.S. Grocery Shopper Trends Survey by FMI, illustrates that locally sourced produce is important to customers for multiple reasons.

Sourcing locally allows us to deliver a fresher product to our customers. Customers have to make a very important risk calculation when they step into the produce aisle. If they buy a produce item, will they have time to prepare it at home before it spoils? Buying locally often gives customers a few extra days of freshness, and lowers some of the risk of that purchasing decision.

Another important benefit for consumers is that it allows us to strengthen ties with local communities. Wherever we operate, we strive to be a store of the community—whether it's tailoring our merchandise to fit the cultural demand from customers or supporting local charities that are important to our associates. Sourcing from local farmers is one more way that we can live our commitment to our communities.

The local farms we support are often an important component of their community's economy. Just as the local taxes we pay create economic benefits for communities,

so do our relationships with farmers all across the country. They create jobs. As agriculture grows, related jobs in farming and directly related businesses increase—jobs in sales, service, and management related to farm equipment, packaging and packaging equipment, inputs and seeds, water and irrigation, refrigeration, real estate, insurance, credit, and legal services.

Importantly, sourcing from local farms enables our customers to play a role in supporting communities in their area—which we know, increasingly matters.

And, it goes a long way toward helping a segment of agricultural America that has been hard hit in recent years—the family farm. According to the USDA, the United States has lost 4.7 million farms since 1935 and that is coupled with an aging farmer population.

Sustainability

As the largest grocery retailer in the United States, we feel we have a responsibility and an opportunity to promote more sustainable practices in the food and agriculture supply chain. One of the most important steps we can take is reducing "food miles"—the distance food travels from farm to fork—by selling locally grown produce in our stores where we can.

Fresh produce in the U.S. travels an average of 1,500 miles from the farm that produced it to the table it's served on—roughly the distance from Washington, DC to Denver, Colorado. We are working to shrink those food miles and take trucks off the road whenever it makes sense from an efficiency and sustainability perspective.

For example, in the past, fresh cilantro sold in Walmart stores came from California. Today, by diversifying our grower base, we now source all of our East Coast cilantro from South Carolina, Florida and Mississippi, resulting in a significant reduction of food miles. Additionally, several years ago we only sourced hot house English cucumbers from Canada. I'm proud to say we're now sourcing those out of North Carolina.

It's important to note that in this case, we worked with large farms to diversify the types of produce they grow. By capitalizing on their existing economies of scale, we were able to procure an efficiently grown product and take out the fuel, cooling, days in transit, and other transportation costs of that product. We then pass those savings on to our customers.

Similarly, just a few years ago, jalapeño peppers only came from a few southern states and Mexico. Now, with a growing Hispanic population across the country and greater demand for peppers, we're now sourcing jalapeños from 27 states, including places as far north as Minnesota.

And by encouraging farmers in places like Minnesota to grow jalapeños, we are helping rural agricultural economies diversify their revenue streams, and become less reliant on a single, or a few, key crops.

Challenges and Opportunities

While the benefits of sourcing locally are numerous, our commitment has not come without challenges.

We regularly talk with our supplier partners —your constituents—and we clearly understand that farming specialty crops is a difficult and risky business. The challenges include unpredictable weather patterns, the lack of a ready labor force in some parts of the country, complex H2A visa requirements, a lack of capital, and the general aging of America's farmers.

These big challenges indicate that large conventional farms in traditional large agricultural states will remain a very important part of our business. But as we grow, the US population grows, and if we can encourage greater consumption of fruits and vegetables, we'll need local and regional sources of product to meet the demand we expect.

In light of these challenges, simply having a purchase order from Walmart isn't always enough for these farmers. We realize there is an opportunity for us to do more to help small scale farmers mitigate the risks outlined above and advance from being a small scale farmer to become a medium sized grower, and in some cases, grow to become a large, national producer for Walmart.

One of the most effective steps we've taken is creating Small Farmer Intensive Workshops. Designed to help remove any misperceptions about the complexity of becoming a Walmart supplier, we have worked with farmers to walk them through the process of becoming a supplier. We've developed a very clear program, which outlines the steps farmers need to take to work with us.

This includes information about: our food safety requirements and food safety resources; requirements for "grown-in state" labeling; refrigeration and packing requirements; and equipment and workforce needs. We also share useful third-party resources.

As we expand this program, it's very important to us that *everyone* has access to it. Therefore, one of our goals is to identify and create opportunities for women and minority owned growers to sell to Walmart. In fact, this ladders up to our company-wide goal of sourcing $20 billion from women-owned businesses in the U.S. over the next five years.

Walmart

Of course, it's virtually impossible for us to work one-on-one with every small grower, which is why we support the development of farmer-led agricultural cooperatives, or why we work with third party management partners. This may seem counterintuitive—as Walmart often works to eliminate "the middle man"—but in this case it's providing a very useful service and adding value to the product.

One example of where this is working is in South Arkansas. Here we are working with a grower whose two acres alone would never be able to supply the demands of our stores. But a local farmer has bundled several growers together to use a central packing system and work together as a team. Today, we are proud to call this team our partners.

Co-op's allow us to talk to a single legal entity while actually touching many grower members. It also uses fewer item numbers while maintaining traceability and reducing workload and system burdens.

Meanwhile, the advantages of a co-op to the growers are plentiful—it improves their ability to do business with larger customers who could not manage many direct farmer relationships; it allows shared ownership and shared use of expensive infrastructure; it monetizes reputation and performance; it avoids duplication of expenses; and it leverages economies of scale.

The advantages of third-party management include: helping growers prepare for food safety audits; putting growers in touch with the right people for timely assistance; expanding their network to create efficiencies and understand the differences in growing/harvesting practices; keeping up with the latest technology; assisting with freight services; and volume planning.

The bottom line is that these partnerships allow many farmers access to our market that they otherwise may not have had.

I would like to mention one additional challenge our local suppliers have encountered where we were able to help. For small growers producing items that cannot be sold in bulk, packaging and associated costs often create a barrier for growers to sell their products in a formal retail market. To address the challenge, we've been able to negotiate discounts on packaging by buying packaging in large volumes.

The packaging highlights the product as a local or regionally source item, and the label includes a window that allows a farm to put their own identifier or sticker on it, to "brand" the product. They can also apply another label like many state departments of agriculture use for promotional purposes.

Walmart

Food Safety

Small & developing suppliers are an important group for Walmart and core to our commitment to supporting locally grown and produced products. However, sourcing locally cannot compromise food safety or the health and wellness of our customers.

Walmart has worked with the Global Food Safety Initiative (GFSI) to create a scalable approach to food safety for our small and developing suppliers providing locally grown and produced foods which aligns with GFSI principles. Using the GFSI guidance document as a reference, requirements have been created for two additional assessment levels, basic or foundational and intermediate for both processors and primary producers.

With these requirements, small suppliers use this scalable model to receive annual assessments which gives Walmart confidence these farmers have programs critical to food safety in place. As their business grows, these suppliers are positioned to follow a stair-step path towards full GFSI certification and continue to enhance their food safety programs as they provide safe, affordable products for our customers.

In addition, Walmart has created a training template for both processors and farmers which will help them understand the requirements to achieve the basic or foundational, and intermediate assessments. This template will be available for all small and developing suppliers in all Walmart markets around the world as a development tool to drive performance improvement and enhance food safety.

Local Successes

To make local sourcing scalable, we need to engage many stakeholders–including individuals in agriculture finance and risk management, technical assistance providers, and those who can build infrastructure and capacity. Our relationships and conversations with key opinion leaders and stakeholders are proving fruitful when it comes to understanding and overcoming challenges and sharing our successes.

In January, we met with USDA and the University of Arkansas to discuss the barriers faced by minority and women owned farmers, and how Walmart can help them enter the supply chain.

Last month, we had a session with the USDA, Auburn University, Tuskegee University, the Alabama Farmers Market Authority, C.H. Robinson (a third-party provider) and several co-ops to discuss funding the infrastructure to increase grower counts in the Delta states.

These are some of the ways we are making headway. But I think what speaks the loudest is the breadth of local produce you'll find in our stores today, and the number of states from which they are sourced.

Today, Walmart gets watermelons from 27 states; cantaloupes from 19 states; pumpkins from 26 states; strawberries from 11 States; blueberries from 15 states; apples from 23 states; citrus from 6 states; pears from 6 states; stonefruit from 17 states; potatoes from 25 states. All in all, we're sourcing locally from 41 states across the U.S.

Today, we're now sourcing apples, chilies, blueberries and cherries from Michigan; apples and squash from Minnesota.

We're sourcing hot-house tomatoes from a small grower in Kansas—Divine Gardens—who, with just a single acre of land, is supplying two of our stores in Kansas.

We're getting sweet corn and jalapeno peppers from Iowa.

We're sourcing onions, potatoes and leafy greens from Colorado, and from Garden Fresh in Nebraska, we're sourcing herbs, corn, bell peppers.

And we're sourcing broccoli, tomatoes, squash, bok choy, cabbage, green beans and fresh herbs from Georgia and Mississippi.

We have room for growers of all shapes and sizes. These are accomplishments in which our associates, local communities, and local farmers can take pride.

What Lies Ahead

We dedicate a lot of time bringing new suppliers into our supply chain – before a single seed is ever planted, farmers know what products we need the most, and that a viable business plan is in place.

But the real question is—what lies ahead? In the immediate future, we have four specific goals. They include:

- The expansion of controlled environment growing—for example, Hot Houses—to insulate Walmart from the volatile weather patterns;
- Micro-climate expansion to allow for a longer locally grown season;
- Diversifying our crop base through expansion of crops and through crop utilization; and
- Encouraging production in areas close to urban centers and food deserts like Chicago, New York and Washington, DC, where access to healthy foods can be limited.

All of these work together to support our overarching aim of continually increasing the amount of local produce we source.

Beyond pursuing each of these goals, another avenue we see to increase local sourcing is to look to areas where we are already sourcing. For example in Frio County, Texas—a region known as the "Winter Garden"—we now source lettuce. But in this county—where the average income is $24,000, where 35 percent of residents live below the poverty line and where 78 percent of citizens are Hispanic—we see the opportunity to source much more, and in turn, improve the quality of life for the area's farmers. We see the potential to source okra, cabbage, carrots, tomatoes and peas—at the same time fulfilling our commitment to source from more minority farmers.

As we see it, if a viable system is in place to begin with—even a small one—then specialty crop production should be sustainable over the long term and an economically viable proposition for farmers.

A second avenue—as mentioned earlier—is the concept of the regional produce hub around each of our 41 food distribution centers that we operate. Today, we are working to establish a supply base to supply those distribution centers, with a goal of having fresh produce that was harvested at noon one day and then in-store by noon the next day.

Conclusion

In conclusion, thank you again for the opportunity to be here today.

This is a significant and genuine commitment by Walmart. We are working with multiple stakeholders in the supply chain to make sure our commitment is substantial and commensurate with our total grocery business in the US.

But let me also emphasize that while we in industry can have an impact, we cannot do it alone. We need the partnership of many stakeholders to build long-term, sustainable sources for local produce, including you in the Senate, our peers in the private sector, support from the land grant institutions and state agricultural extension systems, and even USDA resources.

Working together, we see the possibility of doing so much more.

Statement by

Thomas Vilsack

Secretary of Agriculture

Before the Committee on Agriculture, Nutrition, and Forestry, U.S. Senate

March 7, 2012

Madam Chairwoman and Members of the Committee, thank you for the opportunity to appear before you today to discuss the importance of local and regional markets and increasing access to healthy food.

In the past decade, American agriculture has been the second most productive sector of our Nation's economy. It accounts for 1 in 12 American jobs, provides American consumers with 86% of the food we consume, and ensures that we spend a smaller portion of our paychecks at the grocery store than consumers in most other countries.

USDA has made historic investments in America's rural communities, helping to create jobs today while building thriving economies for the long term. We have been doing this by supporting the expansion of markets for U.S. agricultural goods abroad, working aggressively to break down barriers to trade, and strengthening domestic market opportunities.

America has the most innovative farmers, ranchers, and food businesses in the world. Increasingly, many of them are recognizing an opportunity to diversify their incomes and connect with their communities through local and regional markets.

Regional and Local Food Systems – Market Opportunity

Local food is one of the fastest growing segments of agriculture, with direct consumer sales doubling in the past decade to reach close to $5 billion in 2008. More than ever, consumers are interested in where their food comes from and are seeking out a connection to the men and women who put food on our tables. Buyers in every sector of the food system have increased local food purchases, and conversations between farmers and consumers are taking place every day in every part of the country.

These relationships are critical for a generation with no living memory of a time when much of America was involved in agriculture. Many Americans learn about farming for the first time when they meet a local farmer or read about their products and production methods in a store. In this way, local and regional food economies help the 98% of Americans who don't farm to reconnect with our Nation's farmers and ranchers, and better understand the important role they play in our their families lives and the strength of our nation.

Know Your Farmer Know Your Food

Under the leadership of Deputy Secretary Merrigan, USDA has renewed its commitment to helping our stakeholders grow the local and regional sectors of American agriculture. Through the **Know Your Farmer, Know Your Food** (KYF2) initiative, we have worked to facilitate conversations with both farmers and consumers about USDA's programs that support regional and local food systems and to share our support for growth in this new agricultural sector. The KYF2 website – www.USDA.gov/KnowYourFarmer - provides a one-stop shop for information on the more than 25 programs at USDA that can support local and regional agriculture, helping producers and businesses pursue new opportunities in local and regional

food. With the use of the map that was launched last week, we can see USDA at work across the country supporting these new markets.

Support for Beginning Farmers and Ranchers

With new markets also comes an opportunity to support a new generation of young farmers. For every farm operator under the age of 35, the U.S. has six farm operators over 65, many of whom are on the verge of retirement. Since 1980, our nation has lost over 200,000 farms due to retirement, financial distress, and other factors. Although not all new entrants will sell their food locally, USDA has recognized the significant role that local and regional market opportunities play for the recruitment and retention of new farm and food businesses. Some are naturally drawn to the scale of these markets, while others see them as the first step in a scaling-up strategy.

But farming involves uncertainty, and new farmers frequently lack access to training and technical assistance. Many struggle to get credit and gather the resources needed to purchase land and equipment. Access to land is a major challenge: the average cost of farmland has doubled nationally over the last decade. One of the key USDA programs supporting new farmers and ranchers, many of whom sell locally, is the Beginning Farmer and Rancher Development Program (BFRDP), administered by the National Institute of Food and Agriculture. In 2009, USDA funded 29 BFRDP projects at organizations around the country that in turn trained more than 5,000 beginning farmers and ranchers in the first year of the program. In 2010, 40 projects were funded. Together the 69 projects are located in 40 states and serve beginning farmers and ranchers from coast to coast.

Whether it is a Cooperative Extension Service program, a conservation program administered by our Natural Resource Conservation Service, or a loan program administered by our Farm Service Agency, we are committed to helping young and beginning farmers gain

access to credit and assistance to take advantage of these new markets as well as traditional markets.

Increasing Access to Healthy Food

Regional and local markets play a role in increasing access to healthy foods. As we know, childhood obesity rates in America have tripled over the past three decades. Today nearly one in three children in America is at risk for preventable diseases such as diabetes and heart disease due to being overweight. If left unaddressed, some health experts suggest that our current generation of children may actually have a shorter lifespan than their parents. To confront this challenge, the U.S. Department of Agriculture has taken significant strides to help make sure America's children are eating better and leading healthier lives.

USDA's commitment to healthy food access is integrated into a menu of programs across the Department including Rural Development programs, the Farmers Market Promotion Program, Community Food Projects, and programs within the Food and Nutrition Service. These programs have mandates broader than healthy food access, but many activities provide critical support to improve access to healthy foods in underserved areas.

Working to break down silos across USDA we can leverage our resources for local and regional markets to improve economic opportunities for rural communities and farmers. For example, in 2009, USDA's Food and Nutrition Service (FNS) streamlined requirements for Supplemental Nutrition Assistance Program certification through farmers' markets and Community Supported Agriculture programs. This allowed more SNAP participants to use their Electronic Benefits Transfer (EBT) card to purchase food at local and regional markets. At the same time, the Agricultural Marketing Service (AMS) began making grants through the Farmers' Market Promotion Program to fund the installation of wireless point-of-sale devices so that outdoor markets could accommodate the use of EBT cards. And in 2010, AMS and FNS

collaborated on a handbook for farmers' market operators interested in accepting EBT cards for purchases by SNAP participants, helping them navigate the process and take advantage of available resources. The result of all this work was a more than 50% increase – just last year – in the number of farmers markets accepting SNAP benefits. When farmers' markets and farm stands can accept electronic benefits such as SNAP and coupons from participants in the WIC program (which serves low-income women, infants and children), beneficiaries gain access to healthy, local food while farmers and ranchers increase their customer base.

Farm to school initiatives are growing across the country and offer a way to connect schools (K-12) with regional or local farms in order to serve healthy meals using locally produced foods. Farm to school activities not only provide fresh, locally-produced food to school meals programs, but also provide farmers with new marketing opportunities and school children with the opportunity to learn about how food is produced and harvested for consumption.

The Healthy Hunger-Free Kids Act of 2010 authorized and funded USDA to provide up to $5 million a year, beginning in October 2012, for competitive grants up to $100,000 each for training, supporting operations, planning, purchasing equipment, developing school gardens, developing partnerships and implementing farm to school activities. Schools, State and local agencies, Indian tribal organizations, agricultural producers, and nonprofit organizations are eligible to receive the Farm to School grant to improve access to local foods in schools.

Another example of our work in this area is our investigation into how traditional wholesale market, facilities could provide appropriate space and infrastructure to help small and mid-sized local and regional producers better meet the surge in demand for local and regional product. USDA has already seen some wholesale markets make the shift toward serving local

producers. With so many links in the chain between farmers and consumers, some entrepreneurs are combining multiple links into one business. "Food hubs" are a case in point. A food hub is a business or organization that actively coordinates the aggregation, storage, distribution, and/or marketing of locally or regionally produced food. By bringing together the products of many individual farmers and providing economies of scale for insurance, packaging, and other services, food hubs are able to help local producers reach a larger range of markets including large regional buyers.

Food hubs can be organized under a variety of business models, including small businesses, nonprofit organizations, buying clubs, or producer or retail cooperatives. Producer cooperatives, which are locally or regionally owned by their members, are a natural fit. Retail cooperatives, which are owned by consumer members, are also a model that has been used to develop food hubs that aggregate farmers' products and offer them for sale to consumers.

Detroit's Eastern Market, represented at this hearing today, has been a public market for over 100 years, and is transforming from a traditional market to a food hub – and more. More than 250 vendors from Michigan, Ohio, and Ontario process, wholesale, and retail their food at the market, which also coordinates aggregation, distribution, processing, and commercial sales for many of the region's small and mid-size farmers. In 2010, the market entered into a cooperative agreement with USDA's Agricultural Marketing Service to expand the availability of healthy, local food throughout Detroit. The market is currently partnering with the Detroit Public Schools on their internal goal of converting 30 percent of their $16 million annual food purchases to Michigan-grown and minimally processed foods. And as a major gathering place for consumer-direct retail purchases as well as wholesale transactions, Eastern Market also processes up to $30,000 in SNAP benefits each month.

USDA is also working across the Federal Government, collaborating with Treasury and Health and Human Services (HHS) to advance a coordinated effort to combat food deserts

consistent with our existing authorities. This effort represents the Federal Government's first coordinated step towards addressing the problem of food deserts by promoting a wide range of interventions. Such interventions include expanding the supply of and demand for nutritious foods, including increasing the distribution of agricultural products; developing and equipping supermarkets, grocery stores, small retailers, corner stores, farmer's markets and other retail food outlets; and strengthening producer-to-consumer relationships. These efforts will open new markets for farmers to sell their products, create jobs and help revitalize distressed communities through investments in anchor institutions.

USDA Nutrition Programs

USDA is also working to provide critical nutrition assistance during a time of record need while addressing the very serious challenge of obesity and healthy food access. Our programs offer a powerful opportunity to promote healthful diets, physically active lives and healthy weight for those we serve.

The economic downturn resulted in a substantial increase in need for the Supplemental Nutrition Assistance Program (SNAP) a critical tool to ensure access to healthy food for hardworking families as they get back on their feet. In 2010, SNAP helped lift 3.9 million Americans – including 1.7 million children – out of poverty.

For many families, SNAP is a bridge to self-sufficiency, with half of all new SNAP participants leaving the program within eight months. Many Americans have an incomplete picture of who actually receives SNAP benefits and who is benefiting from them. Over the last 20 years, the program has transitioned to a program that is increasingly utilized by working families. Only 8 percent of households in SNAP today receive cash welfare from the Temporary Assistance to Needy Families (TANF) program. Children are nearly half of all of the SNAP beneficiaries, and the elderly make up nearly 8 percent. USDA has also taken important steps to

protect the taxpayers' investment in the SNAP program and to make sure it is there for those who truly need it.

SNAP and Healthy Diets

With SNAP touching so many American's lives, it presents a unique opportunity for USDA to provide nutrition educations resources to millions. The Healthy, Hunger-Free Kids Act reformed the structure of the nutrition education provided through SNAP by establishing a Nutrition Education and Obesity Prevention Grant Program that increases flexibility for States to help SNAP recipients make healthy choices on a limited budget. The new and improved program will require a greater emphasis on evidence-based, outcome-driven interventions, with a focus on preventing obesity and actively coordinating with other programs for maximum impact and cost-effectiveness. We are working to publish a rule soon that will lay out the structure and requirements of the grant program.

In addition to changes in nutrition promotion, and guidance for clients on thrifty shopping and food preparation strategies, we have been seeking to improve access and incentivize increased consumption of fruits and vegetables. As part of implementing the 2008 Farm Bill, we have launched an innovative pilot project to test the impact of incentives at the point of sale to encourage households participating in SNAP to purchase fruits and vegetables. This Healthy Incentives Pilot (HIP) is providing 7,500 randomly selected SNAP households in Hampden County, Massachusetts an opportunity to earn additional benefits when they purchase fruits and vegetables. Operations began in November. A rigorous evaluation will measure whether these incentives increase the consumption of fruits and vegetables, as well as their impact on the overall diets of participants.

Conclusion

Thank you for this opportunity to speak to you today about some of our efforts to strengthen regional and local food systems and increase access to healthy food. What all these efforts have in common is that they are creating economic opportunities for farmers and ranchers as just one part of a vibrant and diverse agricultural economy. USDA's efforts to support local and regional food systems are spurring job growth, providing access to healthy food, and keeping more farmers on their land and more wealth in rural communities.

John Weidman

Deputy Executive Director, The Food Trust

Senate Committee on Agriculture

Healthy Food Initiatives, Local Production, and Nutrition

March 7th, 2012

Madam Chairwoman, Ranking member Roberts and members of the committee, thank you for inviting me to testify. My name is John Weidman, and I am the Deputy Executive Director of The Food Trust, a nonprofit group founded in Philadelphia 20 years ago with the mission of improving access to affordable, nutritious food. We work with over 65,000 children each year through the SNAP-Ed program, where we develop and implement fun and innovative nutrition education programs that have been proven to reduce childhood obesity by 50%. We also run 26 farmers' markets, manage a healthy corner store program with over 600 stores, and work around the country to bring more grocery stores to underserved urban and rural areas.

For the past 5 months, The Food Trust has been convening a regional Farm bill working group comprised of farmers, public health experts, hunger advocates, environmentalists and others to discuss the upcoming Farm Bill reauthorization. We know that the Farm Bill will have a huge impact on the Greater Philadelphia region. Thousands living in poverty in our region depend on SNAP, and those SNAP dollars are in turn a vital part of the economy in low-income communities. The Farm Bill also supports our regional food system through the Farmers' Market Nutrition Program, Farmers' Market Promotion Program, the Community Food Projects program and so many other critical initiatives. The Food Trust has received funding from the USDA Farmers' Market Promotion Program to develop a new model to process wireless SNAP sales at farmers' markets and through CFP, we are increasing access to healthy food and empowering youth leaders in North Philadelphia, one of the nation's hungriest Congressional districts. For the next farm bill, we believe there is a tremendous opportunity to improve access to healthy food in low-income communities across the country.

I want to share with you today three innovative food initiatives that The Food Trust is involved with, which are improving the health and economies of urban and rural communities, and which have the potential to be scaled up and expanded. All of these hold the potential to create jobs, improve health, and revitalize rural and urban communities.

Healthy Food Financing Initiative (HFFI)

The first initiative I'd like to talk about is the Pennsylvania Fresh Food Financing Initiative (FFFI), launched in 2004 as a public private partnership with the Commonwealth of Pennsylvania, The Food Trust, and The Reinvestment Fund (TRF). The program provides one-time loans and grant financing to

attract grocery stores and other fresh food retail to underserved urban, suburban, and rural areas, and to renovate and expand existing stores. Using a state investment of $30 million, leveraged with additional private capital by TRF, the program has led to:

- Projects totaling more than $190 million;
- 88 stores built or renovated in underserved communities in urban and rural areas across the state;
- Improved access to healthy food for more than 400,000 residents;
- Over 5,000 jobs created or retained;
- Increased local tax revenues; and,
- Much-needed additional economic development in these communities.

Stores range from full-service 70,000 square foot supermarkets to small corner groceries, farmers' markets, and co-ops. Approximately two-thirds of the projects are in rural areas and small towns.

FFFI has helped rural communities like Vandergrift, with a population of 5,000 and Apollo, with a population of 2,000, in western Pennsylvania where Randy and Brenda Sprankles used funding from the program to open grocery stores in these small communities. Boyer's Family Market, a 17-store supermarket chain that is family-owned and operated for several generations in central and northeastern Pennsylvania, used funding from FFFI to purchase energy-efficient equipment that would help them expand their offerings of fresh foods, and to support employee training. Boyer's Family Market employs more than 950 people in the region. FFFI has also helped Brown's Shop Rite, a family-owned and operated grocery business that employs 2,300 people, open several stores in distressed urban communities. At Brown's Parkside ShopRite, an FFFI-funded store, 22% of store sales come from SNAP, further infusing the local economy with critical dollars. We have also seen that supermarkets are increasing buying from local producers and supporting regional food systems. An industry survey conducted by the Food Marketing Institute shows that 67.2% of retailers reported that they increased their selection of locally source products like fresh fruits and vegetables.

The Pennsylvania FFFI has been cited as an innovative model by the U.S. Centers for Disease Control and Prevention, the National Conference of State Legislatures, Harvard's Kennedy School of Government, and the National Governors Association. While Pennsylvania's families and children have benefited from this program, there is still significant need for fresh food access across the country. USDA research determined that more than 23.5 million Americans are living in communities without access to high quality fresh food.

Research shows that access matters. The Food Trust and PolicyLink reviewed 132 different studies about access to healthy food and found that access impacts health. It improves eating habits and those improved eating habits help prevent obesity. One multistate study found that African Americans living

in a census tract with a supermarket are more likely to meet dietary guidelines for fruit and vegetables, and for every additional supermarket in a tract, produce consumption increases 32%.

In 2011, using the Pennsylvania program as a model, the Obama Administration launched the Healthy Food Financing Initiative with the goal of increasing fresh food access in underserved rural, urban, and suburban communities across the country. The Food Trust has been proud to be working with our partners PolicyLink, The Reinvestment Fund, the National Grocers Association, and many other agriculture, health, civil rights and industry groups to help realize this vision. Since its launch, $77 million has been allocated for HFFI and projects improving access to healthy food. By providing one-time loans and grant financing to attract grocery stores and other fresh food retail to underserved urban, suburban, and rural areas, and renovate and expand existing stores, the HFFI will provide the healthy foods that communities want and need. At the same time, HFFI will help our economy continue to grow again by generating much needed jobs and sparking economic revitalization.

There is significant momentum in many states and cities across the country to address the lack of grocery access in underserved communities. Several states and/or cities are in the process of replicating the successful Pennsylvania Fresh Food Financing Initiative Program, and many others have begun to examine the needs and opportunities in their communities. For example:

- The state of New York has launched the Healthy Food, Healthy Communities Initiative, a business financing program to encourage supermarket and other fresh food retail investment in underserved areas throughout the state that will provide loans and grants to eligible projects.

- The City of New Orleans recently launched the Fresh Food Retailer Initiative Program (FFRI) in partnership with the CDFI HOPE that will provide direct financial assistance to retail businesses by awarding forgivable and/or low-interest loans to grocery stores and other fresh food retailers.

- The California Endowment, NCB Capital Impact, and other community, supermarket industry, and government partners recently launched the California FreshWorks Fund, a supermarket financing program.

In each of these HFFI programs, as was the case in Pennsylvania, community development financial institutions (CDFIs) have been key to these successes because of their ability to leverage additional private dollars from initial seed investments. For example in New York, the Low Income Investment Fund was able to leverage an initial $10M investment by the state with an additional $20M in private capital.

We are thrilled at the tremendous momentum around the country right now to bring grocery stores to places that need them, but this national effort is still in a very nascent stage. In order to realize the incredible success that Pennsylvania achieved over 5 years, we will need a large and sustained effort over several years. The good news is that we know what to do and can do it successfully. The Pennsylvania FFFI's success rate has been better than the grocery industry overall. This one time

infusion of grant and loan funding results in businesses that are both economic and social anchors for urban and rural communities.

Senator Gillibrand has introduced legislation to build on the national Healthy Food Financing program through the creation of a national fund manager housed within USDA. This structure would mirror closely the original public private partnership of the PA FFFI and allow the leverage of millions in private capital at the national level. Given the flexibility and range of projects that HFFI can support, from supermarkets to farmers' markets and from co-ops to CSAs, the Farm Bill is the appropriate vehicle to fully invest in a national effort to bring healthy food access to every city and small town that needs it.

FARM TO SCHOOL

In the Greater Philadelphia region, there is incredible momentum around farm to school programs to educate youth from preschool through high school about healthy food and farms, and increase their consumption of fresh, local food. The Food Trust has developed the Preschool and Kindergarten Initiatives, which teach young children about good nutrition and engage them in experiential learning activities, such as field trips to learn about farms as the source of healthy food. The Food Trust's Kindergarten Initiative is recognized as a best practice program and received a national Victory Against Hunger Award from the Congressional Hunger Center. The Food Trust also serves as the Mid-Atlantic Regional Lead Agency for the National Farm to School Network, helping to catalyze and support farm-to-school activities in our region.

I'd like to in particular highlight the "Eat Fresh Here" Farm to School Program that we launched in partnership with the School District of Philadelphia and other community partners to implement a pilot farm-to-cafeteria program that's providing fresh, locally grown fruits and vegetables to students, teachers, and school staff.

This program, primarily in schools where the majority of children qualify for free- and reduced-price school meals, grew to 32 Philadelphia public schools this year, up from 5 schools two years ago. In partnership with the School District, the program partners—The Food Trust, Fair Food, Common Market, and the Philadelphia Urban Food and Fitness Alliance—have provided approximately 25,000 students with 52,000 pounds of fresh local fruits and vegetables so far this school year, grown by 20 farmers located within about 75 miles. The Common Market, a local food hub based in Philadelphia provides the produce.

The project team provides training and technical assistance for the school cafeteria managers and their staff, including professional development workshops for cafeteria managers and cooks that include knife skills training and recipe demonstrations to help them prepare fresh local produce in school meals. The Food Trust and its partners are working to engage youth as leaders in their schools to promote healthy eating in the cafeteria and the farm to school program, through cafeteria-based taste tests and Youth Councils that are leading activities to create healthier schools.

Many more farm to school programs like "Eat Fresh Here" could be started or scaled up throughout the nation with federal support, helping to prevent childhood obesity and grow rural farm jobs. Food Hubs that can support farm to school program should also be encourage and expanded through the farm bill.

PHILLY FOOD BUCKS

Farmers' markets are an important resource to Philadelphia neighborhoods and provide local residents with fresh, nutritious and affordable food in the community. Through Get Healthy Philly, The Food Trust, in partnership with the Philadelphia Department of Public Health, opened ten new farmers' markets in low-income neighborhoods in the city. Through this partnership we piloted the Philly Food Bucks coupon incentive program, a two dollar coupon provided to Supplemental Nutrition Assistance Program (SNAP/food stamps) beneficiaries for every five dollars spent at any of our 26 farmers' markets.

During the period of these programs, customer response to these new markets was positive and overall annual SNAP sales at Food Trust farmers' markets increased more than 300%. As a coupon incentive program, Philly Food Bucks is a proven approach to increasing SNAP sales at farmers' markets across the city.

Our evaluation of the program yielded some interesting data. Key findings include:

- Farmers' markets are a viable resource for fresh produce in low income communities. The Food Trust operates twenty-six farmers' markets, 85% of which reside in low-income, underserved neighborhoods. Sales from food assistance programs comprised 35% of farmer sales at the ten new markets opened in 2010 and 2011, and 56% of customers at these markets reported participation in at least one food assistance program in 2011, demonstrating that high-need customers are using the markets to purchase fruits and vegetables.

- Coupon incentive programs increase SNAP sales. Over the period of the Philly Food Buck initiative from July 2010 to December 2011, SNAP sales increased 335%. During the 2010 farmers' market season, SNAP sales nearly doubled (increased by 97%) from 2009 levels at Food Trust farmers' markets, then increased an additional 121% over the same period from 2010 to 2011, attesting to the promise of using benefits to purchase fresh, healthy, local foods.

- Philly Food Bucks encouraged shoppers to consume more fruits and vegetables. 77% of shoppers surveyed who have used Philly Food Bucks reported an increased intake of fruits and vegetables since shopping at the market, affirming the connection between coupon incentive programs and healthy eating.

And our farmers like it too! 70% reported an increase in sales of fruits and vegetables because of the Philly Food Bucks program, and all reported that the logistics of accepting Philly Food Bucks were "easy" or "very easy." We also just learned that Philadelphia's Mayor Michael Nutter will be doing a series of public service announcements encourage shoppers to use their Philly Food Bucks.

In closing, we are proud of the success we are having in our region with innovative food initiatives. The Farm Bill has the power to change the way America eats. One in three children born today will develop type 2 diabetes in their lifetime. This not acceptable for our children's health and not sustainable for our economy. By expanding these initiatives nationally we know that we can create thousands of jobs, as well as prevent obesity and diet-related diseases that threaten to worsen our deficit and hurt our economy. We also know that our continued progress depends on a strong Farm Bill that steers our citizens toward healthier foods, supports regional farm systems, and ensures that all children grow up surrounded by easily-accessible, affordable and nutritious food.

Thank you again for inviting my testimony. I look forward to answering your questions and to further discussion around this issue.

John Weidman
Deputy Executive Director, The Food Trust
Senate Committee on Agriculture
Healthy Food Initiatives, Local Production, and Nutrition
March 7th, 2012

APPENDIX

A. Regional Farm Bill Working Group Participant List

B. Pictures of Pennsylvania Fresh Food Financing Initiative Projects

C. Healthy Food Financing Initiative Overview

D. List of National Organizational Supporters of the Healthy Food Financing Initiative

E. Overview of Healthy Food Financing Legislation (S. 1926/H.R. 3525)

F. Pictures of "Eat Fresh Here" Farm to School Program in Philadelphia

G. Pictures of "Philly Food Bucks" Program

H. The Food Trust Brochure

Farm Bill 2012/2013

Regional Working Group Participant List

Marilyn Anthony, Pennsylvania Association for Sustainable Agriculture

Mike Basher, ShopRite

Deborah Bentzel & Shivon Pearl, Fair Food

Glenn Bergman, Weavers Way

Dr. Eric Burlingame, St. Christopher's Hospital for Children

Charlie Kratovil, Food & Water Watch

Mariana Chilton, Rachel Cahill & Amanda Breen, Center for Hunger-Free Communities, Drexel University

Bryan Fenstermaker & Allison Bansfield, The Enterprise Center

Alison Hastings, DVRPC

Landon Jeffries, Farmer, Three Spring Farms (PA)

Haile Johnston, Common Market

Thianda Manzara, Healthy Foods for Healthy Kids

David Marvel, Farmer, Marvel Farms (DE)

David Masur, Penn Environment

Carey Morgan & Julie Zaebst, Greater Philadelphia Coalition Against Hunger

Aisha Amuda, Community Food Security Coalition

Theresa Pileggi-Proud, Delaware Farm to School

Joe Quattrocchi & Erin Smith, Pennsylvania Department of Agriculture

Patricia Smith & John Rhoads, The Reinvestment Fund

Johanna Rosen, Farmer, Mill Creek Farm

Ujwala Samant and Raquel Moreno, Food Bank of South Jersey

Paul Steinke, Reading Terminal Market

Mailee Walker, Claneil Foundation

Amanda Wagner, Philadelphia Department of Health

John Weidman & Gabriella Mora, The Food Trust

Ben Wenk, Farmer

Steveanna Wynn, SHARE

Pennsylvania Fresh Food Financing Initiative

Pictures of Funded Projects

Pictured above is Kennie's Market, a family-owned and operated supermarket in Gettysburg, PA. The store, which is 32,000 sq. ft. in size, employs 50 people and serves a community of less than 7,500.

The Fresh Grocer, an independent supermarket chain with nine supermarkets in the Philadelphia area, opened at the historical Progress Plaza, the nation's oldest African-American owned and operated shopping center, in December 2009. The Fresh Grocer supermarkets serve diverse communities across the Philadelphia area, primarily in areas that were previously food deserts. This 46,000 sq. ft. store is bringing affordable healthy food choices and 233 jobs to North Philadelphia.

Boyer's Family Market, a 17-store supermarket chain that is family-owned and operated for several

generations and located primarily in small towns and rural areas in central and northeastern Pennsylvania, used funding from FFFI to purchase energy-efficient equipment that would help them expand their offerings of fresh foods, and to support employee training. Boyer's Family Market, with stores ranging in size from 9,500 to 32,000 sq. ft., employs more than 950 people in the region.

Lancaster Central Market, the country's oldest, continuously-operating farmers' market, is home to local farmers, bakers, butchers, and other vendors. The market is considered the centerpiece of the revitaliation of Lancaster's central business district. The FFFI grant helped purchase a much-needed boiler for the building to ensure that it could continue operating.

Bloss Holiday Market is located in Blossburg, PA, a rural community with a populaton of 1,400 residents. The market employs 35 people and is an important anchor to the downtown. It is the only store in the area to accept food stamps and vouchers for families in need from the local Salvation Army.

Randy and Brenda Sprankles used funding from the FFFI to open grocery stores in the rural communities of Apollo (population 1765) and Vandergrift (population 5,000). These stores are

making not only fresh, affordable food accessible to residents, many of whom are seniors, but they are also an important source of jobs for the communities.

Jeff Brown (pictured left) is a fourth generation grocer, and is the owner and operator of Browns ShopRite. With 10 stores, the company employs 2,300 people in the Greater Philadelphia region. With assistance from the FFFI, Browns ShopRite opened several stores in distressed, underserved communities in Philadelphia. Browns Parkside ShopRite, a 69,000 sq. ft. store located in West Philadelphia, boasts not only a wide selection of fresh, affordable and quality foods, but also a strong connection to the local community.

Pictured here is a rendering of the new Mariposa Food Co-op in Philadelphia. Funding from the FFFI will help the co-op relocate from its existing storefront to a renovated structure that will provide five times more shopping space and amenities to accommodate the community's growing demand.

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PolicyLink

The Food Trust

TRF Capital at the point of impact.

A Healthy Food Financing Initiative:

An Innovative Approach to Improve Health and Spark Economic Development

The Problem

30.5%	**Children ages 10-17 who are overweight or obese**
2x	**Likelihood of children from poor families being overweight**
23.5 million	**Americans in low-income communities without supermarket access**
52%	**Higher obesity prevalence in neighborhoods with only convenience stores vs. only supermarkets**
9.7%	**Unemployment rate in January 2010**

Millions of Americans in low-income communities and communities of color walk out their front doors and see nothing but fast food and convenience stores selling high-fat, high-sugar processed foods. Residents of rural areas face a different but related challenge—a complete lack of any nearby food options at all. Americans in too many urban and rural communities must travel long distances just to access the fresh food they need to live healthy lives.

The results of this lack of healthy food options are grim—these communities have significantly higher rates of obesity, diabetes, and other related health issues. Childhood obesity, in particular, is a major crisis in many of these communities. The problem goes beyond just health, too. Low-income communities are cut off from all the economic development benefits that come along with a local grocery store: the creation of steady jobs at decent wages and the sparking of complementary retail stores and services nearby.

Since its launch, $77 million has been allocated for the HFFI. The fiscal year 2012 budget approved $32 million for HFFI through Treasury ($22 million) and HHS ($10 million). USDA may use resources to increase access to healthy food. The President's fiscal year 2013 budget requests $285 million for the HFFI through Treasury ($25 million), HHS ($10 million) and a $250 million set-aside within the $7 billion New Markets Tax Credit program. Legislation introduced in the U.S. Senate by Senator Gillibrand and in the House by Representative Schwartz (S. 1926, H.R. 3525) would establish HFFI at the USDA.

A Healthy Food Financing Initiative (HFFI) is a viable, effective, and economically sustainable solution to the problem of limited access to healthy foods and can achieve multiple goals: reducing health disparities and improving the health of families and children; creating jobs; and stimulating local economic development in low-income communities.

A Healthy Food Financing Initiative would attract investment in underserved communities by providing critical loan and grant financing. These one time resources will help fresh food retailers overcome the higher initial barriers to entry into underserved, low-income urban, and rural communities, and would also support renovation and expansion of existing stores so they can provide the healthy foods that communities want and need. The program would be flexible and comprehensive enough to support innovations in healthy food retailing and to assist retailers with different aspects of the store development and renovation process.

The Pennsylvania Success Story

HFFI is modeled after the Pennsylvania Fresh Food Financing Initiative—a public-private partnership created in 2004. In just five years, it helped develop 88 supermarkets and fresh food outlets in underserved rural and urban areas throughout the state, creating or retaining 5,000 jobs in those communities. Making this happen, required just $30 million in state seed money—funds made possible through the leadership of State Rep. Dwight Evans. The state funds have already resulted in projects totaling $190 million. The program continues to dramatically improve access to healthy food statewide, while also driving meaningful, long-term economic development.

Pennsylvania Results[1]

88	**New or improved grocery stores in underserved communities**
400,000	**Residents with increased access to healthy food**
5,000	**Jobs created or retained**
$540,000	**Increase in local tax revenue from a single store in Philadelphia**
$190 million	**Total project costs resulting from $30 million in state seed money**

In the midst of the country's current economic downturn, the need for a comprehensive federal policy to address the lack of fresh food access in low-income communities and communities of color is critical. With constricting credit markets, grocery store operators face higher obstacles to developing stores in underserved communities. Obesity and related health problems are expected to worsen during these hard economic times. Evidence strongly shows, however, that when people have access to healthier foods, they make healthier choices—and that securing new or improved local grocery stores can also improve local economies and create jobs.

The federal government should build on these successes so that more communities across America can benefit by funding a Healthy Food Financing Initiative to improve children's health, create jobs, and spur economic development nationwide.

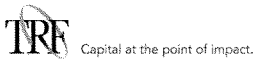
PolicyLink is a national research and action institute advancing economic and social equity by Lifting Up What Works®. www.PolicyLink.org

The Food Trust, founded in 1992, is a nonprofit organization working to ensure that everyone has access to affordable, nutritious food. www.TheFoodTrust.org

The Reinvestment Fund creates wealth and opportunity for low-wealth people and places through the promotion of socially and environmentally responsible development. www.trfund.com

For more information, please contact Allison Hagey at allison@policylink.org or (510) 663-2333.

[1] All numbers reflect approved projects as of 3/1/12.

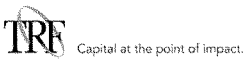


Organizational Supporters of a
Healthy Food Financing Initiative

ACME
Albertsons
Ambridge Shop 'n Save
American Diabetes Association
American Heart Association
American Public Health Association (APHA)
Associated Wholesalers, Inc.
Boston Community Capital
Boyer's Food Markets, Inc.
Brown's Super Stores (ShopRite)
Campaign to End Obesity
Center for Health Improvement
Center for Rural Strategies
Center for Science in the Public Interest
Children's Defense Fund
Citizen Potawatomi Community Development Corporation (CPCDC)
Community Action Partnership
Community Catalyst
Community Food Security Coalition
Consumers Union
Cub
Eastern Market Corporation
Economic and Community Development Institute
Enterprise Corporation of the Delta / Hope Community Credit Union
Equal Justice Society
Evangelical Lutheran Church in America
Fair Food Network
Farm Fresh
Farm to Table
Food Marketing Institute
Food Research and Action Center (FRAC)
Grant County Fitness and Nutrition Community Action Group
Health Resources in Action, Inc.
Hepatitis Foundation International
IFF
Jewel
Kansas State University Center for Engagement and Community Development

Kennie's Markets
Latino Coalition for a Healthy California
Local Initiatives Support Corporation (LISC)
Louisiana Retailers Association
Low Country Housing Trust
Low Income Investment Fund
Mastrorocco's Market, Inc.
McCormack Baron
McCune Charitable Foundation
Missouri Association of Local Public Health Agencies
NAACP
National Association of Counties
National Congress of American Indians
National Grocers Association (N.G.A.)
National Indian Health Board
National WIC Association
NCB Capital Impact
New Mexico Association of Food Banks
New Mexico Farmers' Marketing Association
New Mexico Food and Agriculture Policy Council
New Mexico Food Gap Task Force
Opportunity Finance Network
Pennsylvania Food Merchants Association
PolicyLink
Prevention Institute
Public Health Institute
Robert Wood Johnson Foundation Commission to Build a Healthier America
Rural Community Assistance Corporation
Save the Children
Save-a-Lot
Shaws
Shoppers
Smart Growth America
Sojourners
Southeast Food Access Working Group (SEFA)
Sprankle's Neighborhood Markets
SUPERVALU, Inc.
The Center for Rural Strategies
The Food Depot
The Food Trust
The Reinvestment Fund
The United Methodist Church - General Board of Church and Society
Trust for America's Health
Union for Reform Judaism
United Church of Christ Justice and Witness Ministries

United Fresh Produce Association
Urban Strategies Council
Voices for America's Children
Wallace Center at Winrock International
Watts/Century Latino Organization



A HEALTHY FOOD FINANCING INITIATIVE
IMPROVE HEALTH AND SPARK ECONOMIC DEVELOPMENT

(S. 1926/H.R. 3525)

THE PROBLEM

An estimated 25 million people live in low-income communities and are more than a mile from a supermarket.[i] Low-income communities, communities of color, and rural communities are most affected by limited access to fresh, healthy food.[ii] These communities suffer significantly higher rates of obesity, diabetes, and other related health issues. These communities are also cut off from the economic benefits that accompany a local grocery store – steady jobs at decent wages, and complimentary retail stores and services nearby.

THE SOLUTION: THE HEALTHY FOOD FINANCING ACT

A Healthy Food Financing Initiative (HFFI) is a viable, effective, and economically sustainable solution to the problem of limited access to fresh, healthy foods in underserved areas across the country. At the same time, a HFFI will create and preserve quality jobs, and revitalize low-income communities and generate local tax revenue.

- Legislation (S. 1926/H.R. 3525) has been sponsored by Senator Kristin Gillibrand (D-NY); and Representatives Allison Schwartz (D-PA), Mike Burgess (R-TX) and Earl Blumenauer (D-OR) to create a HFFI program at the United States Department of Agriculture (USDA).

- The initiative provides one-time grant and loan financing to establish, expand or renovate supermarkets, grocery stores, farmers' markets, food cooperatives, and other retail options in underserved, low-income or moderate-income communities in urban, rural, and small towns across the nation.

- Projects must demonstrate that they are viable business that can operate successfully and require an investment of public-private funding to move forward.

- HFFI will be administered through regional, state and local public-private partnerships that will select and support eligible healthy, fresh food retail projects to overcome higher costs and initial barriers to entry into underserved areas. Partnerships will be competitively selected and will raise other forms of financial assistance to match the national funds.

- USDA will oversee the Initiative nationally, and will select and work closely with a national fund manager, certified by the U.S. Department of Treasury, who will identify underserved communities, administer the funding, and leverage additional private dollars for the program.

- USDA will work closely with the selected national fund manager to develop the program strategy, evaluation, and technical assistance to ensure that national and local funds are used properly and the objectives of the HFFI are met.

- USDA will conduct program evaluation and financial audits to ensure that funds are used properly and objectives of HFFI are met. In addition, the Department of Health and Human Services and the Community Development Financial Institutions Fund will conduct research studies and evaluate the health and economic impacts of the Initiative.

- HFFI has been crafted to allow for maximum flexibility to meet the needs and constraints of different communities, while ensuring strong oversight and accountability.

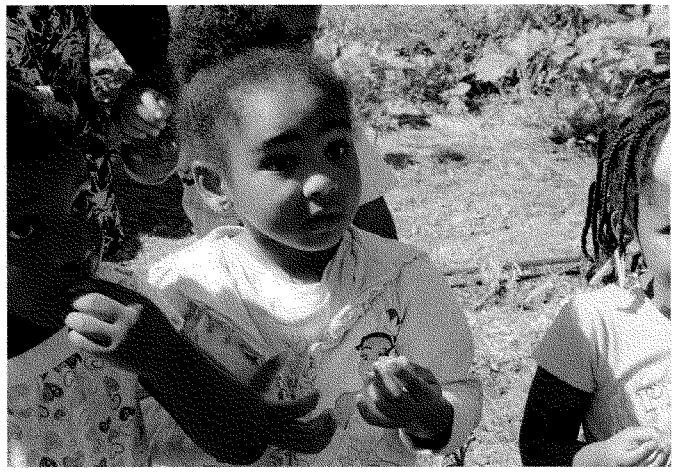
November 2011

---

[i] Economic Research Service, *Access to Affordable Nutritious Food: Measuring and Understanding Food Deserts and Their Consequences*. USDA: June 2009.

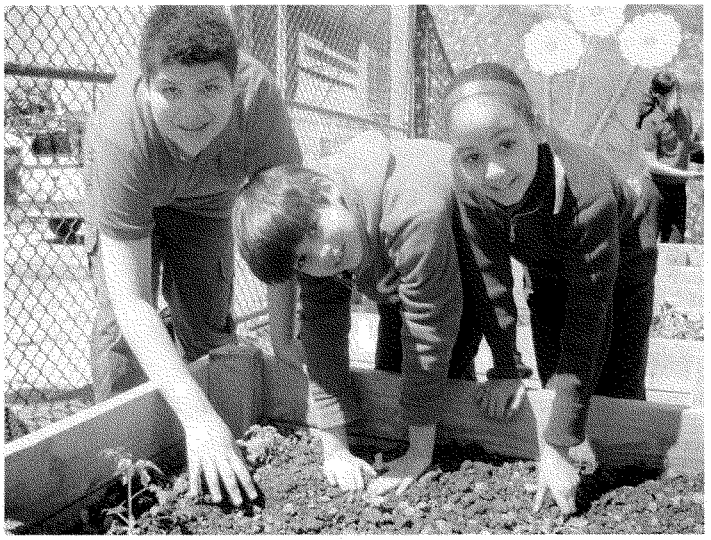
[ii] PolicyLink and The Food Trust, *The Grocery Gap: Who Has Access to Healthy Food and Why It Matters*. PolicyLink: 2010.

Pictures from "Eat Fresh Here" Farm to School Program



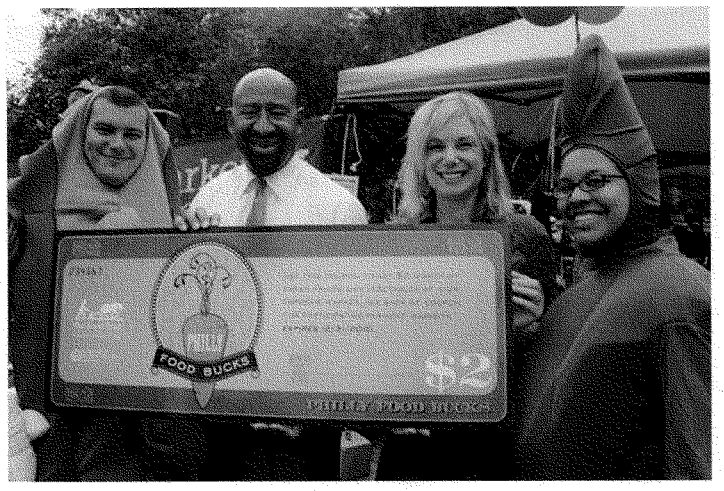
For the Preschool Initiative, Food Trust staff organized field trips to Mill Creek Farm in West Philadelphia, where children tasted cherry tomatoes straight off the vine.

Farmer George Cassaday gave a tour of his family farm in South Jersey for school cafeteria managers last fall. The cafeteria managers, from the 25 pilot schools in the School District of Philadelphia's Farm to School Program, saw firsthand where fresh food comes from for their cafeterias.



Students from Welsh Elementary School in North Philadelphia are proud of their new Snackin' Fresh Garden at Nelson Recreation Center, where they are growing fresh produce to sell to local corner stores.

Pictures from Philly Food Bucks Program



Norris Square Farmers' Market Grand Opening. Pictured center are Mayor Michael Nutter and Food Trust Executive Director Yael Lehmann holding a Philly Food Bucks coupon.

ar Mission

ring that everyone has access to affordable, tious food.

Food Trust, a nonprofit founded in 1992, s to make healthy food available to all. king with neighborhoods, schools, grocers, ers and policymakers, we've developed nprehensive approach that combines tion education and greater availability of dable, healthy food.

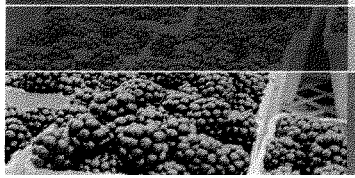
at Others Say About Us

Food Trust is transforming the food scape one community at a time, by ng families make healthy choices and ding the access to the affordable and tious food we all deserve."

ROBERT WOOD JOHNSON FOUNDATION

[Food Trust's] program has been a rkable success: one part of it, increasing vailability of fresh fruits and vegetables ementary schools, along with nutrition ation, is credited with helping reduce the ence of overweight students by 50%."

E MAGAZINE



Join Our Efforts

Stay informed. Visit thefoodtrust.org to sign up for our e-newsletters and find free resources on nutrition education, supermarket development and other important food issues.

Make a donation. The Food Trust sustains its work through generous support from foundations, government agencies and individuals. To make your tax-deductible contribution, visit thefoodtrust.org/donations.

Become a volunteer. We welcome volunteers at our farmers' markets and in our office. Contact us at 215-575-0444 for more information.

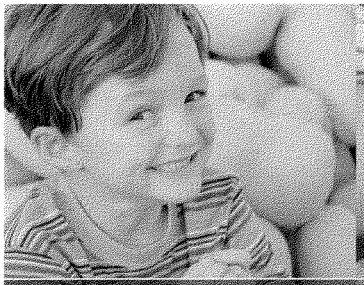
The Food Trust

(215) 575-0444 • Fax: (215) 575-0466
contact@thefoodtrust.org

1617 John F. Kennedy Blvd.
One Penn Center, Suite 900
Philadelphia, PA 19103

The Food Trus

Ensuring That Everyone Has Access
to Affordable, Nutritious Food



aching children
at healthy

Food Trust partners with schools and school programs in the Philadelphia area ach more than 50,000 children and their nts about healthy eating. Our comprehensive oach has been shown to prevent children becoming overweight.

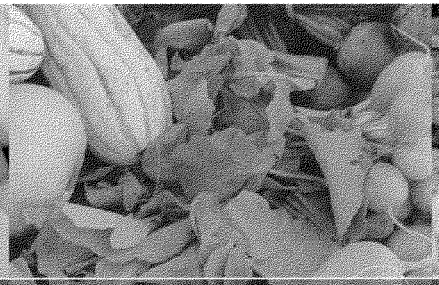
eam of nutrition educators focuses on:

hing the importance of good nutrition physical activity through fun lessons activities.

ducing children to fresh, nutritious with taste tests, classroom snacks and ol markets.

necting students and teachers to area s with educational farm visits, and ding local foods in their schools.

cating parents about developing healthy g habits at home.



Increasing availability
of fresh food

In many low-income neighborhoods, families do not have access to healthy, affordable food – which increases the risk of diet-related diseases.

We're increasing the availability of fresh food by:

Bringing supermarkets to underserved areas. The Food Trust works with community leaders, government officials and industry representatives to bring supermarkets to underserved neighborhoods.

Increasing access to healthy food in corner stores. We work with Philadelphia corner store owners to stock and promote fresh foods and teach children to choose healthier snacks.

Operating neighborhood farmers' markets. Our network of farmers' markets helps sustain regional farms and serves more than 125,000 customers in the Philadelphia region – and accept food stamps to ensure that fresh, local foods are available to everyone.

Creating solutions
for everyone

The Food Trust's rigorous research and evaluation efforts show that our programs a effective in increasing the availability of fres foods and preventing childhood overweigh

This evidence-based approach has helped successfully advocate for public-policy initiatives promoting fruits and vegetables:

Promoting fruits and vegetables. The Foo Trust's Kindergarten Initiative, an agricultur and nutrition education program, served as the model for Pennsylvania's Healthy Farms Healthy Schools program.

Financing supermarkets. We helped to create the Pennsylvania Fresh Food Financi Initiative, which provides grants and loans t encourage supermarket development in underserved neighborhoods.

Improving school food. The Food Trust led a successful campaign in Philadelphia to eliminate soda and junk food from schools.

DOCUMENTS SUBMITTED FOR THE RECORD

MARCH 7, 2012

October 11, 2011

The Honorable Debbie Stabenow
Chairwoman
Senate Committee on Agriculture
328A Russell Building
Washington, DC 20510

The Honorable Frank Lucas
Chairman
House Committee on Agriculture
1301 Longworth Building
Washington, DC 20515

The Honorable Pat Roberts
Ranking Member
Senate Committee on Agriculture
328A Russell Building
Washington, DC 20510

The Honorable Collin Peterson
Ranking Member
House Committee on Agriculture
1301 Longworth Building
Washington, DC 20515

Dear Chairwoman Stabenow, Chairman Lucas, and Ranking Members Roberts and Peterson:

In recent days, various proposals have come forward that recommend cuts to nutrition as part of the deficit reduction process. We strongly urge you to reject any cuts to federal nutrition programs. The need for nutrition assistance has never been greater, and cuts to nutrition programs would set us backward in efforts to protect families against hunger, improve nutrition and health, and combat obesity.

Nearly 50 million people live in households that struggle to put food on the table, putting millions of families at risk of hunger and poor nutrition. As families first become food insecure, they often sacrifice the nutritional quality and variety of food in order to cut costs. As food insecurity becomes more severe, families are forced to reduce portion sizes and skip meals.

Fortunately, our nation has a strong nutritional safety net that responded effectively during this time of growing need. From 2007 to 2010, the number of people unemployed grew 110 percent. The Supplemental Nutrition Assistance Program (SNAP) responded with a 53 percent increase in participation over the same period, and food banks have increased the number of clients served by 46 percent from 2006 to 2010. These and other nutrition programs are working to protect families from hunger and improve their ability to make healthy choices and afford nutritious, balanced diets:

- SNAP safeguards millions of households against hunger, 76 percent of which include a child, senior, or disabled member and 62 percent of which have incomes at or below 75 percent of the federal poverty guideline, providing them with the opportunity to afford not only enough food, but nutritious food.

- SNAP nutrition education helps ensure that families have the knowledge needed to stretch their limited benefits and maximize nutrition on a limited budget, helping to increase consumption of healthy foods, improve health, and prevent chronic disease and obesity.

- The Emergency Food Assistance Program (TEFAP) ensures a steady stream of nutritious USDA commodities for distribution through our nation's charitable food system, providing some of the most nutrient-rich food that food banks distribute through pantries, shelters, and kitchens.

- The Fresh Fruit and Vegetable Program provides children in high-poverty schools with fresh produce and teaches students about the importance of good nutrition.

- The Supplemental Nutrition Program for Women, Infants and Children (WIC), serving low-income women, infants, and children, and the Commodity Supplemental Food Program (CSFP), serving primarily low-income seniors, provide a nutritious monthly food package designed to meet the specific nutritional needs of their target populations.

- Child nutrition programs serving children in school, day care, after school, and summer settings provide children with nutritious meals and snacks, fueling them with the energy they need to thrive in the classroom and on the playground.

- Farmers' market, community garden, farm-to-school, and other community-based programs connect low-income people and communities with fresh produce, increase the self-reliance of communities in meeting their own food needs, and promote systemic and long-term solutions to hunger.

While some suggest that cuts to nutrition could be achieved entirely in administrative savings, federal nutrition programs are remarkably efficient, and it is important to clarify that such cuts would necessitate reductions in benefits, eligibility, and essential services like nutrition education at a time when millions of Americans across the country are struggling to feed their families. Furthermore, cuts to administrative supports would have negative consequences by impeding states' ability to manage elevated caseloads and ensure program accountability.

Cuts to nutrition programs are unacceptable. Coming at a time of record need and at a time when state and local programs have been slashed, other federal safety net programs are facing cuts, and the charitable system is stretched to the breaking point, these cuts would be devastating for individual families and struggling communities across the country.

As the nation slowly recovers from widespread unemployment and reduced wages, we should be looking for ways to strengthen these programs to help the nutrition safety net better cope with unprecedented need that is expected to continue for several years.

Federal nutrition programs protect against hunger, promote healthy eating, and help to prevent obesity and the burden of chronic disease. We strongly urge you to reject any cuts to nutrition programs and to safeguard funding to ensure that the programs' may continue current levels of benefits, eligibility, and services.

Sincerely,

Alliance to End Hunger

Alliance for a Just Society

AARP

American Cancer Society Cancer Action Network

American Commodity Distribution Association

American Dietetic Association

American Farmland Trust

American Federation of State, County and Municipal Employees

American Heart Association

American Public Health Association

Association of SNAP-Ed Nutrition Networks and Other Implementing Agencies (ASNNA)

Bread for the World

California Food Policy Advocates

CLASP

Center for Science in the Public Interest

Children's HealthWatch

Church of the Brethren

Coalition on Human Needs

Community Action Partnership

Community Food Security Coalition

Congressional Hunger Center

Disciples Justice Action Network

Ecological Farming Association

End Hunger Network

Environmental Working Group

The Episcopal Church

Fair Food Network

Feeding America

First Focus

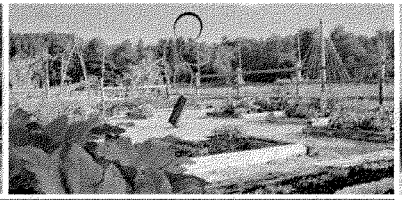
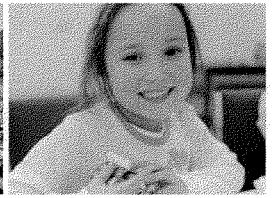
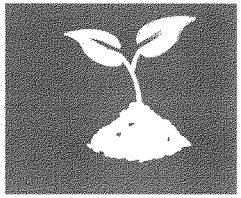
Food and Water Watch

Food Research and Action Center

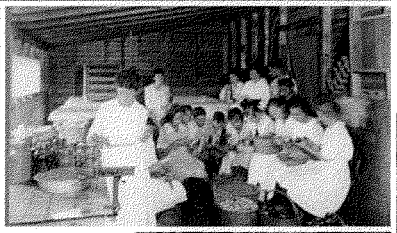
Friends Committee on National Legislation
The Institute for Agriculture and Trade Policy
Jewish Council for Public Affairs
Johns Hopkins Center for a Livable Future
League of United Latino American Citizens
Lutheran Services in America
Mennonite Central Committee U.S., Washington Office
National CSFP Association.
National Council of Jewish Women
National Health Care for the Homeless Council
National Immigration Law Center
National Law Center on Homelessness & Poverty
National Network of Public Health Institutes
National Organization of Nurses with Disabilities
National Recreation and Park Association
National WIC Association
National Women's Law Center
Nemours
NETWORK, A National Catholic Social Justice Lobby
Pesticide Action Network North America
PolicyLink
Prevention Institute
Public Health Institute
Public Health Law and Policy
Racial and Ethnic Health Disparities Coalition
RESULTS
Roots of Change
School Nutrition Association
Share Our Strength
Sisters of Mercy Institute Justice Team
Society for Nutrition Education and Behavior

Trust for America's Health
Union for Reform Judaism
United Church of Christ, Justice and Witness Ministries
United Food and Commercial Workers International Union
The United Methodist Church - General Board of Church and Society
Voices for America's Children
WhyHunger
Wider Opportunities for Women

Cc: Members of Senate and House Agriculture Committees

farm to plate
STRATEGIC PLAN



Vermont Sustainable Jobs Fund

Appendix D
Dissolving the Double Bind

Strategies for Expanding Food Access and Developing Vermont's Local Food System

Prepared By:
Rachel Schattman, Center for Sustainable Agriculture, UVM Extension
Virginia Nickerson, Center for Sustainable Agriculture, UVM Extension
Linda Berlin, Center for Sustainable Agriculture, UVM Extension
Ellen Kahler, VSJF
Heather Pipino, VSJF

A 10-YEAR STRATEGIC PLAN FOR VERMONT'S FOOD SYSTEM

Acknowledgments

The Farm to Plate (F2P) Strategic Plan is dedicated to all the hardworking farmers and food enterprises that supply nourishment for our bodies, create jobs for Vermonters, maintain our working landscape, and are the backbone of our communities.

We are grateful to the **Growald Family Fund** and **Joanna Messing** of *Positive Ventures* for the opportunity to assemble this report. We hope it will lead to greater levels of federal, state, and philanthropic funding with the ultimate goal of eliminating food insecurity in Vermont and increasing the access, availability, and utilization of local food by low income Vermonters.

The following people graciously shared their original research, time, and insights on how to increase access to local foods and improve food security and food justice for all Vermonters:

- Jim Flint, *Vermont Community Garden Network*
- Mary Carlson, *Vermont Department for Children and Families, Economic Service's Division, Food and Nutrition Program*
- Mary Woodruff, *Vermont Department of Disabilities, Aging and Independent Living*
- Joseph Kiefer, *Food Works at Two Rivers Center*
- Richard Berkfield, *Post Oil Solutions*
- Chris Meehan and Theresa Snow, *Vermont Foodbank*
- Heather Bagley, *Willing Hands*
- Corinne Almquist, *Compton Fellow*
- Tara Kelly and the staff at *Rutland Area Farm & Food Link*
- Staff of *Hunger Free Vermont*
- Members of the *Governor's Hunger Task Force*
- Donna Bister, *Vermont Women, Infants and Children* (WIC) program at the *Vermont Department of Health*
- Robert Young and Doug Davis, *Burlington School District*
- Zoe Hardy, *Champlain Valley Agency on Aging*
- Jean Hamilton, *Northeast Organic Farming Association of Vermont*
- Dan Erickson, *Advanced Geospatial Systems, LLC*
- Koi Boynton of the *Vermont Agency of Agriculture, Food and Markets*

We are deeply appreciative of the time and expertise given to us by these individuals and groups.

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APPENDIX D

Dissolving the Double Bind

How can we reduce food insecurity in Vermont? How can we increase the vitality and value of Vermont's food system while ensuring that all citizens have equitable access to fresh, healthy, local food?

D1. EXECUTIVE SUMMARY

Hunger (i.e., a painful sensation caused by a lack of food) and **food insecurity** (i.e., an inability to access enough food to meet basic needs due to financial constraints) are issues of growing concern in this country. **The U.S. Department of Agriculture (USDA) reports that an average of 13.6% of Vermonters were food insecure from 2007 to 2009, (an increase from an average of 10.2% from 2005 to 2007). Vermont ranks 20th in the nation for the prevalence of food insecurity, third highest in New England after Maine and Rhode Island.**[1] Emergency food assistance organizations reported an increasing number of clients in 2008. As the cost of food continues to rise and the impacts of the recession linger, many Vermonters, including many farmers, are forced to make difficult choices. They may choose inexpensive, unhealthy food so that they can afford basic necessities such as heat, transportation, and medicine. Although the local food movement has provided access to an expanding market for Vermont producers, many farmers are not able to secure a reasonable standard of living for their families, and low income Vermonters are not able to incorporate fresh and affordable local foods in their diets.

Dissolving the Double Bind: Improving Access to, Availability of, and Utilization of Local Food

A *double bind* is a situation in which conflicting messages from a single source inhibit a person's ability to make an appropriate response. It could be argued that efforts to enhance food access and the economic success of Vermont's food system constitute a double bind for policy makers, businesses, philanthropists, and communities: **How do we, as a state, increase the vitality and value of Vermont's food system while ensuring that all citizens have equitable access to fresh, healthy, local food?** When problem solving around these two issues is conducted separately, the success of one effort may come at the expense of the other.

This does not have to be the case. By dissolving the myth of the double bind, applying creative problem solving, and leveraging appropriate resources, economic and social justice can be achieved for both food insecure Vermonters and Vermont farmers. Many organizations and individuals in the state are working on these issues simultaneously, often with great success. Given Vermont's highly localized food system relative to other states, we are well positioned to lead the way in developing programming at the intersection of food access and farm viability.

Access, Availability, and Utilization

To conceptualize how programs in Vermont can address the issue of food security, we have used an internationally recognized framework that divides food security efforts into three categories: access, availability, and utilization.

> **FOOD ACCESS** is the way people obtain available food. Normally, food is accessed through a combination of home production, purchase, barter, gifts, borrowing and food aid. Food access is ensured when communities and households and all individuals within them have adequate resources, such as money, to obtain appropriate foods for a nutritious diet. Access depends on income, and on the price of food. It also depends on market, social, and institutional entitlement programs to which individuals have access.
>
> **FOOD AVAILABILITY** in a country, region, or local area means that food is physically present because it has been grown, manufactured, imported, or transported there. For example, food is available because it can be found in markets; because it is produced on local farms, on local land or in home gardens; or because it arrives as aid.
>
> **FOOD UTILIZATION** is the way people use the food. This depends on the quality of the food and people's preparation and storage methods, nutritional and cooking knowledge, and health status.

Three of the goals identified in the Farm to Plate (F2P) Strategic Plan relate to food security for Vermonters.

GETTING TO 2020

Goals 18, 19, and 20 address the need to increase access to fresh, local food for all Vermonters.

Goal 18: All Vermonters will have access to fresh, nutritionally balanced food that they can afford.

Goal 19: Local, fresh food will be more available to people who are food insecure.

Goal 20: All Vermonters will have a greater understanding of how to obtain, grow, store, and prepare nutritional food.

PHOTO CREDIT: UVM Special Collections

Women and children "putting food by" in a Middlebury canning kitchen operation

The objectives and strategies that flow from these goals are listed in the section *Getting to 2020* on page 38 and are drawn from the insights and experiences of many individuals and organizations as well as from reports and online resources. Over the life of the F2P Strategic Plan, efforts will be made to increase program effectiveness by measuring and communicating impacts.

D2. INTRODUCTION

Purpose of This Report

In 2009, the F2P research team began to gather information needed to write a 10-year strategic plan for the future of the food system in Vermont. The final plan could not be considered complete without addressing how issues related to food access (specifically for food-insecure citizens) and the market for locally produced food products overlap. **This report seeks to clarify the intersection between two goals: (1) equitable food access for all Vermonters, and (2) increased opportunity for Vermont farmers and food processors.** The first half of the report provides an overview of food security efforts in the state, highlighting those strategies that integrate the use of local foods and the development of relationships between the agricultural community and food insecure populations. The second half of the report outlines those objectives and strategies that will most effectively advance both goals stated here. If implemented, these efforts will improve the health and well-being of Vermonters, as well as increase economic opportunity in Vermont's food system

Overview of Food Insecurity in Vermont

The combination of the recent economic recession, unemployment, and climbing food and fuel prices has driven record numbers of Vermonters to seek assistance from both the emergency and supplemental food systems. **The USDA reports that an of average 13.6% of Vermonters were food insecure from 2007 to 2009, (an increase from an average of 10.2% from 2005 to 2007). Vermont ranks 20th in the nation for the prevalence of food insecurity, third highest in New England after Maine and Rhode Island.** This increase in food insecurity is apparent across the country. In the fall of 2009, *Feeding America*, the nation's largest food bank organization, surveyed 160 food bank network members from across the United States. They found that 100% of the participating food banks experienced an increase in demand for emergency food assistance in 2008. A similar national study conducted in 2008 reported charitable food sites experiencing a 30% increase, on average, in the number of people visiting food pantries.[4] The USDA has designated hunger and food insecurity as focal areas for the *National Institute for Food and Agriculture*, a USDA agency that funds research, education, and extension programs at Land-Grant Universities.

Many pressures affect food access in Vermont. Limited incomes, poverty, and lack of transportation are significant contributing factors to hunger and food insecurity, though they are by no means the only causes. The concept of **food deserts** has been used around the country to describe the effects that these barriers have on food insecure individuals and families.[5] However, it has also been argued that food deserts are an inadequate metaphor for food insecurity, and therefore, concentrating on increasing physical access to food in the absence of education or policy change will be ineffective.[6] This argument calls for transportation issues (physical and economic barriers to food access) to be addressed in concert with education and policy-based efforts. It is apparent that addressing food access in our state is a complex and multifaceted puzzle.

Strategies for addressing food access fall into three categories: (1) **supplemental assistance programs** (often federally or state funded) to increase the consistency and nutritional quality of meals accessed by vulnerable groups; (2) using the **emergency food system** to meet the needs of citizens in crisis by providing food through food shelves and other mechanisms; and (3) **community food security projects** to focus on building communities' capacities to feed themselves through job training, food and nutrition education, and infrastructure development. This report examines the barriers and opportunities in Vermont for all three types of strategies.

Leveraging resources to effectively and efficiently reduce food insecurity while continuing to develop Vermont's food system economy is a formidable task. All organizations working on these issues must demonstrate awareness of the work of other organizations and increase coordination among related programs. The following sections provide an overview of food access and local food-related efforts and programs around Vermont. We hope that this report will enhance current efforts and engage community developers, activists, advocates, and funders in meaningful partnerships.

D3. CURRENT CONDITIONS

Federal Food Programs

This section presents an overview of the federal food assistance programs that support Vermont families and individuals. It highlights efforts that specifically address the intersection between the local food system and increasing food access.

Special Supplemental Nutrition Program for Women, Infants and Children (WIC), Farm to Family Program, and the Senior Farmers' Market Nutrition Program (SFMNP)

The *Vermont Special Supplemental Nutrition Program for Women, Infants and Children* (WIC) is a federal program run by the *Vermont Department of Health*. It is designed to improve the health status of low income, nutritionally at-risk Vermonters. Although the program is not exclusively a food access program, ensuring adequate nutrition among its recipients is key to WIC's efforts to increase the health and well-being of vulnerable individuals and families. Specifically, the program enrolls pregnant women (up to six weeks after birth or after pregnancy ends), breastfeeding women (up to infant's first birthday), non-breastfeeding postpartum women (up to six months after the birth of an infant or after pregnancy ends), infants (up to the first birthday), and children under the age of five. This program serves 55% of all infants and 40% of children under five in the Vermont.[7] Individuals or families are eligible if they have a household income at or below 185% of the federal poverty limit or if they are participating in assisted health programs such as Medicaid or *Dr. Dynasaur* (regardless of income). The 2009 income limits were $1,670 a month for a single person, $2,247 for a couple, or $3,400 for a family of four.[8] Nationally, 13.5 million people are eligible. Of these, only 67% (9.1 million) participate in the program. This percentage is similar to the participation rate in Vermont, which indicates that there is still room for greater rates of participation in the state.[9,10]

WIC delivers food benefits through several means. First, the program provides food supplements by delivering food two times per month to participants' residences. Foods included in the deliveries include whole grain bread, peanut butter, canned beans, baby foods, cheeses, eggs, juice, cereal and milk. Some families choose brown rice, soy beverages or tofu options as substitutes for bread, milk or cheese. These goods are purchased by delivery contractors (currently *Burlington Food Service*), and most approved WIC products are sourced from outside of Vermont. However, some products are sourced from Vermont producers including bread. *La Panciata Bakery* in Northfield has created a loaf that meets WIC nutritional criteria and provides this bread to all WIC recipients who receive food deliveries. In addition, work is underway to establish a contract with *Vermont Soy*. *Thomas Dairy* in Rutland is the largest milk contractor for Vermont WIC, and all cheese is sourced from *Cabot*.

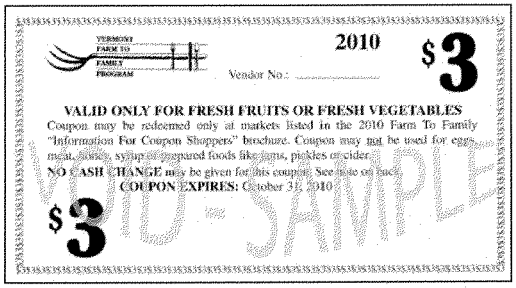
Vermont is the last state in the nation to offer home delivery through WIC. Currently, Vermont WIC is conducting a feasibility study that will transition the program to an electronic card benefit delivery system similar to SNAP (formerly the food stamp program and described later in this section.) Although this limits the ability of WIC to ensure that its recipients receive specific nutritionally approved food items, consumer choice is greatly enhanced. Barriers to implementing the electronic system include a constantly changing list of WIC-approved foods (changed yearly and sometimes more

Poster for the Vermont Farm to Family Program

IMAGE CREDIT: Central Vermont Community Action Council

often) and outfitting food retailers with up-to-date, real time point of sale software.[11] It is likely that Vermont WIC will eliminate home delivery by 2020.

Starting in October 2009, participants in the WIC program also receive **WIC Cash Value Voucher cards that allow them to purchase fruits and vegetables.** This card looks like a credit or debit card, and can be used to purchase fresh, frozen, or canned fruits and vegetables at authorized grocery stores and co-ops.[12] Farmers' market vendors can be authorized to accept these benefits, though there are significant challenges to doing so, including a federal requirement to authorize and report sales by individual farmers (which necessitates that all farmers have access to their own wireless card readers and support software). Additionally, the allowed food list is not identical to the items allowed by other programs such as the *Farmers' Market Nutrition Program* (FMNP),[13] making the process confusing and onerous for participants and vendors alike. Per person, the fruits and vegetable benefits are limited ($6 for children and $10 for women per month),[14] though the yearly total spent in the state through this program dwarfs that of other federal programs (such as the FMNP). The accumulated amount has the potential to have a tremendously positive impact on the Vermont agricultural economy, if those benefits were captured by local farmers. In addition, WIC provides education for participants around nutrition, breastfeeding, and general health. In 2009, Vermont WIC provided these benefits to 25,000 individuals.



Sample Farm to Family Coupon

Integrating education related to the use of local foods is an area of opportunity in the WIC program.

WIC participants and other low income Vermonters qualify for farmers' market produce coupons from the *Vermont Farm to Family Program*, supported primarily with federal FMNP funds. Separate federal WIC and Senior FMNPs support benefits to WIC participants and low income seniors, respectively. *Farm to Family* is administered by the *Department for Children and Families* (DCF). *Department of Health* offices distribute the coupons earmarked for WIC participants, and *Community Action Agencies* distribute the federal senior coupons, plus a smaller set of state-funded coupons available to other low income households, such as families whose children are too old for WIC or single adults who are unemployed or have disabilities. All *Farm to Family* coupons are redeemable only for fresh fruits or vegetables sold at participating farmers' markets.

In addition to increasing access to locally grown produce for the recipients, the coupons are an important tool for developing a larger and more diverse group of farmers' market customers. In 2009, 19% of the coupon recipients said they had never visited a farmers' market before, and 68% said they returned to the market to shop after they ran out of coupons. Because of federal limits on FMNP benefits, recipients get $30 in *Farm to Family* coupons per year. That amount reflects the FMNP intent not to supplement incomes but rather to provide a catalyst to motivate nutritionally at-risk people to "buy local" at farmers' markets and increase their consumption of fruits and vegetables. Seventy-nine percent of the coupon recipients surveyed by DCF in 2009 reported that the coupons prompted them to eat more fruits and vegetables than usual, and 51% bought a kind of produce they had never tried before. These are among the outcomes cited in a DCF comprehensive report on the 2009 program posted on its *Farm to Family* website, which also includes the most recent list of participating farmers' markets, a list that grows every year.[15]

According to the DCF report, 2009 ***Farm to Family*** **coupon redemptions generated $118,992 in produce sales for 297 participating growers selling at 56 farmers' markets in Vermont.** The coupons benefited 4,916 households — 2,411 families that included 2,641 WIC participants, plus 1,518 elderly households and 987 other low income households that received state-funded coupons. Nationally, $43

IMAGE CREDIT: Vermont Department for Children and Families

million in federal WIC and Senior FMNP funds were allocated to states in 2009. About 19,000 farmers and 3,700 farmers' markets participated in one or both FMNPs, and the coupon benefits went to 3 million WIC participants and seniors.[16]

Seniors and Vermonters with disabilities have been identified as groups that face specific challenges related to food access.[17] The federal *Senior Farmers' Market Nutrition Program* (SFMNP) mentioned earlier is administered in Vermont by the *Department of Disabilities, Aging and Independent Living* (DAIL), in partnership with DCF, the *Northeast Organic Farming Association* (NOFA-VT), and the *University of Vermont Extension*. The SFMNP was established as a national pilot in 2001, twelve years after the WIC FMNP began. According to the *National Association of State Departments of Agriculture* (NASDA), the SFMNP was "designed to increase the consumption of agriculture commodities by expanding or aiding the development of farmers' markets and by providing fresh, nutritious, unprepared, locally grown fruits and vegetables, and herbs to low income seniors."[18] Over $22.4 million in SFMNP funds were awarded to states in 2009, of which Vermont received $94,659.[19]

SFMNP funds pay for the senior *Farm to Family* coupons distributed by *Community Action Agencies*. They also fund a component whereby NOFA-VT pairs community supported agriculture (CSA) farms with senior housing sites to allow residents of those sites to receive $50 worth of fresh produce from the farm over a period of up to 10 weeks. According to DAIL, the 2009 SFMNP **enabled 940 low income seniors to receive $47,000 worth of fresh produce grown by 28 CSA farmers.** The senior housing sites are chosen based on the number of eligible residents wanting to participate in this senior farm share program, access to transportation, and proximity to a CSA farm. Arrangements to ensure that seniors receive their weekly share of produce varied among sites — seniors traveled to some sites, and others delivered produce to the senior housing sites. Vermont and Maine are the only states whose SFMNP includes a CSA component. According to DAIL, senior farm share recipients in 2007 reported skipping meals or cutting portions less frequently than before entering the program, 84% reported that the food they got through the program was fresher than food purchased elsewhere, 62% reported eating a greater variety of produce, 51% reported purchasing more fruit, and 37% reported purchasing more vegetables.[20]

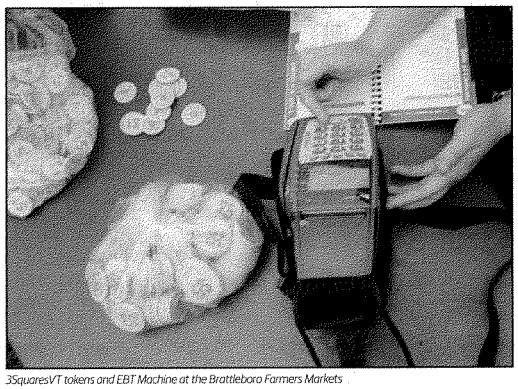


PHOTO CREDIT: NOFA-VT

3SquaresVT tokens and EBT Machine at the Brattleboro Farmers Markets

The 2003 Farm Security and Rural Investment Act allocated $15 million in SFMNP grants to 32 states, 3 Indian tribal organizations, Guam, Puerto Rico, and Washington D.C.[21] A portion of the funding that Vermont receives on an annual basis for the support of this program is directed towards the *Senior Farm Share Program*. The program gives $100 cash value to 250 eligible Vermonters to use at farms in their community. Vegetables ("shares") are delivered to the housing sites once a week for 20 weeks during the summer. Individuals over 60 years of age who lived in eligible housing sites may participate in the program. Housing sites are chosen based on their access to transportation, the proximity of a CSA farm, the number of eligible participants, and the coordination of the housing site itself.[22]

SNAP/3SquaresVT and Harvest Health Coupons

The federal Food Stamp program was introduced in the United States in 1939 toward the end of the Great Depression. Since the beginning of the program, there has been a strong correlation between unemployment rates and participation rates in the Food Stamp Program.[23]

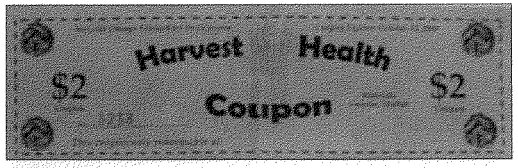
In October 2008, the national Food Stamp Program was renamed the *Supplemental Nutrition Access Program* (SNAP). In Vermont, it was renamed *3Squares VT*. The *DCF* administers the program, and recipients can access support and sign up for the program at one of twelve *Economic Services District Offices* around the state. Participants in 3SquaresVT receive monthly benefits on electronic debit (EBT) cards. These benefits can be used to buy a variety of food items including meat, dairy, cereals, vegetables, cold prepared food, seeds, and plants. The benefits cannot be used to purchase hot meals, pet food, soap, paper products, alcohol, cigarettes, and other nonfood items.[24] The amount of benefits that participants receive varies based on household income and number of dependents. In 2010, Vermonters who qualify had to gross less than $20,036 (185% of federal poverty level for one person), and net less than $10,830 (100% of the federal poverty level for one person) based on household size. Some households with members over 60 years old or people with disabilities may also qualify.[25] **Currently, one out of every eight Vermonters receives benefits from 3SquaresVT.**[26] A monthly snapshot released by the *DCF* in June, 2009 shows that households that receive more than $50 per month make up 85% of Vermont participants.[27]

3SquaresVT recipients qualify for more than just direct food assistance. Enrollment in this program can give individuals or families assistance with paying telephone bills, and can qualify their children for free or reduced-cost school meals. In 2006, the maximum amount of SNAP benefits available to a family of three was $408 per month or $4,896 per year.[28] In 2009, this amount was raised to $526 per month or $6,312 per year.[29] The benefits are completely federally sourced, but 50% of the cost of administering the program falls to the state. Nearly half of all SNAP recipients in the United States are under the age of 18. According to the *Food and Nutrition Service* (FNS) of the USDA, 76% of benefits go to households with children, 16% of benefits go to households with at least one disabled person, and 9% of benefits go to households with elderly people.[30]

3SquaresVT benefits are transferred electronically to recipient debit cards on a monthly basis. Before this system was put in place, food stamp recipients were able to use their paper food stamps at farmers' markets, farm stands, and other direct marketing venues. Since the transition to this system, many farmers' markets are unable to accept 3SquaresVT benefits, primarily because they do not have access to the necessary technology to process payments in an efficient manner. While free EBT machines that require phone line hook-ups are available, and should be utilized whenever possible, many markets are located outdoors or in buildings that require wireless connections. Local food advocates in Vermont have been working hard to increase the prevalence of wireless card readers at Vermont farmers' markets. This is not only to ensure that Vermont farmers can capture federal dollars in a direct market, but also to ensure that 3SquaresVT participant have continuous access to fresh, healthy, and local food.

In 2007, NOFA-VT and several partners (including DCF, *Hunger Free Vermont*, the *Vermont Agency of Agriculture Food and Markets* [VAAFM], and the *Agency of Natural Resources*) initiated a grant program to help farmers' markets set up single card readers. The goal of the *Electronic Benefits Transfer Project* is to help all farmers' markets in Vermont (including those in counties with farmers' markets that do not currently participate) take advantage of the opportunity to use this technology.[31] This is done by subsidizing the cost of the card readers (which can cost around $1,100), providing technical support for market managers, and helping with a promotion campaign for the market. Once wireless card readers are installed in markets, using them is easy. 3SquaresVT recipients (and users of traditional debit cards) can swipe their cards at the farmers' market information booth and receive wooden coins to redeem with market vendors. An additional 10 markets were brought online in the 2010 summer season. Figure D1 shows those markets in Vermont that currently accept EBT/Debit cards.

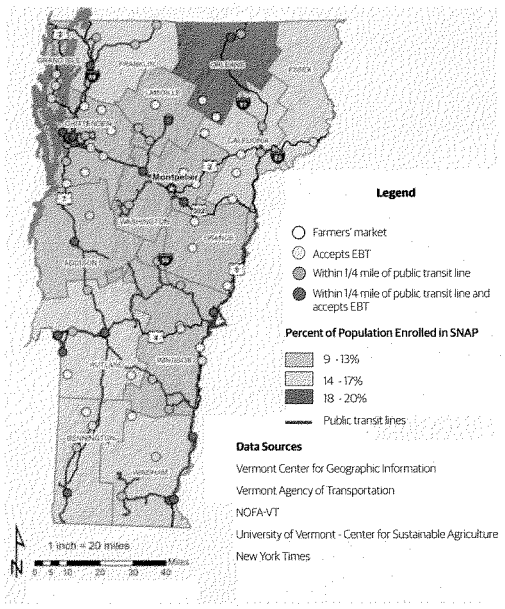
Some farmers' markets specifically targeted towards low income Vermonters have been set up as satellite sites for existing markets that already have EBT machines. In



Sample Harvest Health Coupon

IMAGE CREDIT: NOFA-VT

Figure D1: Farmers' Markets



this way the expensive machine can be shared, as long as both markets have the same bank account. An example of this is the Market Basket Program organized by *Post Oil Solutions* in Windham County. This program reached 40 participants in 2010, and generated $6,000 for 3 area farmers

In addition to the 3SquaresVT debit card, the *Harvest Health Coupon Project* (HHCP) was piloted in Vermont in 2008. At participating markets, 3SquaresVT recipients were able to increase their purchasing power by $10 every week. This project was administered by NOFA-VT and funded by the *Ben and Jerry's Foundation* and the *Wholesome Wave Foundation*. Farmers' markets in Connecticut, Georgia, Massachusetts, Rhode Island, Virginia, Washington D.C., and California also took part in the pilot.[32] This program will likely be repeated in 2011, but long-term funding is a looming question.

Like the WIC program, a significant percentage of individuals who are eligible for SNAP benefits are not enrolled in 3SquaresVT. The good news is that more eligible Vermonters are enrolling. Between 2004 and 2006, the percentage of Vermonters who enrolled in the program increased from 70% to 80%.[33] The increasing number of people who rely on 3SquaresVT is most likely a result of the current economic instability affecting the state and the nation. It is also likely that this percentage has changed following a change in the enrollment rules in 2009. The new rule qualified an additional 30,000 Vermonters for benefits.[34]

Child Nutrition Programs

The list of child nutrition programs in the United States includes the *National School Lunch Program*, the *School Breakfast Program*, the *Child and Adult Food Care Program*, the *After School Snack Program*, and the Summer Food Service Program. In Vermont, these programs are administered by the *Vermont Department of Education*. Some of these programs, such as the National School Lunch Program, are among the oldest federal food assistance programs in the United States. The National School Lunch and the School Breakfast Programs provide subsidies to public and nonprofit private schools and residential child care institutions. These subsidies help the school provide breakfast and lunch to qualifying students for free or at reduced-cost. Lucy Nolan, Director of *End Hunger Connecticut!*, cited 2009 research in her testimony to the Committee on Agriculture, Nutrition and Forestry in the U.S. Senate that showed that children gain weight during the summer when they have reduced access to school meals, and that adolescent girls who eat at least one meal a day are less likely to struggle with obesity. This demonstrates the important long-term health benefits associated with ensuring that children have regular, sufficient access to food both during the school year and the summer.[35]

In 2008 the Vermont Legislature passed legislation that led to a dramatic increase in participation in the School Breakfast Program. Under current federal legislation, students can qualify for either free or reduced-cost school meals. The Vermont legislation requires the state to provide extra funds to the program to supplement the federal funds. **This adjustment allows all students who previously qualified only for reduced-cost school breakfast to access these meals for free.** U.S. Senator Bernie Sanders is working to expand the National School Lunch Program in a similar manner. Vermont currently has the third highest percentage of eligible students enrolled in the School Breakfast Program in the nation, and increased access to free school lunches would likely increase enrollment in this program as well. **In the 2008-2009 school year, 14,818 Vermont students qualified for the School Breakfast Program, and 24,814 qualified for the National School Lunch Program.**[36] As more and more Vermonters take advantage of emergency food assistance through food shelves and other programs, we can expect to see a growing population of Vermont's children in need of the National School Lunch and the School Breakfast Programs.

For those students who cannot take advantage of the National School Lunch or the School Breakfast Programs, there are additional child nutrition programs available. The *Special Milk Program* provides subsidies for milk and snack purchases to schools (public and qualifying private) and residential child care institutions, provided students are not also enrolled in either the National School Lunch or School Breakfast program. When the school year ends, the *Summer Food Service Program for Children (SFSP)* is available for those children under 18 who qualify for free or reduced-cost school meals. To qualify for free meals, children must come from households that, in 2010, made less than $13,080 (for a family of one, this is at or below 130% of the federal poverty level). Children from households that made between $13,080 and $20,036 in 2010 (for a family of one, this is between 135 and 185% of the federal poverty level) qualify for reduced-price meals. This program has been in effect since 1968, and is administered by the *USDA's Food and Nutrition Service*.[37]

Child care centers, outside-of-school-hours care centers, family day care homes, some adult day care centers, emergency shelters, and after-school care programs that do not qualify for the National School Lunch Program, the School Breakfast Program, or the Special Milk Program may be eligible for enrollment in the *Child and Adult Care Food Program* (CACFP). This program provides subsidies for meals served at these settings.[38] Nationally, CACFP provides daily snacks and meals to 2.9 million children and 86,000 adults. A host organization that is located in an area where 50% or more of the students are eligible for free or reduced-price meals and provides enrichment opportunities to children can apply for the *At-Risk CACFP After-School Snack Program*. This program provides an afternoon meal, which can be a snack or a supper depending on the program and the providers. Reimbursable suppers can only be provided through this program in select states, including Vermont. To receive reimbursement for meals provided, participating institutions must serve meals that meet federal nutrition guidelines to qualified recipients. These institutions must submit claims monthly, demonstrating the number of meals served to qualified children and adults. Levels of cash reimbursement depend on the type of institution, the number of meals served, and a yearly adjustment based on the consumer price index.

Pre-schooler enrolled in the Special Milk Program

PHOTO CREDIT: Vermont Foodbank

Care providers and institutions that participate in child nutrition programs can also choose to receive commodity food.[39] The vast majority of the commodity food available to care providers comes through the *USDA Commodity Supplemental Program*, 10% of which is agricultural surplus and 90% of which is grown on contract. Although the *US Department of Defense* (DoD) administers a national *Fresh Fruit and Vegetable Program*, Vermont does not often participate. This is because the current food distributor that services the Northeastern region of the country is based in Rhode Island and delivers to Vermont only one time per month.[40] Produce distributed through the program to Vermont is often of low quality and is not fresh.

Close examination of reimbursement strategies for child nutrition programs and state participation in commodity food programs is needed in order to increase opportunities for Vermont producers to provide food for children and families.

Several groups and individuals are working at the federal level to change policy that affects child nutrition programs. U.S. Senators Bernie Sanders and Patrick Leahy, and Congressman Peter Welch have all made efforts to address sections of childhood nutrition programs that potentially affect Vermonters. The Vermont congressional delegation has recently requested funding for several key projects that would support this goal including (1) the creation of a pilot program that would allow a greater number of summer day camps to participate in the Summer Food Service Program, (2) a pilot program that allows providers in Vermont to request cash instead of commodity food in child nutrition programs including the Summer Food Service Program, (3) a pilot program that reduces administrative costs and increases access to free school lunches by combining the categories of reduced-cost and free lunches, (4) inclusion of Vermont in the *Community Child Nutrition Snack Pilot* conducted previously in California, and (5) adoption of the Pennsylvania Rural Summer Expansion Child Nutrition Pilot Program to better serve rural youth through providing meals at "open" sites in communities.[41]

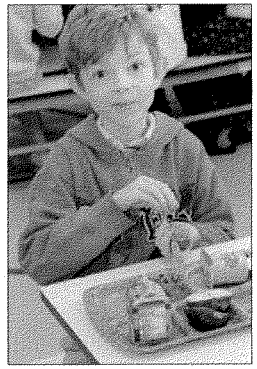


PHOTO CREDIT: Phil Granling, courtesy of Hunger Free Vermont

Student at the Ferrisburg Central School

U.S. Senator Leahy has introduced into the Senate the Farm to School Improvements Act of 2010, which in its current form requests $50 million over five years to be spent on farm to school efforts. A version of this bill has also been presented to the House of Representatives by Senator Rush Holt (N.J).[42] Several of these efforts present opportunities for increasing the use of local food in child nutrition programs, thereby increasing the quality of food available to Vermont children and supporting Vermont's food system economy.

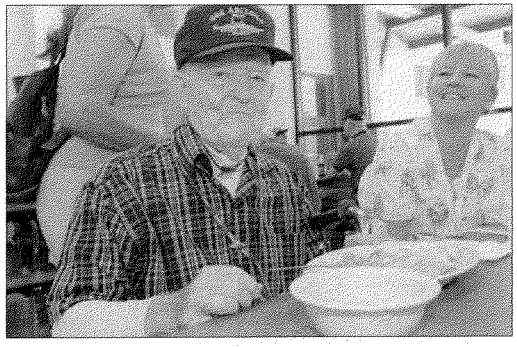
Not all schools and eligible child care centers participate in child nutrition programs. Currently in Vermont, eleven schools do not offer a lunch or breakfast program to their students.[43] Likewise, not all after-school care providers take advantage of subsidized snacks and evening meals. The *Governors' Hunger Task Force* conducted interviews that showed that some professionals believe that all public and nonprofit private schools should be required to participate in these programs, provided they have the facilities. Vermont State Law does in fact require that all schools participate unless they are exempted by the Commissioner of Education. These exemptions must be reapplied for on a yearly basis, and the application must be reviewed by the school board prior to submission.[44] Barriers to participation include a lack of food preparation space or facilities, the belief that feeding children is solely the responsibility of the family, and perceptions that meal programs are not cost effective. Although integrating local food into child nutrition programs is an important goal, these efforts will not have maximum impact unless they are conducted in concert with efforts to increase enrollment.

Older Americans Act Nutrition Services (OAA Title IIIC)

Established in 1965, the Older Americans Act is the primary vehicle for the delivery of social and nutritional services to Americans aged 60 and older and their caregivers. The program targets this population using two programs: (1) *Congregate Nutrition Services* (commonly known as **Senior Meals**) and (2) *Home Delivered Nutrition Services* (commonly known as **Meals on Wheels**). Both of these programs provide meals and nutritional services to seniors in a variety of settings, including senior centers and restaurants, as well as in their homes. Figure D2 indicates the distribution of these meal sites. In addition to providing meals, both programs include nutrition screening, education, and counseling as appropriate. Through Title III, grants for *Congregate Nutrition Services* and *Home Delivered Nutrition Services* are allocated to individual states and territories by a formula based on their share of the population aged 60 and over. In Vermont, the DAIL distributes these funds to the five *Area Agencies on Aging* (AAAs), which in turn contract with various food service providers to prepare and serve or deliver meals within their regions.[45]

DAIL has included the objectives of (1) expanding the use of locally sourced foods in the Older Americans Act Nutrition Programs and (2) establishing a baseline measure of the use of locally sourced foods in the nutrition programs in their State Plan on Aging for fiscal year 2011-2014. Some agencies, such as the *Champlain Valley Agency on Aging*, already incorporate a great deal of local food into their services as a result of their partnership with the *Burlington School Food Service*. The *Northeastern Vermont Area Agency on Aging* and the *Central Vermont Council on Aging* have been able to successfully integrate local foods into their programs by partnering with local nonprofits such as *Green Mountain Farm-to-School*, *UVM Extension*, and *Food Works at Two Rivers Center*.[46] Other agencies are just beginning the work to establish new relationships with producers and caterers throughout the state.

Barriers to increasing local foods in senior nutrition programs include: difficulty accessing ordering systems or brokers to help with sourcing local food, lack of meal provider skills in preparing unprocessed or lightly processed local foods, lack of time, high cost, and lack of storage. These barriers are also common in other institutional food settings and in farm to school efforts.



Breakfast at a Senior Meal site.

PHOTO CREDIT: Vermont Foodbank

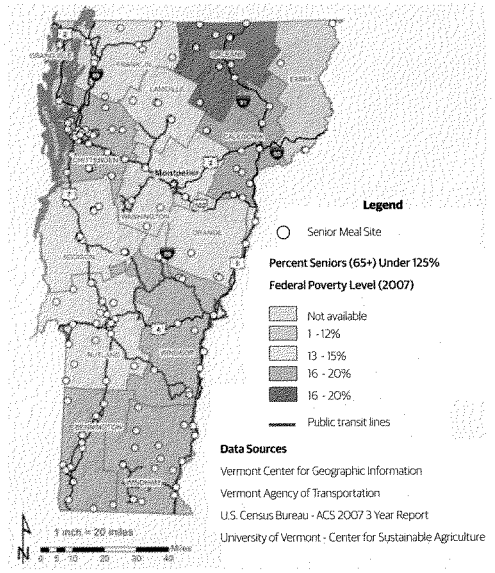
Commodity Supplemental Food Program (CSFP)

The **Commodity Supplemental Food Program** is a drop site delivery service administered by the *Vermont Foodbank* that distributes nutrition information and 31 pounds of food (such as cereal, juice, and cheese) to eligible participants. This program does not aim to provide all essential foods to participants, but rather, to specifically offer foods that are lacking in the diets of its target population. To enroll in the program, a person must either be 60 years old or older, a child under six years of age, or a woman who is pregnant or who has given birth in the last year. Individuals are not allowed to be enrolled in CSFP and WIC simultaneously. In 2009, the income requirements for seniors were $1,174 per month or less (for one person) or $1,579 or less (for two people in a household.) For nonseniors, income requirements were $1,670 or less (for one person) or $2,247 or less (for two people).[47] Individuals enrolled in SNAP, Medicaid, or the Temporary Assistance for Needy Families (TANF) program are immediately eligible for CSFP. Currently, approximately 3,500 people are enrolled in the Vermont CSFP, and the program is seeking new applicants.[48] Although the program was initially geared toward pregnant and postpartum women, a growing senior population and broader WIC coverage means that 90% of current CSFP recipients are seniors. The program is specifically designed to supplement SNAP benefits, helping recipients access essential nutritious foods that they could not otherwise afford. According to *Feeding America* (formerly America's Second Harvest), "CSFP is a safety net for specifically targeted populations who fall through the cracks in other food assistance programs."[49] The program also serves as an outlet for commodity agricultural products acquired by the U.S. government. However, services are not available nationwide. Even states that do receive funding may not be able to provide statewide delivery services. The increasing cost of food and uncertain funding have been cited as two significant threats to this program.[50]

The Emergency Food Assistance Program (TEFAP)

The **Emergency Food Assistance Program (TEFAP)** is administered by the USDA's Food and Nutrition Service, and is targeted to individuals and families that meet state-designated poverty levels. Commodity foods are purchased by the USDA, which then processes and packages the food before delivering it to state agencies to deliver to families, serve as meals, or otherwise distribute. In Vermont, the *Vermont Foodbank*

Figure D2: Food Access — Senior Charitable Meal Sites



distributes food through TEFAP to food shelves rather than to homes. The federal program requires that food packages delivered through TEFAP be based on income eligibility.[51] Meals prepared and served at food shelves and other meals sites are not based on income eligibility. By eliminating home delivery in Vermont, the *Foodbank* reduces administrative costs associated with keeping track of recipients' levels of need. In Vermont, the program is administered by the *Agency of Human Services, Child Development Division/Donated Food Section*.

Vermont's Charitable Food System

This section presents an overview of the emergency and charitable programs in Vermont. It outlines how food is sourced and distributed through the system, and identifies opportunities for increasing the sourcing and distribution of locally produced foods.

The emergency and charitable food system is primarily composed of private nonprofit organizations. In Vermont, these organizations include the *Vermont Foodbank*, food rescue organizations such as *Willing Hands*, food pantries (also called food shelves), soup kitchens, shelters, communal meal sites, and other organizations that provide free or low-cost food to the public.

Figure D3 illustrates how food flows through this system in Vermont. It distinguishes between charitable food sites that are part of the "emergency" food system (i.e., sites that were specifically intended to provide short-term assistance to people in crises) and nonemergency programs that provide food at low or no cost as part of an on-going program. We have placed quotations around the word *emergency* because, unfortunately, many families and individuals rely on food pantries and community meal sites to meet their daily needs on an ongoing basis.

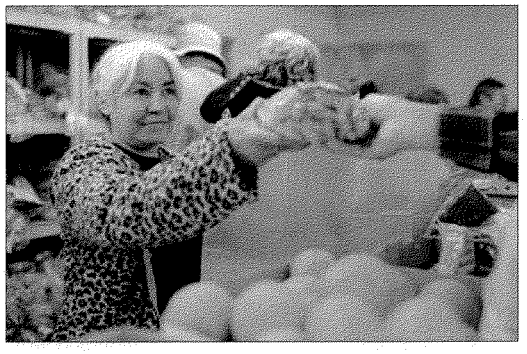
The Vermont Foodbank

Food banks are charitable organizations that collect, inventory, and store donated food. They then distribute this food to social service organizations that provide the food directly to people in need. The *Vermont Foodbank* is part of the *Feeding America* network, the nation's largest network of food banks. As part of this network, the *Vermont Foodbank* sources food from national manufacturers, the U.S. commodity program, local retailers, grocers, restaurants, bakeries, cafeterias, and farms and distributes it to their 280 partner organizations within Vermont.[52]

In Vermont, approximately 8,200 individuals receive emergency food assistance in any given week.[53] Although many of these people have jobs (37% of households served by the *Vermont Foodbank* include at least one employed adult), they often live on the edge of their financial resources. Of households served by the *Vermont Foodbank*, 69% have incomes below the official federal poverty levels of $10,830 per year or $902.50 per month for a family of one, or $22,050 per year or

$1,837 per month for a family of four.[54] This means that people often have to make the terrible choice between eating and meeting other basic needs such as heating their homes or keeping a roof over their heads. Of the clients who receive food at organizations belonging to the *Vermont Foodbank* network, 42% must choose between paying for food and paying for utilities or heating fuel; 23% must choose between food and medicine or medical care; and 34% must choose between food and paying their rent or mortgage. A lack of access to personal or public transportation also contributes to families' and individuals' ability to work or access food. Of the clients served by the *Vermont Foodbank*, 35% do not have access to a working car.[55]

The *Vermont Foodbank's* 280 partners include food shelves and food pantries, community meal sites, **Kid's Cafe** programs (run through Boys and Girls Clubs and other after-school programs), shelters, and rehabilitation centers. The *Foodbank* also distributes food for seniors and other special populations through the Commodity Supplemental Food Program (CSFP) to specific drop-off sites, and to communities that are limited or lacking in charitable distribution sites through their mobile program, the *Neighborhood Food Pantry Express*. Six Vermont schools also participate in the



Volunteers distribute food to needy Vermonters at food pantries across the state

Figure D3: How Food Flows through the Charitable Food System: Sources and Distributors of Free and Reduced Cost Food[56]

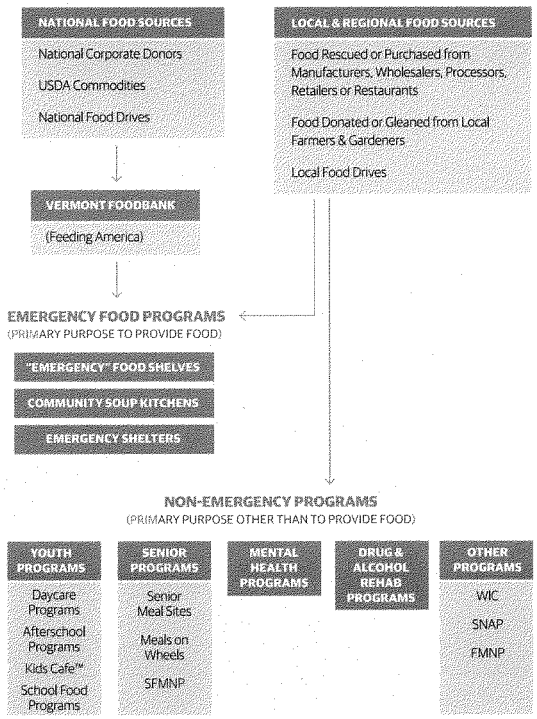


PHOTO CREDIT: Vermont Foodbank

Backpack Program, through which teachers place nonperishable food in backpacks for children to take home to ensure that they have food over the weekend. In 2009, the *Vermont Foodbank* distributed nearly 7.5 million pounds of food through these various programs to over 66,000 needy Vermonters.[57]

The *Vermont Foodbank* currently has four programs that specifically focus on getting locally produced food to people in need.

- The **Gleaning Program** coordinates gleaning efforts in four regions of the state and provides guidance and support to gleaning organizations in other regions. In 2009, the *Foodbank* gleaning program distributed more than 409,000 pounds of fresh fruits and vegetables gleaned or donated from 73 farms to charitable food sites throughout the state.

- The **Foodbank Farming Network**, a program founded by *Food Works at Two Rivers Center* and the *Vermont Foodbank* (and now run entirely by the *Foodbank*) purchases food directly from farmers and then sells the produce as "shares" to its network partners. In 2009, seven farms participated in this program, producing over 40,000 pounds of 10 fall storage crops that were distributed in monthly shares over a five-month period beginning in August.

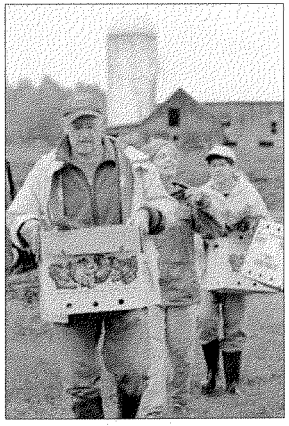
- The *Foodbank* recently purchased Kingsbury Farm in the Mad River Valley. When the farm initially came up for sale, members of the local community decided that they wanted to keep the land in agricultural production and put together a coalition to select farmers to operate the farm.[58] Soon this farm will be cultivating crops under a lease agreement with a for-profit farmer/business specifically for *Foodbank* partners as well as conserving open land and providing recreation space for area residents.

- **Pick for Your Neighbor** is a collaborative program between the *Vermont Foodbank* and the VAAFM that encourages U-pick customers at participating orchards to pick and purchase extra apples to be integrated into the *Vermont Foodbank* inventory and distribution network.

Because the *Foodbank* is the primary supplier of food to Vermont's charitable food system, where the *Foodbank* chooses to source its food has a significant impact on the access and availability of local foods for food-insecure families and individuals in Vermont. By establishing the preceding programs, the *Foodbank* has made a commitment to increase the amount of locally produced foods it provides to its network partners.

Emergency and Public Charitable Food Distribution Sites: Food Shelves, Soup Kitchens and Community Meal Sites

For the purposes of this report, charitable food distribution sites have been divided into two categories. The first category, **food shelves** (also called **food pantries**), provide groceries for people to take and consume at home. The second category, **soup kitchens** and other types of **community meal sites,** provide prepared meals for people to eat in group settings on site. These charitable food distribution sites are usually community-based programs funded through a variety of mechanisms, often run by volunteers through faith-based organizations. Because community meal sites can also provide a place for people to be in the company of others, some people may use these sites to socialize or for reasons other than food insecurity. However, such community meal sites still play an important role in providing food to many people in need. This is especially true for seniors. In 2008, over 20% of the meals served at community meal sites (as defined here) in Vermont went to people aged 65 or older.[59]



Volunteers harvest greens at Vermont Foodbank Farm

PHOTO CREDIT: Vermont Foodbank

Vermont has at least 135 food shelves and 35 community food sites, or 170 charitable distribution sites that are free, locally organized, and open to the public.[60] The majority of these (at least 100) are operated by faith-

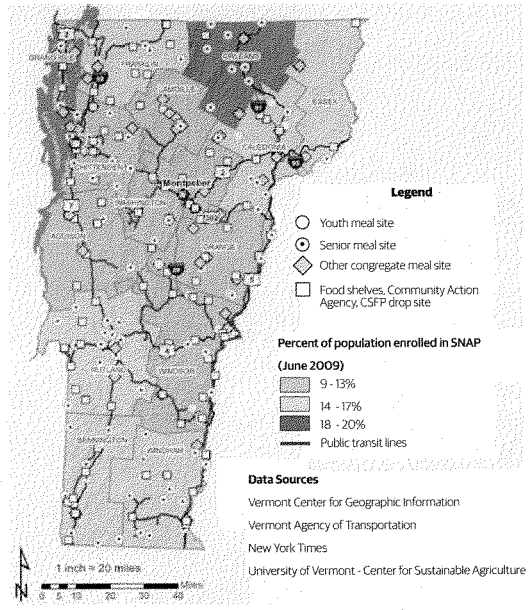
Table D1: Sources of Food Distributed by Charitable Food Sites in 2009[62]

Sources of Food	Foodshelves	Community Meal Sites
Average percentage of food from Foodbank	70.4%	36.8%
Median percentage of food from Foodbank	80.0%	30.0%
Percentage of programs receiving food from:		
Commodity Supplemental Food Program (CSFP)	34.7%	27.3%
The Emergency Food Assistance Program (TEFAP/EFAP)	56.8%	25.0%
Food Distribution Program on Indian Reservations (FDPIR)	0.9%	3.2%
Church or religious organizations	80.0%	57.1%
Local merchant of farmer donations	73.8%	74.3%
Local food drives	75.5%	25.7%
Food purchased by agency	68.6%	77.1%
Other	18.2%	31.4%
Sample Size	**131**	**40**

based organizations. Other hosts include 19 local agencies, 7 town clerks, and 20 family centers or similar organizations.[61] Although these organizations vary widely in terms of their missions, structure and capacity, all charitable food sites rely heavily on volunteers and donations of goods and in-kind services from the surrounding community. The diversity among the charitable sites and their reliance on volunteer staff is reflected in their eligibility requirements and their schedules. Some sites have a policy of serving anyone who walks through their doors, whereas other sites serve only people who live within their community. Some sites are open three days per week; others are open only once a month.

Figure D4 shows the location of community meals sites, food shelves, and CSFP drop sites for each county in relation to the percentage of the population enrolled in the SNAP program. Food pantries and community meal sites provide food and/or a place to eat for a significant portion of Vermont's population. **In 2008,**

Figure D4: Food Access - Charitable Food Sites



approximately 31,000 people or 5% of Vermont's population visited a food shelf or community meal site in a typical month.[63] That same year, the total value of food provided through food pantries and community meal sites in Vermont amounted to approximately $11 million dollars (based on $9,500,000 for the total value provided through food shelves and $1,700,400 through community meal sites).[64]

The majority of the charitable food sites in Vermont belong to the *Vermont Foodbank* network and source the bulk of the food they serve from the *Foodbank* (70.4% of the food provided by pantries, and 36.8% of the food served by community kitchens comes from the *Vermont Foodbank*).[65] However, in addition to procuring food from the *Foodbank*, charitable food sites in Vermont also use a number of other sources, including purchasing food directly. Of *Vermont Foodbank* partners that participated in a recent survey conducted by *Feeding America*, a significant percentage (over 68% of the food pantries surveyed, and over 77% of the community meal sites) make direct purchases of food in addition to receiving food from the Foodbank, the CSFP, TEFAP/EFAP), and donors.[66]

Much of the food that these organizations purchase tends to be healthy produce, dairy products, and meats — items that are also produced by Vermont farmers and could be sourced in Vermont. In a 2010 survey of *Vermont Foodbank* partners, 77.1% of the community meal sites purchased fresh fruits and vegetables; 47.3% of the pantries and 80.0% of the meal sites purchased beef, pork, poultry, fish, beans, eggs and nuts; and 6.7% of the pantries and 88.6% of the meal sites purchased milk, yogurt, and cheese.[67]

Many charitable sites wish to receive more of these products. Specifically, 45.4% of the pantries and 44.7% of the meal sites in the *Feeding America* survey reported needing more fresh fruits and vegetables; 63.8% of the pantries and 38.1% of the meal sites needed more milk, yogurt, and cheese.[68] Both are categories of food that are produced in abundance by Vermont farmers. These data were corroborated in a recent survey conducted by the *Vermont Foodbank's* Agricultural Resources department to assess interest in locally sourced foods. Responding partners of the *Vermont Foodbank* indicated an urgent need for all nutrient-dense foods, with 65% of the respondents stating that their greatest need is for protein (i.e. meat, dairy products, eggs). The greatest demand in general is for meat. The majority (84%) of the responding food sites were interested in increasing the amount of meat they receive from the *Foodbank*. Sites were asked to rank their interest in various types of meat: beef, chicken, pork, wild game and lamb or goat. Of these types of meat, sites showed the greatest interest in obtaining more chicken and beef and were willing to pay more for beef than for chicken. Over 50% of the sites responding to the survey stated that they would be willing to pay $0.50 per pound for beef, while only 29% indicated that they would be willing to pay $0.50 for chicken. A larger number of sites (35%) were willing to pay $0.10 per pound for chicken.[69]

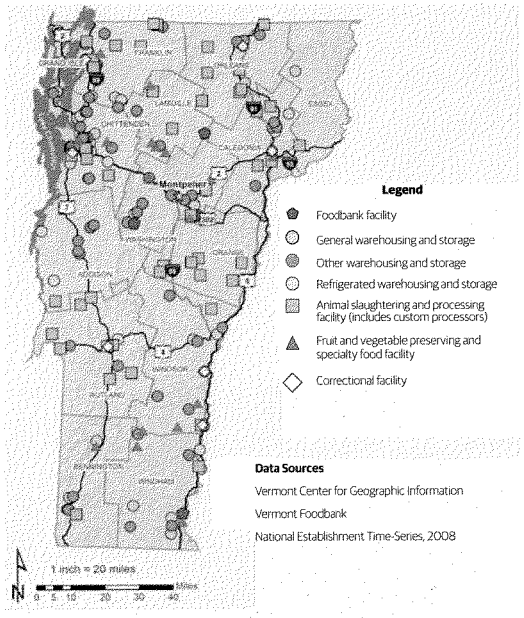
The fact that charitable food sites purchase some of the food they provide, along with their desire for more fruits and vegetables, meats, and dairy products presents an opportunity for introducing more locally produced nutrient-dense food into the charitable food system. These purchases would probably have to be subsidized in some manner to be affordable for most charitable sites. As such, these sales cannot be relied on by any individual farm for the bulk of their profit, but they can provide a reliable market, especially for beginning farmers, as has been demonstrated by the *Farm to Table Program* and by *Post Oil Solution's* low income farmer's market CSA at an affordable housing site.

However, to increase distribution of fresh produce and meat at charitable food sites in Vermont, more on-site storage capacity is needed because most charitable food sites lack sufficient cold storage space. Many food shelves and community meal sites are open only once a week or less, yet very few have the capacity to store fresh food. This lack of cold storage capacity can prevent those who manage these sites from accepting fresh perishable foods from gleaning programs and other donations. Half the respondents to the *Vermont Foodbank* survey do not have access to a refrigerator or freezer, and 69% of the respondents identified cold storage as the greatest barrier to providing more fresh meat and produce to their clients.[70]

Volunteers pack boxes for delivery

PHOTO CREDITS: Vermont Foodbank

Figure D5: Potential Storage and Processing Facilities



Even relatively small investments in storage and processing infrastructure can make a significant difference in an organization's ability to provide local food. As an example, in 2009, the Fairfield Community Center and Food Shelf was able to purchase a new freezer and stove for its kitchen using a mini-grant from the *Vermont Foodbank*. The Center's Director, Nancy Shaw stated:

> *Because of this (grant), last summer we were able to process excess vegetables grown in the Center's Community Garden. Farmers and growers also donated produce that we put by for the winter. We were able to offer chard, squash, berries, broccoli and beans to Food Shelf clients and serve them at our senior community lunches almost up until Christmas time. There's huge potential here [...] Right now the Center is in the process of a metamorphosis, and local, organic food and the promotion of healthy lifestyles seem to be a central theme in the future of our organization.*[71]

The *Vermont Foodbank* and the Vermont Farm to School Network are interested in exploring whether some of the existing food storage and processing infrastructure in the state could be shared. Figure D5 illustrates the locations of existing storage and processing facilities or potential storage and processing locations, such as correctional facilities. An inventory and assessment still needs to be conducted to determine which of these sites would be appropriate partners for charitable food providers or farm to school programs.

Food Rescue and Gleaning Programs

Food rescue is the act of retrieving safe, edible food that would otherwise go to waste.[72] It may include food that has passed its "sell by" date, food that has been over-ordered by restaurants, or produce with cosmetic imperfections. Businesses that donate food to food rescue programs may receive tax credits for their donations, and they are protected from liability lawsuits as a result of the Good Samaritan Food Donation Act.[73] In 2009, the *Vermont Foodbank* rescued 600 tons of close-to-code, perishable, and shelf-stable food from Vermont restaurants, stores, bakeries, cafeterias, food manufacturers, and distributors.[74]

Willing Hands is a nonprofit charitable organization that rescues and distributes food throughout the Upper Valley Region of Vermont and New Hampshire. It was founded

in 2005 by Peter Phippen, an employee of the Hanover Food Co-op who was dismayed by the amount of perfectly good produce that was being thrown away. *Willing Hands* collects food from over 30 donors and distributes it to over 50 charitable and social service organizations in the Upper Valley entirely free of charge. It also provide free cooking classes to recipients and education on how to prepare fresh produce. The *Willing Hands* farming project consists of an organic garden and team of gleaners. Ninety-five percent of the food that *Willing Hands* distributes is unprocessed fruits and vegetables.[75]

In 2009, *Willing Hands* delivered approximately 182 tons of fruit, vegetables, bread, milk, and frozen ground meat to its network of charitable food sites. Of this, 85.3% (including 2.1 tons of frozen, ground meat) was rescued from grocers and wholesalers; 11.5% came directly from local farms (including 5.4 tons of produce gleaned or harvested by *Willing Hands* volunteers and 1 ton of milk donated by a New Hampshire dairy); and 3.2% (or 6.2 tons) was bread from local bakers. They also picked up and distributed 454 trays of prepared food donated by chefs to a local retirement community in New Hampshire.[76]

It is important to note that both the *Vermont Foodbank* and *Willing Hands* rely on rescued foods from local grocers, wholesalers, processors, and restaurants, for the majority of the food that they distribute to people in need in the state. Although not all of these foods may have been raised by Vermont farmers, they are coming from Vermont businesses, and they represent a year-round supply of good, nutritious food that would otherwise go to waste.

Gleaning is a subcategory of food rescue. It refers specifically to the act of gathering produce that is left over from farmers' fields after the commercial harvest. For the purposes of this report, gleaning is defined broadly to encompass all food that is harvested, rescued, or donated directly from Vermont farms, orchards, farmers' markets, home gardens, and **Grow an Extra Row,** or similar programs for provision to the charitable food system. Although numerous farmers and backyard and community gardeners donate extra produce to the *Foodbank* and charitable food sites on an informal basis, five organizations and one individual (the *Vermont Foodbank*, *Willing Hands*, the Intervale Center, *Post Oil Solutions*, Rutland Area Farm and Food Link (RAFFL), and Corinne Almquist) currently run coordinated gleaning programs

Young children help glean carrots at Clear Brook Farm

PHOTO CREDIT: Vermont Foodbank

in Vermont. Combined, these six programs gleaned and donated over 307 tons of fresh produce to 247 food pantries, communal meal sites, senior centers, after-school programs, group homes, and shelters in 2009.[77,78]

The Lamoille Valley, Central Vermont/Washington County, the Greater Brattleboro area, Chittenden County, the Upper Valley, and Rutland and Addison Counties all have coordinated gleaning programs.[79] There are currently no coordinated programs in Bennington, Essex, Franklin and Grand Isle County or parts of Orange County. This is due to a lack of funding for coordinators and not to a lack of interest on the part of either farmers or charitable distribution sites, or to a lack of need on the part of residents. Because gleaning efforts involve extensive and challenging scheduling, logistical management, and organizing of volunteers to ensure that good-quality produce makes it to its destination while it is fresh, gleaning programs are best managed by paid staff.[80]

The *Vermont Foodbank* is currently developing a set of suggested standard practices for the gleaning/donation, collection, and distribution of surplus agricultural products from farmers' markets and community gardens that could easily be adopted by home gardeners. In the future, the *Vermont Foodbank* will be looking to farmers' market managers, citizens, charitable food sites, and regional food centers to help educate communities about the potential of these community-based efforts.[81] To expand gleaning in Vermont, directors of current gleaning efforts strongly believe that regional coordinator positions need to be funded throughout the state.

Community Food Security Projects

This section presents an overview of the food security projects that strengthen a community's capacity to meet their own food needs. It highlights efforts that work to build the capacity of Vermont communities to grow, access, and utilize food for themselves.

Although there will always be a need for the social safety net provided by the charitable food system, the long-term goal of a truly secure food system in Vermont is to maximize the ability of all of our residents to purchase or cultivate food for themselves whenever possible. Community food security is 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."[82] To address hunger and malnutrition, the community food security framework uses a whole systems approach and emphasizes building a community's resources to meet its own food needs.[83]

In contrast to the charitable systems' necessary approach of providing free and low-cost food to people in need, community food security programs seek to build capacity and infrastructure to enable individuals and communities to grow, access, and prepare fresh, nutritious foods for themselves in a long-term sustainable manner. Using local resources, leadership, and volunteers, community food security stresses collaboration and partnership across often disconnected sectors. For example, public health employees, grassroots organizations, farmers' market organizations and youth programs can work together on common projects related to increasing food access

Farm to School Programs

Farm to school programs strengthen communities' capacity to feed themselves by (1) building direct relationships between schools and farms and (2) educating children about where food comes from, how to prepare fresh whole foods, and how to have a healthy diet. Since children from food-insecure families often get assistance for school meals, integrating local food into these meals is an excellent opportunity to increase local food consumption among food-insecure children in Vermont while providing an additional commercial market for farmers.

In 2006, Vermont's legislature passed the Rozo McLaughlin Farm-to-School Act (Act 145). This program provides grants and technical assistance for schools to purchase food from neighboring farms and incorporate education about agriculture and nutrition into their curricula. Since the passing of Act 145, the VAAFM's Farm to School grant program has provided $380,000 to schools and school districts to plan or implement Farm-to-School programs[84] and $60,000 to *Vermont Food Education Every Day* (VT-FEED) and other organizations to provide technical assistance to schools. To date, 44 schools and school districts have received funding through this program. Currently, at least 16 of the 44 schools receiving Farm to School grants have 50% or more of their students receiving free or reduced-price school meals.[85] There is also a limited amount of funding available for equipment through the *Vermont Department of Education*.

There are currently farm to school programs of different stripes in every county, many of them operating without the benefit of Act 145 grants.[86] *Green Mountain Farm-to-School* coordinates efforts at 21 schools in the Northeast Kingdom, *Upper Valley Farm to School* works with 9 schools in the Upper Valley Region of Vermont and New Hampshire, and Vermont-FEED has been able to bring Farm to School initiatives to more than 75 schools throughout the state. There are also a few independent Farm to School projects that are not affiliated with any of the preceding programs. All in all, over 100 Farm to School projects are either in planning or implementation stages in Vermont's schools. The VAAFM estimates that each school with a Farm to School program spends, on average, $3,000 on food at area farms.[87]

As with the charitable food system, limited food storage and processing capacity present challenges for schools that want to integrate local food into

their menus. Contemporary school kitchens are not designed to cook large amounts of whole foods; rather they have been designed to warm and serve processed and prepared foods. To date, every Farm to School grant recipient has needed to invest in new equipment to process and store local products. When these investments have been possible, they have resulted in improved diet-related behavior among students. For example, Woodstock Union High and Middle Schools reported an increase in lunch participation from 50% to 65% of students.[88] Adding salad bars, in particular, has been an effective vehicle to get students to eat more fresh fruits and vegetables, and it is relatively easy to integrate local food into salads.

Vermont-FEED conducted a successful pilot study to create opportunities for Vermont growers and processors by lightly processing and freezing Vermont vegetables and fruits for use later in the school year.[89] By transitioning away from products that Vermont producers cannot produce to those they can, such as lightly processed vegetables or ground beef, school food services can effectively increase the market potential for Vermont farmers.[90]

Although there is enormous potential to increase food access and the use of local products in Vermont schools, and simultaneously grow the market for local food producers, processors and distributors, the cost of programs like those mentioned is a significant barrier. Funding is needed to complete assessments of school infrastructure, provide school kitchens with appropriate equipment to process perishable food, deliver information about resources to food service directors, conduct trainings for food service directors and staff, and reward schools for making efforts toward local food purchases. This funding is extremely difficult to secure using current revenue streams. Supplemental funding would help schools make the first steps toward securing food access for all students and increasing the use of local foods, but long-term funding is dependent on changing administrative expectations of school food service.

Community Gardens

Community gardens promote community well-being by providing land, tools, and educational opportunities for people to grow food for themselves and others. Vermont has over 180 community gardens. This number includes school and teaching gardens, neighborhood gardens, and allotment gardens. Many of these gardens serve low to moderate income households.[91] In Burlington alone, over 2,000 people participate in community gardens or benefit from other types of group gardens. Chittenden County has the highest number of allotment- style community gardens with more than 25 for the county. In addition to providing Vermonters with fresh food, community gardens provide a number of other social benefits, including exercise, education, and a sense of connection to nature and other people. When asked about the benefits of community gardening, respondents to a survey ranked improved diet and nutrition as the most important benefit, followed by learning and education, connection to nature, recreation and community, and saving money on food costs.[92]

Garden at the Underhill School

PHOTO CREDIT: Friends of Burlington Gardens

In a survey conducted of members of the Vermont Community Garden Network for the F2P Strategic Plan, 43% of respondents felt that most of the gardeners at their site do not grow enough produce to meet their household needs. However, one third of respondents (36.8%) grow just enough to meet their households needs, and nearly

20% felt that most of the gardeners at their site grow more than enough to meet household needs. A significant amount of respondents (62%) share surplus produce with friends, family, and neighbors, while 24.5% stated that most gardeners at their site bring surplus produce to a local food shelf, and 4.7% said that gardeners grew extra produce for a Grow an Extra Row project. Approximately one quarter, or 24.1% of respondents gave away or donated between 10 and 30 pounds of produce in 2009.

The *Friends of Burlington Gardens/Vermont Community Garden Network* has received federal funds to enhance farm to school programs by supporting community gardens established on land at or adjacent to 40 of Vermont's 393 public schools. The 40 school-community gardens will receive mini-grants and technical assistance from *Friends of Burlington Gardens* to develop their garden sites. *UVM Extension Master Gardeners* will provide on-site support. The gardens will enhance the school and summer programs of collaborating nonprofits, including Vermont-FEED, *Green Mountain Farm-to-School*, *Upper Valley Farm to School*, and *Hunger Free Vermont*.[93]

Figure D6: Community Garden Food Usage, 2009

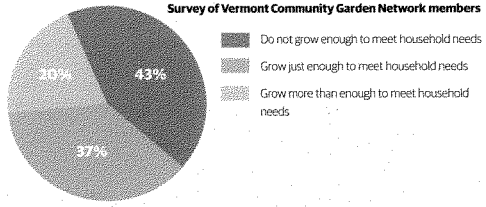
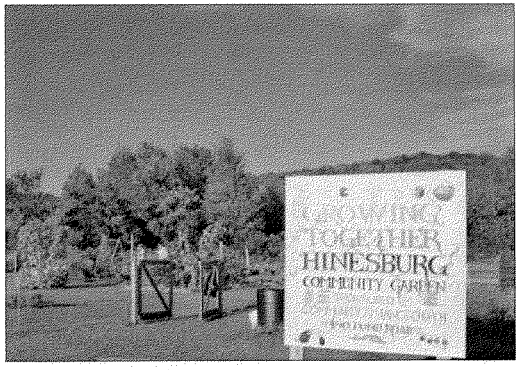


Figure D7 illustrates the location of school and community gardens as well as schools with farm to school programs in relation to the percent of the population enrolled in SNAP by county. It also identifies individual schools where greater than 50% of the students are eligible for free and reduced-price meals, and which of these schools have a farm to school program in place.

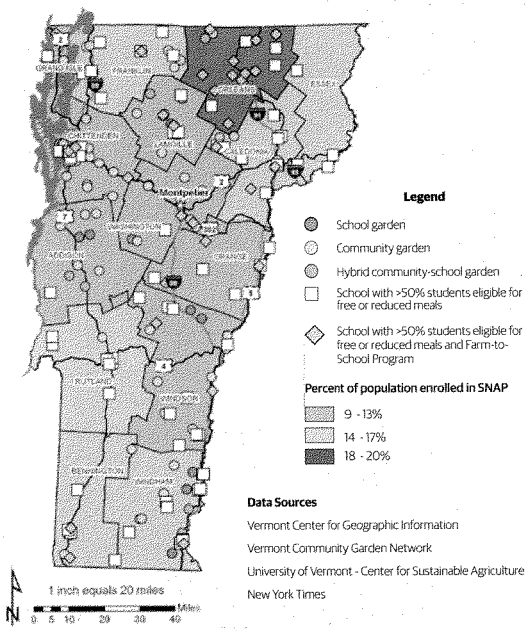
Community gardens and related programs are increasing in number throughout Vermont, there are challenges to ensuring the continued success of these gardens. Although funding is available to start new community garden projects, obtaining funding to maintain or improve established programs is often difficult.[94] Continued funding and technical assistance are needed to help established community and school gardens reach even more households in limited income communities. Specifically, funding is needed to (1) compensate for sliding scale/reduced to free fees to encourage more participation of low income households; (2) install infrastructure improvements including greenhouses, raised beds, and water hook-ups; (3) improve publicity and outreach especially to novice gardeners and non-English speakers; and (4) establish gardens within walking distance of low income neighborhoods.



Hinesburg Community Garden

PHOTO CREDIT: Friends of Burlington Gardens

Figure D7: Community and School Gardens, Farm-to-School Programs, and Schools with >50% Students eligible for Free or Reduced Meals



Regional Food Centers

Vermont currently has eight regional food centers: (1) the Intervale Center (Chittenden County and surrounding areas); (2) Vital Communities Valley Food and Farm (the Upper Valley of Vermont and New Hampshire); (3) Rutland Area Farm and Food Link (RAFFL — Rutland County and surrounding areas); (4) Local Agricultural Community Exchange (LACE — Central Vermont); (5) Post Oil Solutions and Great Falls Food Hub (Windham and Windsor Counties in Vermont and Sullivan and Cheshire Counties in New Hampshire); (6) Food Works at Two Rivers Center (Central Vermont); (7) The Center for an Agricultural Economy (Greater Hardwick Area); and (8) the Addison County Relocalization Network (ACORN).

In a collaboratively written document, these entities defined themselves as follows:

> *Organizations that work within regions of the state with communities and seek to increase physical and organizational infrastructure to support Vermont farms, local agriculture economies, and the health and vitality of Vermont communities. They work to expand local food access, shorten supply chains, promote fair prices to farmers, increase efficiency, and support the success of farmers and food related business.*[95]

As such, the regional food centers can potentially play an important role in improving the access, availability, and use of fresh and local foods for all Vermonters by addressing food systems development. Some of the regional food centers' programming currently addresses food storage, processing, and distribution infrastructure within their individual regions. A number of the regional food centers explicitly include food security as a critical part of their mission and run innovative projects to improve food security in their areas. Some of the specific ways the regional food centers are working to strengthen community food security are listed in Table D2. Some of the strategies that hold particular potential for improving community food security that some regional food centers are pursuing include (1) providing infrastructure for limited-income or beginning food entrepreneurs; and (2) creating economies of scale by aggregating product for distribution by charitable food sites.

Vermont's local food landscape is constantly changing as many communities embrace the mission of strengthening their local food systems. As such, this table includes the

oldest and most well-established programs, but does not include new programs or organizations that are expanding their missions to serve as Regional Food Centers. For example, *Green Mountain Farm to School* is now aggregating and distributing product to other food service providers in addition to schools, and Johnson/Lamoille County, the Greater Falls (Bellows Falls) area, and South Royalton are all exploring creating regional food "hubs."

Providing Infrastructure

LACE is a nonprofit organization located in downtown Barre. The LACE building contains a grocery market, a café, and an incubator **community kitchen** to help area food entrepreneurs start their new businesses. It also provides a processing facility to local farms interested in adding value to their products. The community kitchen was made possible by a partnership between LACE and the *Central Vermont Community Action Council's (CVCAC) Microbusiness Program*. CVCAC's staff assists entrepreneurs who wish to use LACE's kitchen with business planning, classes in finance and marketing, and individual coaching. LACE offers access to local ingredients, networking with the community, and a market to test sales of products. The kitchen also provides an educational space for community classes on cooking, diet and nutrition.[96] As of early 2010, seven food entrepreneurs were using the LACE kitchen to prepare the foods for their businesses. Similarly, the *Intervale* is collaborating with the *Association of Africans Living in Vermont* to provide land and training to refugee and immigrant farmers hoping to get started in agriculture in Vermont.

Table D2: Regional Food Center Community Food Security Strategies

STRATEGY	ORGANIZATION
Collaborating with the Vermont Foodbank and/or Willing Hands in developing gleaning programs for their region	Intervale
	RAFFL
	ACORN
	Post Oil Solutions
Revitalizing or building production, storage and/or processing infrastructure — especially for limited-income beginning food entrepreneurs	Intervale
	Food Works at Two Rivers Center
	Center for an Agricultural Economy
	Post Oil Solutions
	LACE
	RAFFL
Coordinating purchasing agreements between local farmers and the charitable food system	Food Works at Two Rivers Center
	RAFFL
	Center for an Agricultural Economy
Working with regional planning commissions and conservation districts to preserve and utilize prime agricultural lands	RAFFL
Acting as a resource for area food councils	Food Works at Two Rivers Center
	Vital Communities
	RAFFL
Working with economic development agencies and community action councils on the development of incubator farms and kitchens to provide jobs for community entrepreneurs	Intervale
	LACE
	RAFFL
	Center for an Agricultural Economy
	Post Oil Solutions
Bringing cooking, nutrition, and gardening classes to affordable housing sites	Food Works at Two Rivers Center
	Post Oil Solutions
	Vital Communities
Leveraging funding to build connections among local communities, farmers, and charitable food sites	Center for an Agricultural Economy

Aggregating Product

RAFFL developed a **Grow the Longest Row** effort as an alternative to gleaning and as a means of incorporating excess food from local farms and gardens into the charitable food system. Rather than sending volunteers to farms to glean, gardeners and farmers bring produce they wish to donate to the Rutland farmers' market where it is picked up at the end of the market. From there it is brought to *Thomas Dairy* for cold storage and stored in tubs donated by local hardware stores. On Mondays, the produce is picked up and delivered to area food pantries and social service agencies. In the first year of the program (2009), RAFFL distributed over 10,000 pounds of food, consisting of 45 different varieties of fruits and vegetables, over 100 dozen eggs, plus meat and cider, from 26 farms and gardens to over 17 agencies. This program also demonstrates the creative use of existing storage space at *Thomas Dairy* to meet a community need.[97]

Farm to Table, a program developed by *Food Works at Two Rivers Center* provides a model for introducing locally grown produce into the charitable food system in a way that benefits both farmers and charitable sites. Now in its sixth full year, Farm to Table acts as a nonprofit wholesaler of local foods (primarily produce) within Central Vermont, serving schools, senior centers, hospitals, community mental health programs, and emergency food pantries. Most of these meal sites serve nutritionally at-risk populations, and receive subsidies from the Farm to Table program. This enables them to purchase healthy, local foods at affordable prices, while ensuring that the farmers receive fair market wholesale rates for their high-quality organic products. The program is primarily funded by private grants. However, it has recently begun reaching out to non-low income populations (such as businesses, institutions of higher learning, and households who have formed buying clubs) who pay a mark-up above the farmers' wholesale price, which enables the program to generate some of its own revenue to continue offering subsidies to the high-need meal sites. In 2009, Farm to Table purchased $83,241 from 22 local growers and two producers of locally-grown food, and distributed it to approximately 60 sites. Sales rose dramatically in 2010, due at least in part to the opening of the root cellar and distribution center at the *Two Rivers Center*. Food education is also an important part of the program; *Food Works* staff works directly with the food service personnel, providing them with the workshops, resources and encouragement they need to use fresh produce and to cook with the seasons.[98]

D4. ANALYSIS

Access, Availability, and Utilization

To conceptualize how programs in Vermont can address the issue of food security, we have used an internationally recognized framework that divides food security efforts into three categories: access, availability, and utilization.

> **Food access** is the way people obtain available food. Normally, food is accessed through a combination of home production, stocks, purchase, barter, gifts, borrowing, and food aid. Food access is ensured when communities and households and all individuals within them have adequate resources, such as money, to obtain appropriate foods for a nutritious diet. Access depends on income, and on the price of food. It also depends on market, social and institutional entitlement/rights to which individuals have access.
>
> **Food availability** in a country, region, or local area means that food is physically present because it has been grown, manufactured, imported, or transported there. For example, food is available because it can be found in markets; because it is produced on local farms, on local land, or in home gardens; or because it arrives as aid.
>
> **Food utilization** is the way people use the food and is dependent on the quality of the food, its preparation and storage method, nutritional and cooking knowledge, as well as on the health status of the individual consuming the food.

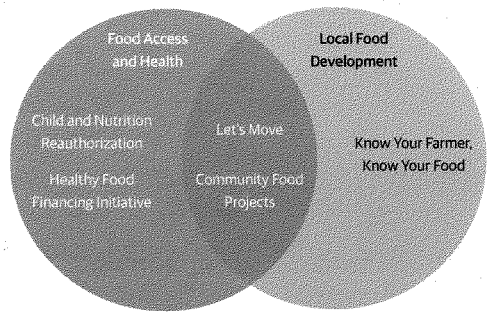
The objectives and strategies listed in the section *Getting to 2020* are drawn from the insights and experiences of many individuals and organizations as well as from reports and online resources. We have highlighted those strategies that we believe create the greatest opportunity for increasing food access and integration of local food into Vermont's emergency and supplemental food systems. Strategies vary in both cost and duration of implementation. We have attempted to present a range of options. Some can be achieved in a short time period, while some will take many years to put in place. Some come with a high price tag while some are relatively inexpensive. Some are policy changes that will require collaboration with the state, while some can be implemented at the grassroots level.

Access: All Vermonters will have access to fresh, nutritionally balanced food that they can afford.

Opportunities at the Federal Level

On a national level, there is increasing federal support for increasing access to healthy food in U.S. schools. Specifically, First Lady Michelle Obama's *Let's Move* campaign[99] promises to increase education around food choices for families, increase support for school meal programs, increase physical education and activity, and address food deserts in the United States. In keeping with this initiative, the Obama administration is seeking strong reauthorization of the **Child and Nutrition Act** and has released $400 million as part of its **Healthy Food Financing Initiative**, the goal of which is to eliminate food deserts by bringing retailers that stock healthy food to underserved regions in the country. This initiative is a collaborative effort on the part of the Departments of Treasury, Agriculture, and Health and Human Services.[100] These efforts will be moved forward by offering tax credits to stores that open in distressed and economically disadvantaged areas, and through additional support to community development financial institutions. The USDA will make additional loans and grants

Figure D8: Good Things in Progress on the Federal Level



available for projects that increase access to healthy food for low income Americans. Community development organizations will also have access to increased funding to support retailers, farmers' markets, and other markets that increase the accessibility of fresh, healthy food.[101]

There is also increasing support for local food systems coming from the USDA, as seen in public statements issued by USDA Secretary Tom Vilsack and Deputy Secretary Kathleen Merrigan. The *Know Your Farmer, Know Your Food*[102] initiative's goal is to create new economic opportunities for American farmers. Part of this initiative is increased funding for Community Food Projects, which seek to meet the needs of low income Americans in underserved areas. According to the USDA, "The primary goals of the Community Food Projects program are to (1) meet the food needs of low-income individuals; (2) increase the food self-reliance of low-income communities; (3) promote comprehensive responses to local food, farm and nutrition issues; and (4) meet specific state, local or neighborhood food and agricultural needs, including needs relating to infrastructure improvement and development, planning for long-term solutions and the creation of innovative marketing activities that mutually benefit agricultural producers and low-income consumers."[103]

Opportunities in the Charitable Food System

A number of food advocacy organizations in Vermont are pioneering new models for providing fresh, locally grown food to the charitable food system. In addition, other states have modeled innovative new tax structures and programs that enhance agricultural viability and food access efforts. This section highlights a few of the most notable efforts.

Gleaning Coordinators

In 2009 the gleaning program at the Vermont Foodbank received 408,806 pounds of donated produce with a market value of $483,379. They achieved this using only four gleaning coordinators in four regions of the state.[104] If the state had more gleaning coordinators and a system for collecting donations, these organizations and others like them would be able to rescue a much greater quantity of food that might otherwise go to waste. **The need exists for 8 to 10 regional coordinators throughout the state**

PHOTO CREDIT: Center for Sustainable Agriculture

Child lends a helping hand to glean cabbages at Clear Brook Farm

contributing an average of 20 hours per week year-round. Regional coordinators could be affiliated with the *Vermont Foodbank*, *Willing Hands*, regional food centers, Community action agencies, and/or other organizations within a region, such as some of the NOFA-VT farm to community mentors. Food could be stored at regional food center facilities once established, at a willing farm, or within an already existing storage facility (e.g., *Vermont Foodbank* distribution centers).[105] Food collected through these programs can be distributed through established networks or utilized by community groups. For example, *Post Oil Solutions* in Windham County has collaborated with the *Foodbank* in the past to use gleaned produce for onsite cooking demonstrations, in community meals, and canning demonstrations. Funding for coordinators should include monies for programmatic and operational needs (i.e., storage for field supplies, field vehicles, and administrative supports such as phones and laptops, as well as salaries). Gleaning coordinators should be established first in regions where there is great need but little activity, such as the Northeast Kingdom, the Lake Champlain Islands, and Bennington County, with one new coordinator added to the state every year.

Proposed Donated Crops Tax Credit for Vermont Farmers

Currently, farmers who donate produce to the charitable food system are told that they can write off the donation on their taxes, but in most case they are not able to do so. This is because taxpayers can deduct an expense only once, and since most farmers write off seeds as a business expense they cannot also deduct the cost of a mature plant as a charitable donation.[106]

A number of states, including Oregon, Arizona, Colorado and California, have tax policies that allow farms to deduct charitable donations of agricultural products. The *Vermont Foodbank* has proposed a tax credit for farmers based on these programs. If Vermont passed a state refundable tax credit to Vermont farmers who donate agricultural products to 501(c)(3) nonprofits that have an ongoing purpose to distribute food to Vermonters in need at no cost, it would encourage more farmers to donate food that might otherwise go to waste to the charitable food system. The tax credit would apply to all farm products including produce, dairy products, and meat.

Instituting a state refundable tax credit for a percentage of the value of all donated food would reimburse farmers for making donations to gleaning programs and encourage more farmers to participate in gleaning programs. The tax credit would allow Vermont farmers to apply for a credit equaling 25% of the market value of the donated goods at the time of donation. Donations would be receipted by the receiving organization, and the market value would be determined by the donor. As an example of the impact of such a tax credit, a 25% credit would have cost the state approximately $121,000 in 2010 based on the $483,379 value of the produce gleaned by the *Vermont Foodbank*. The dollars would go directly to the farmers. The *Vermont Foodbank* presented a proposal for such a tax credit for farmers during the 2010 legislative session, based on a similar statute passed in Oregon in 2001.

Proposed Foodbank Program for Donated Dairy Beef

The current Federal USDA School Lunch policy states that schools can only use meat from USDA inspected slaughterhouses, yet in many ways, state inspection is the equivalent of USDA inspections. A pilot program should also explore the potential of using state inspected slaughterhouses to provide meat to schools.

Currently, dairy beef cows are shipped to packing companies out of state, where the beef is then distributed to restaurants and chain supermarkets. A 2006 study conducted by the VAAFM estimated that between 19,000 and 30,000 dairy cows are culled in the state every year. According to a recent study commissioned by the *Vermont Foodbank*, the 82,000 Vermonters served by the *Vermont Foodbank* could consume up to 2,624,000 pounds of ground beef per year. Meat from the dairy beef cows could translate into 15,000,000 pounds of beef.[107]

The *Vermont Foodbank* is currently exploring options that would facilitate the donation of dairy beef cows to the charitable food system. A number of other states including Idaho and Montana have similar programs whereby farmers can donate cattle to the charitable food system. The *Foodbank*, an intermediary organization, or the VAAFM could coordinate the processing and distribution of the beef. The seasonality of meat production places the greatest pressure on slaughterhouses from August to December. However, dairy cows are culled every day, year round. If the *Foodbank* or another organization ran its program from January to July, in addition to providing locally raised protein to people in need, it could help keep Vermont slaughterhouses operating at full capacity year-round.[108]

However, as discussed earlier, many receiving organizations lack the storage and processing capacity to handle much perishable or temperature-sensitive food. This issue will need to be addressed before launching a large-scale rescue and distribution program for locally raised meat.

Community Kitchen Job Training Program

The *Vermont Foodbank* partners with the *Chittenden Emergency Food Shelf* and the *Champlain Valley Office of Economic Opportunity* to run the community kitchen program. The community kitchen program helps unemployed and underemployed men and women build the skills and prepare for a career in the food service industry while also turning donated, rescued, and gleaned food into meals for food-insecure Vermonters. Students in the program intern at *Sodexo Corporation* sites in Burlington, including at *UVM Sodexo Campus Services*. In 2008, the Community Kitchen program processed and distributed 288,805 pounds of food sourced from the *Intervale* as well as supermarkets and other food rescue sources. Other food banks around the country have instituted similar job training programs to help food bank clients develop skills and become fully employed.[109]

Opportunities in Community Food Security

Vermont has a number of projects that work to buid the capacity of Vermont communities to grow, access, and use food for themselves. One of the most successful district-led farm to school efforts in Vermont is the *Burlington School Food Project* (BSFP), a collaboration of many partners including *Shelburne Farms* (Sustainable Schools Project), *Burlington School Food Service*, *Friends of Burlington Gardens* (Healthy City Youth Initiative), Vermont-FEED, and *City Market/Onion River Co-op*. The group has made significant progress in shifting the food culture in Chittenden County by addressing access, availability, and utilization of local food in several key ways (1) The Burlington School district provides a livable wage ($15.23 in 2010) for food service employees; (2) school employees work with local producers to provide food or develop new products that are affordable for local schools and manageable for food service employees; and (3) the program works to increase food access while simultaneously reducing the stigma experienced by students who receive assistance for school food.

In addition to its work addressing cultural changes around food and food service in schools, BSFP has dramatically increased access to local food and fresh fruits and vegetables (from any source) for students in the *Burlington*

Making a community meal in a commercial kitchen

PHOTO CREDIT: Vermont Foodbank

School District. In 2003, the dollar value of fresh fruits and vegetables purchased by the *Burlington School District* totaled $5,000. This increased to $120,000 in 2009. The value of local food (primarily sourced directly from farmers) in 2009 was $90,000. Key to the success of this effort is the work of the *Vermont Food Service Directors Association*, a group of 135 schools that work together to negotiate contracts and make local food more accessible for schools. A critical change made by the Burlington School District that has helped the BSFP make great strides in their food procurement strategies is the creation of a farm to school coordinator position. The coordinator is responsible for working with food service employees to create new menu options that incorporate locally available food, as well as act as a liaison between local farms and the school district.

Vermont Agency of Agriculture, Food and Markets Beef to Schools Program

Both the Vermont Foodbank and the VAAFM in partnership with Vermont-FEED are exploring options for providing local ground beef to the charitable food system and Vermont schools, respectively. While the *Foodbank* is proposing a program through which farmers would receive a tax credit for donating dairy beef cows to the charitable system, the VAAFM and Vermont-FEED are proposing that schools would purchase beef from cattle farmers at a fair market price.[110] A pilot program on ground beef would identify the logistical, infrastructure, and policy issues; determine the costs associated with operating each proposal; determine where economies of scale can be used by aggregating product; and determine the potential economic benefits for farmers, processors, and distributors selling beef through the VAAFM program.

In October 2008, the VAAFM surveyed 250 food service providers throughout the state to assess their interest in introducing locally produced ground beef into school meal programs. Of the 44 food service directors that responded to the survey, most were amenable. They indicated that they would purchase frozen patties of local beef if they were of "consistently high quality" and "competitively priced." Sixty-four percent were willing to purchase local frozen ground beef at a cost of "10% more than what they are currently paying." At the time, respondents paid distributors an average of $2.41 per pound for bulk ground beef or beef patties. The following year, food service staffs in 10 schools were asked to try local ground beef from market dairy cows.

PHOTO CREDIT: Food Works at Two Rivers Center

Shared meal with participants of Good Food, Good Medicine program in Barre

Schools paid $2.05 per pound for local ground beef and $2.50 per pound for local beef patties. Again, the response was favorable. The author of the report concluded that if VAAFM or another organization, such as a farm to school program or a regional food center, were able to make the price of locally sourced beef competitive by creating economies of scale, a beef to schools program[111] could increase the amount of local protein in Vermont schools, as well as providing Vermont farmers with a predictable market.[112]

Currently, some schools around the state including the *Doty School* in Worcester, *Sharon Elementary School* and *Randolph Elementary School* are buying local beef directly from the processor such as *Royal Butcher* in Randolph, but as of yet there is no consistent affordable option through a wholesale distributor. The *Doty School* was able to reduce the cost of the meat by purchasing entire sides of beef with a neighboring farmer and then arranging for the processing themselves. *Green Mountain Farm-to-School* helps six schools and four senior meal sites purchase local beef from *Brault's*.

Slaughterhouse through its Green Mountain Farm Direct program. *Green Mountain Farm-to-School* is working with *Brault's* to develop a supply chain, storage system, and audit trail so that sites would know exactly which farm the beef came from.[113]

Food Councils and Community Food Assessments

Many communities around Vermont are in the process of creating groups to create food plans and implement policies that will address food security in a systematic manner. Examples include the Rutland Regional Planning Commission (RAFFL began as a project of the Regional Planning Commission), the Central Vermont Food Council (which is currently inventorying and mapping its agricultural assets), the Waterbury-Duxbury Food Council, the Burlington Food Council, the Upper Valley Food Council and ACORN.

Food councils bring together stakeholders from diverse sectors to examine how a food system is working and develop recommendations on how to improve it. Food councils can be particularly effective at integrating food security issues into government policies. Today there are over 50 food policy councils in the United States.[114] Founded in 2003, the *Burlington Food Council* is one of the oldest in Vermont and has helped launch a number of influential community food security projects in the Burlington area, including the *Burlington School Food Project*, and has conducted a community food assessment.[115]

A community food assessment is a process for discovering community food needs and assets, with the goal of developing projects and policies that will improve food security for all residents. Assessments may include interviews, focus groups and surveys, and can vary in the degree to which they integrate citizens in the process. The more participatory community food assessments can be particularly powerful in bringing residents together and building social capital as neighbors learn about one-another and develop projects to address hunger in their communities.[116, 117] Hunger Free Vermont, in partnership with Northfield Savings Bank, has been piloting the Community Hunger Assessment, Intervention, and Resources Project (CHAIR) in Washington and Chittenden Counties since July 2006. Over a three-year period, the program has succeeded in creating hunger councils in both counties that have been able to significantly increase participation in nutrition programs.[118]

In Brattleboro, the Community Food Security Project of *Post Oil Solutions* conducted a rapid community food assessment between December 2008 and April 2009, resulting in the publication of a report in June 2009. The assessment revealed that the barriers to greater food security are often related to structural problems that are not unique to the Brattleboro area, including lack of understanding of community food security, lack of jobs, lack of livable wages, lack of local food system infrastructure, lack of time, convenience as a priority, lack of nutrition education, and an overall societal mentality that values cheap food. In responding to the barriers identified, participants had many ideas about how government, business, and community or civic organizations can and should participate.[119]

Food councils and community food assessment efforts should be supported and expanded throughout Vermont to allow towns to consider how they will include community food security and issues around access, availability, and utilization of food in their town plans — including everything from the use of agricultural lands, to public transportation routes, to providing for residents in emergencies.

Storage, Processing, Aggregation, and Transportation Infrastructure

Very few food shelves or meal sites have the capacity to store fresh food. This lack of cold storage facilities can prevent those who manage these sites from accepting fresh perishable foods through gleaning and donation. Similarly, although some schools are able to store and process fresh foods on site, many do not have sufficient equipment and other infrastructure to do so, thus hampering their ability to serve fresh, local foods. If central locations could be identified or developed where perishable foods could be kept cool for up to a week, food shelves could then use locally harvested foods on an as-needed basis. If processing centers were available, foods that are highly perishable, such as tomatoes, or slightly compromised, such as winter squashes with some soft spots, could be frozen or processed into shelf-stable products, thus decreasing the loss of fruits and vegetables, and increasing the amount of local produce available to food shelves on a year-round basis.

An inventory should be conducted to identify existing storage and processing facilities that could also be used to store and prepare food for schools and charitable food sites. It would be critical to include existing businesses and entrepreneurs in this inventory

and assessment. For example, the *Skinny Pancake* restaurant and NOFA-VT have designed a proposal for a shared commercial kitchen that would provide food for *Skinny Pancake's* for-profit ventures and also for the food service programs within the *Burlington School District*.[120] Similarly, a portion of the *Vermont Refrigerated Storage* facility in Shoreham could be used to store produce for charitable food sites in Addison County. Programs also could be developed at Vermont Correctional facilities to process locally raised foods for the charitable food system at low cost while simultaneously providing job training in the food service industry for inmates.[121]

Programs such as *Food Works at Two Rivers Center's* Farm-to-Table, RAFFL's Grow an Extra Row, and *Green Mountain Farm-to-School's* farm direct program can and are creating economies of scale by aggregating fresh and processed foods for distribution to schools, senior meals sites, hospitals, and restaurants in their regions. Currently, these programs are funded by grants, although the Farm to Table model is increasingly moving toward a mechanism whereby higher income members such as *National Life Insurance* subsidize memberships for charitable organizations and low income members. Similar subsidized aggregation models could be implemented to distribute local foods to charitable food sites throughout the state.

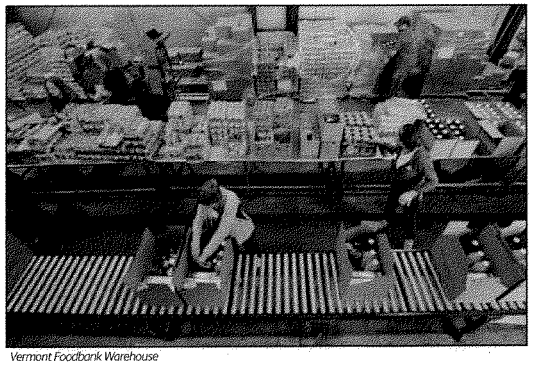


PHOTO CREDIT: Vermont Foodbank

Vermont Foodbank Warehouse

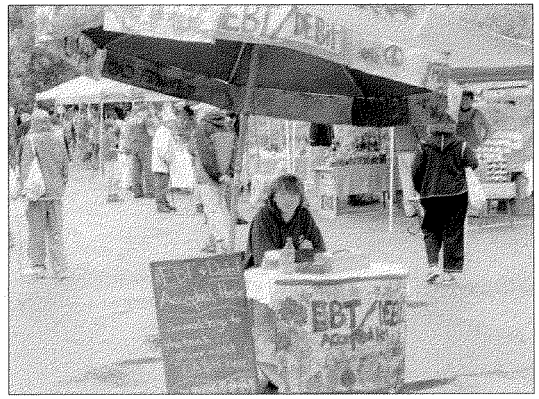
Many of Vermont's existing public transit routes already include grocery stores and access to downtown areas where farmers' markets are located. The statewide Elderly and Disabled program also accommodates single trips for essential shopping to anyone who is 60 or older or disabled. However, in preparing for the *Vermont Agency of Transportations'* (VTrans) upcoming five year Public Transit Policy Planning process, Regional Planning Commissions, in collaboration with local transportation providers and the Public Transit Section of VTrans, could broaden access to food by paying special attention to: (1) building grocery store stops into public transit routes that currently lack them; (2) adding farmers' market stops on the days of market operations; (3) ensuring that affordable housing projects and senior centers have reliable public transportation connecting them to food shopping, food shelves, and meal sites; and (4) working with other organizations to advertising all options for reaching food through public transportation.[122]

Integrate Local Purchasing in Food Assistance Programs

WIC

In coming years, WIC benefits will be administered exclusively through EBT cards. The first step in this direction is the newly introduced WIC fruit and vegetable vouchers. Currently, the WIC fruit and vegetable vouchers can be used only in locations that have been authorized by WIC, which currently includes grocery stores and some food co-ops.[123] The card is not currently used in direct market venues such as farmers' markets or CSAs, though other states have used vouchers in order to increase benefit access in direct market venues. To ensure that recipients of WIC benefits are able to access fruits and vegetables that are fresh, nutritious, locally produced, and competitively priced, farmers' markets and other direct markets should be included in planning related to the transition from WIC home delivery to WIC EBT. On a national scale, WIC fruit and vegetable benefits generate a $500 million dollar annual market for fresh fruits and vegetables. Capturing even a fraction of that market would greatly increase the vitality of the Vermont local food economy.[124]

The *Farm to Family* program is highly successful in providing opportunities for WIC participants, seniors, and other low income Vermonters who experience food insecurity to access fresh, nutritious, locally grown, and competitively priced produce



EBT and debit card access helps to make shopping at local farmers' markets convenient and easy

at farmers' markets. Even with the additional federal funds received in 2010, the $159,000 program budget is sufficient to serve only about 10% of the Vermont households that qualify. Some, perhaps half, of the eligible Vermonters may disregard the program because they are not interested in fresh produce or lack ready access to a farmers' market offering a good selection of fresh fruits and vegetables. To increase access to *Farm to Family* benefits for the other eligible Vermonters, however, the program needs additional financial support until federal allocation procedures are revised to better serve Vermonters. Any significant program expansion would be feasible only if the state and local agencies that distribute the coupons and reimburse farmers' markets for the value of redeemed coupons have the staff and other resources required to manage the expanded operating costs and workload.

3SquaresVT/SNAP

3SquaresVT/SNAP benefits are transferred electronically to recipient Electronic Benefit Transfer (EBT) cards on a monthly basis. These debit cards can be used at any location that is authorized by the USDA – Food and Nutrition Services (FNS). Before this electronic banking system was implemented in 2002, food stamp recipients were able to use paper food stamps at farmers' markets, farm stands, and other direct market venues. Since the transition to the electronic system, local food advocates in Vermont have been working hard to increase the prevalence of wireless card readers at Vermont farmers' markets.

In 2007, NOFA-VT and several partners (including the *Department for Children and Families*, *Hunger Free Vermont*, the VAAFM, and two Vermont resource conservation and development councils) initiated Vermont's first grant program to help farmers' markets set up central card readers to be shared by all vendors of the market. This was done by subsidizing the cost of the card readers (which can cost around $1,100), providing technical support for market managers, and helping with a promotional campaign for the market. Though NOFA-VT and its partners have done (and continue to do) an excellent job of getting card readers to many farmers' markets, this access needs to be expanded to all farmers' markets, as well as to CSAs, farm stands, and other direct marketing venues in Vermont. One way that the State of Vermont could support this is by covering all EBT wireless transaction fees at farmers' markets ($0.15 per transaction). The federal government would reimburse Vermont up to 50% of the cost.[126] The potential economic impact of capturing federal food assistance in direct markets should not be underestimated.[127, 128]

In a state characterized by its rural landscape, with limited public transportation options in many communities, it is of great importance that all eligible retailers be required to accept EBT cards. This policy change necessitates education geared towards retailers that includes staff training in 3SquaresVT requirements and basic principles of nutrition. In addition, training must include customer service specifically targeted towards decreasing perceived stigmas related to the use of SNAP benefits. To decrease cost and increase efficiency of these trainings, Vermont WIC and the *Department of Children and Families* should collaborate to offer trainings that address both WIC Fruit and Vegetable Benefit Cards and SNAP EBT cards.

PHOTO CREDIT: NOFA-VT

Often, families who do not receive 3SquaresVT financial benefits do not realize that enrolling in the program can qualify their children for child nutrition programs. In the past, the group *End Hunger Connecticut!* provided $750 mini-grants to Connecticut meal providers to work on increasing participation in federal entitlement programs such as SNAP and child nutrition programs. One round of mini-grants enabled schools and child care institutions to launch informational campaigns that resulted in 400 more children accessing daily meals.[129] Similar efforts should be supported in Vermont to increase enrollment in child nutrition programs. To increase support for local food purchasing, these grants should be awarded to institutions that demonstrate the greatest need and make sustained and proven efforts to source local food when possible. Administrators of the grant must develop criteria that clearly articulates what constitutes "sustained and proven effort" and provide follow-up to ensure that grant recipients use funds for their intended purpose. Additional funding is also needed to support efforts to increase awareness about food insecurity and the availability of public programs. These funds should be used for the development of outreach materials geared toward eligible individuals and families.

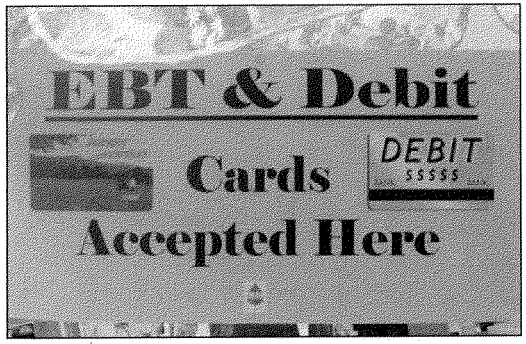


PHOTO CREDIT: NOFA-VT

Farmers' markets across the state offer EBT and debit card transactions

The increasing popularity of community supported agriculture (CSA) as a method of direct marketing in the United States has led to a growing diversity of delivery methods of preordered fresh food. These ventures are based on a subscription system. These ventures echo programs geared toward food-insecure individuals and families including the Commodity Supplemental Food Program (CSFP) and WIC home delivery. However, WIC will soon be discontinuing home delivery, and CSFP reaches only a small fraction of those in need. **Providing support for 3SquaresVT recipients to join existing CSAs will expand local markets for Vermont farmers.** Creating opportunities for low income Vermonters to access fresh, local, healthy food in the same way that their financially secure neighbors and community members do will also decrease the perceived prevalence of stereotypes and social stigmas related to the use of federal food benefits. Support of the NOFA-VT Farm Share Program is one mechanism for achieving this. Additionally, technical support provided by SNAP offices, *UVM Extension*, or other nonprofit organizations could help farmers navigate the logistical hurdles of accepting CSA members enrolled in 3SquaresVT (including transportation and billing issues). To ensure that these initiatives meet the needs of the target population, it must be established that there in an unmet demand for CSAs among food-insecure Vermonters and their financial risk must be limited. (This can be done by ensuring that participants are guaranteed the value of the food they are paying for).[130]

School Breakfast Program

In 2008 the Vermont Legislature passed legislation that led to a dramatic increase in participation in the School Breakfast Program. Under current federal legislation, students can qualify for either free or reduced-price school meals. Students who qualify for reduced-price meals often struggle to pay the reduced fee, making them more vulnerable to food insecurity and hunger than their fellow students. According to the *Hunger Free Vermont*, "families in this income range are most likely to have children that go without food during the school day or that accrue debts with school food service programs."[131] Vermont legislation requires the state to provide extra funds to the School Breakfast Program to supplement the federal funds. The total cost of the expansion in 2009 was $132,477.[132] This adjustment allows all students who previously qualified only for reduced-cost school breakfast to access these meals for free.

U.S. Senator Bernie Sanders is currently working to expand the National School Lunch Program in a similar manner. Until Senator Sanders and other congressional delegates are successful at affecting federal policy in this way, the responsibility for subsidizing the School Lunch Program falls to the state or other funders. Vermont currently has the 3rd highest percentage of eligible students enrolled in the School Breakfast Program. Increased access to free school lunches would increase enrollment in this program as well. In Vermont, however, there continues to be extensive unmet needs despite federal food assistance programs. Increased access to school meals would help to alleviate the reliance on emergency food, while demonstrating to the rest of the country the importance of providing access to school lunch for all children. This change would cost approximately $669,455 per year, including both school lunch and breakfast.[133]

Address the Needs of Unserved and Under-Served Vermonters

Community Action Agencies

Currently, Community Action Agencies are restricted in their ability to purchase local food on contract from local growers. To increase purchasing power among Community Action Agencies and establish stronger relationships between these organizations and the farms in their communities, legislative language should be adapted that demonstrates the state's approval of local contracts. Facilitation of these contracts will require an additional staff person at each participating agency, though significant increases in food budgets are not necessarily required.[134]

Immigrants

The *New Farms for New Americans* program is administered by the *Association of Africans Living in Vermont* (AALV) in Burlington. The *Intervale Center* and the *USDA Farm Service Agency* are consulting partners on the program. The program works with recent immigrants and refugees to support new agricultural businesses. This program increases participant access to healthy, fresh food (grown by the participants themselves) and also provides support for farmers to work with food purchasers in the northwestern part of the state. Currently, 50 families are involved in the *New Farms for New Americans* program.

Support for farmers who would like to graduate from the farm incubator program to owning their own farm businesses is also needed. These farmers require language and cultural support to take advantage of *USDA Farms Service Agency* programs. This support could come in the form of vocational English as a second language training, farm accounting classes, assistance with applying for loans, and technical support for growing and marketing.

To increase the effectiveness of this program, it is necessary to decrease the cost of accessing land in Chittenden County. Currently, the rent paid to the Winooski Valley Park District for incubator land equals $1,400 per acre, per year. Access to additional or alternative sites would increase the number of families who could participate in the program.

Children

Currently, WIC does not cover children over the age of five years old. The CSFP is designed to meet the needs of children who are no longer eligible for WIC. However, CSFP is designed to supplement 3SquaresVT benefits, not to provide for the complete nutritional needs of these children. Often, by the time the parents are able to navigate the system and sign their child up for CSFP, the child is almost six years old. Experts suggest either extending WIC benefits to children up to six years of age, or creating a new WIC service dedicated to children age 5 to 12 that includes milk, vegetables, and protein. Local food should be emphasized in both food delivery and educational material in the expanded program.

Older Vermonters

Elders have been identified as a group in particular need of food assistance, due in part to their limited fixed incomes and often high medical expenses. According to the *Champlain Valley Agency on Aging*, 50% of seniors who are admitted for hospital treatment suffer from malnutrition significant enough to either cause illness or impede recovery.[135] The *Vermont Area Agencies on Aging* (AAAs) currently contracts with meal program providers and caterers in all regions of the state. The AAAs recognize the opportunites and challenges presented by the taste preferences of an aging population. All AAAs have collectively decided to work together to increase the use

of local foods in their community and Meals on Wheels programs. For the AAAs to achieve their goal, stronger ties among agency staff, caterers, and farmers must continue to be developed. The agencies can work together to address some of the barriers such as the increased cost of labor, storage, food costs, and transportation, to name just a few.

Reduce Participation Barriers

A barrier to enrollment in many federal food assistance programs is the time it takes to become and stay enrolled, especially in programs that require household financial reporting (as opposed to automatic eligibility based on regional income trends). Many individuals who are eligible for 3SquaresVT do not apply because they believe the benefits are insignificant compared to the time required, wages lost, and general burden of staying enrolled in the program.[135] In reality, 85% of households enrolled in 3SquaresVT receive $50 per month or more in SNAP assistance, a significant contribution to monthly household expenses.[136] **To increase enrollment, categorical eligibility between food assistance programs should be implemented widely.** Categorical eligibility is when individuals or families in need who apply and are accepted to one program are immediately listed as eligible for other programs.

Increasing categorical eligibility between programs will increase enrollment rates, which could foster additional opportunities for local purchasing. For example, children who come from households enrolled in 3SquaresVT would automatically be eligible for free school meals. Schools would receive the maximum amount of reimbursement for meals served to these students, whereas they would receive a lower rate of reimbursement if the same students were enrolled for reduced-priced meals through the National School Lunch Program. A greater reimbursement rate gives schools a slightly more flexible budget, increasing the potential for purchasing local products. The transition to categorical eligibility would be difficult. Therefore, a 10 year graduated plan should be developed by the state agencies and organizations that administer current programs.

In 2009, 119 Vermont schools qualified for At-Risk Child and Adult Care Food Program (i.e., 50% or more of the families in the community met income requirement that made their children eligible for free school meals.) These meals are automatically reimbursed to service providers at the maximum possible rate. Although areas designated as at-risk benefit from the added support of this program, children who struggle with food insecurity and who live in rural areas remain underserved. Because poverty is more dispersed in rural areas, service providers are required to collect household-level financial data to determine whether children qualify for one of three levels of reimbursement. The administrative time and cost are a significant barriers to these service providers. To enroll more providers to offer nutritious meals to food-insecure children, the federal qualifications for areas to receive these benefits should be adjusted. These adjustments reduce administrative cost by standardizing the reimbursement rate for meals served and eliminating the need for service providers to collect household-level data. Historically, limits for similar programs (the Summer Food Program) have been as low as 33%.[137] *Hunger Free Vermont* estimates that by lowering the at-risk designation to 40% or more of families in the community meeting the requirement for free school meals, CACFP could reach an additional 13,000 Vermont children in an additional 60 school districts. This would cost an estimated $578,000 per year.[138] A greater number of students served would potentially create a larger market for local producers, if local food purchasing is incentivized.

Increasing enrollment rates for child nutrition programs is a perennial goal in Vermont. Integrating local food purchasing into strategies to increase enrollment can simultaneously break down social barriers between high and low income Vermonters and increase the use of local foods in schools, child care centers, and child care homes. Incentives for institutions with enrollment in free and reduced-price categories above a pre-determined level could include cash for local food purchases or subsidized CSA shares. Making local food more available to children in need will directly challenge the perception that local food is only for high income Vermonters.

Availability: Local, fresh food will be more available to people who are food-insecure.

Community Food Security

Vermont state law (VSA Title 24, §4382, Chapter 117) requires that Vermont towns revise their town plans every five years. This statute could be amended to include a requirement that municipalities consider food security in their town planning process.[139, 140]

Town-based food security planning efforts could be modeled on the town energy committees that evolved in response to energy-related concerns such as climate change and peak oil. A network of town-based volunteer organizations receive support from the *Vermont Energy and Climate Action Network* (VECAN) and have made great strides in implementing energy plans for Vermont towns and municipalities and engaging citizens in the process.

Although town and regional planning efforts would be driven primarily by citizen volunteers, the Governor's *Hunger Task Force* can support a statewide town-by-town strategic plan to eliminate hunger in Vermont and identify the appropriate types of technical assistance. For example, *UVM Extension* currently provides extensive education and technical support on municipal planning to town officers and citizens. Extension personnel could train town officers in integrating food issues into town plans and provide models for doing so through the Town Officers Education Conference and other venues.[141] Regional planning commissions also provide planning assistance to towns and appear to be poised to take a more active role in planning around food and agriculture issues in the state.

Services could include "(1) Sharing best practices for how to conducting a community food assessment and sharing models of best practices for drafting and implementing effective food plans; (2) advising on providing access to food for at-risk or marginally at-risk citizens when planning for emergencies and providing sample materials to towns for how this emergency planning can be done; (3) building and administering a pool of state, federal, and charitable funds that communities can access to support effective planning."[142]

Senator Sanders has secured a $120,000 federal grant for *Friends of Burlington Gardens* and the *Vermont Community Garden Network* to create a statewide, school-based summer gardening initiative that teaches Vermont children and youth how to grow fresh produce using land on or adjacent to school campuses, especially in low income communities.[143, 144] The initial funding will be used to establish 40 school community gardens statewide. As the program develops, additional support will be required to provide technical assistance and mini-grants to sustain the community gardens and expand participation among food-insecure households. Long-term funding for community and school garden programs should continue to come from federal sources such as the Child Nutrition Act to provide access to fresh food and nutrition and gardening education to food-insecure families nationwide.

Utilization: All Vermonters will have a greater understanding of how to obtain, grow, store, and prepare nutritional food.

Nutritional Education and Food Literacy

Currently, there are statewide programs that educate recipients of federal food assistance about food safety, nutrition, budgeting, and other topics. The *Expanded Food and Nutrition Education Program* (EFNEP) at *UVM Extension* has provided education in these areas for more than 40 years through classes and partnerships with community organizations. From 2009 to 2011, the *Center for Sustainable Agriculture*, EFNEP, and *Hunger Free Vermont* are partnering on a class pilot project that integrates traditional educational material (related to nutrition and food safety) with a new curriculum that focuses on local food access. If the pilot is successful, this program and others like it should be made available statewide.

The 2002 Farm Security and Rural Investment Act allocated $15 million in Senior Farmers' Market Nutrition Program grants to 32 states, three Indian tribal organizations, Guam, Puerto Rico, and Washington D.C.[145] Of the funding that Vermont receives on an annual basis for the support of this program, a portion of it is directed towards benefits for use at farmers' markets, and a portion is directed toward the Senior Farm Share program. In 2009, the Senior Farm Share program provided a CSA share valued

at $50 per season to 940 eligible Vermonters living in subsidized housing. In contrast, seniors were given $30 per month to use at farmers' markets. In both cases, benefits are given and recipients are required to receive nutrition education. This component of the program, however, is not funded. To increase the use of local food and the effectiveness of the farm share program, nutrition education must be supported through additional funding for programs such as EFNEP.

In 2009, 119 of Vermont's 393 public schools were located in areas in which 50% or more of the households had net incomes that would make their children eligible for free school meals. Currently, 16 of the 44 schools receiving farm to school grants have 50% or more of their students receiving free or reduced-price school meals.[146] Expanding farm to school programs to all 119 schools with 50% or greater eligibility would help bring food literacy and nutrition education to more food-insecure households and introduce more low income youth to fresh, whole foods. However, many of these schools need funding to purchase processing equipment, improve cooking facilities, and increase storage capacity for fresh foods, as well as to train staff in the sourcing and preparation of local foods.

The VAAFM and advocacy organizations should push for increased funding for farm to school coordinators, equipment purchases and school infrastructure improvements, and professional development of food service workers, in the next Federal Farm Bill and in the current reauthorization of the Child Nutrition Act (and through Senator Leahy's Bill S.3123, the Growing Farm to School programs Act). As demonstrated by the Burlington School Food Project, farm to school coordinators can play a key role in training food service staff and helping to source and distribute local foods throughout school districts.

Cross-Cutting: Increase program effectiveness by measuring and communicating impacts.

Impact Evaluation for Food Access Organizations

As presented in this report, many organizations address food insecurity and local food issues in Vermont. Often, these organizations are not required to conduct in-depth evaluations of their efforts, nor do they have the resources to do so. If impact studies of these programs were supported and carried out, their effectiveness and efficiency would be greatly enhanced. By creating a modest funding pool (for three organizations per year) dedicated to impact evaluation, programming throughout Vermont would improve, resulting in longer-lasting impacts and further establishing Vermont as a leader in food security and local food system development.

D5. GETTING TO 2020: Objectives and Strategies for Expanding Food Access and Developing the Vermont Local Food System

CATEGORY	OBJECTIVE	STRATEGY
Research Strategies		
ACCESS	Use a percentage of storage, processing, and aggregation infrastructure to distribute local foods to people with limited resources.	Inventory existing storage and processing facilities that can be used by schools and charitable food sites.
Natural Resource, Physical Infrastructure, and Technology Strategies		
ACCESS	Improve access to fresh, local food by addressing the transportation barriers experienced by low income Vermonters.	Integrate access to food distribution sites into Agency of Transportation planning.
Sales and Distribution Strategies		
ACCESS	Use a percentage of storage, processing, and aggregation infrastructure to distribute local foods to people with limited resources.	Provide funding for organizations to replicate aggregation and distribution programs that serve low-income residents.
ACCESS	Increase the ability to integrate local purchasing into current WIC benefit programs (fruits and vegetable vouchers, Farm to Family coupons, and deliverables).	Support direct market vendors to accept WIC fruit and vegetable vouchers.
ACCESS	Increase access to locally produced food through direct marketing venues for recipients of 3SquaresVT (SNAP).	Increase use of 3SquaresVT cards at direct market venues.
		Create additional opportunities for low-income Vermonters to participate in CSAs.
		Support eligible retailers to accept SNAP EBT cards.
ACCESS	Increase the quantity of fresh local produce at all food shelves and charitable meal sites throughout the state.	Establish a pilot program to supply ground beef to charitable food sites, schools, and hospitals.

CATEGORY	OBJECTIVE	STRATEGY
Technical Assistance and Business Planning Strategies		
AVAILABILITY	Help all Vermont towns identify actions they can take to address food insecurity and incorporate those actions into their town plans.	Assist towns and regional groups of towns as they conduct community food assessments and incorporate food security into town plans.
Financing Strategies		
ACCESS	Increase access to locally produced food through direct marketing venues for recipients of 3SquaresVT (SNAP).	Fund the Harvest Health program.
		Provide grants to educate eligible individuals about 3SquaresVT while incentivizing local food purchasing.
ACCESS	Increase the ability to integrate local purchasing into current WIC benefit programs (fruits and vegetable vouchers, Farm to Family coupons, and deliverables).	Increase funding for Vermont Farm to Family.
AVAILABILITY	Establish community or school gardens within walking or bicycling distance of every population center in Vermont with a population of 500 or more.	Provide funding to organizations that develop and sustain community school gardens that serve underserved youth, older adults, and their families.
UTILIZATION	Educate recipients of federal and state food assistance to make healthy and safe food choices. Increase education about food shopping skills and local purchasing.	Fund required nutrition education for seniors through the Senior Farmers Market Nutrition program.
Network Development Strategies		
ACCESS	Increase the quantity of fresh local produce at all food shelves and charitable meal sites throughout the state.	Establish and fully fund gleaning programs and coordinators in every region of the state by 2014.
ACCESS	Identify and address the needs of food insecure groups that are unserved or underserved (i.e. immigrants, elders, and the homeless).	Support Area Agencies on Aging to build relationships among their organizations, farmers, and caterers.
CROSS-CUTTING	Support organizations to measure the success of and increase the efficiency and effectiveness of programs that address food insecurity and focus on local food econmic development.	Create a funding pool dedicated to supporting impact evaluation for organizations and groups that focus on increasing local food access for food insecure Vermonters. Share best practices across all food security stakeholder groups.

CATEGORY	OBJECTIVE	STRATEGY
Education Strategies		
UTILIZATION	Educate recipients of federal and state food assistance to make healthy and safe food choices. Increase education about food shopping skills and local purchasing.	Support nutrition education programming that emphasizes food access and local food for recipients of federal and state food programs.
Workforce Development Strategies		
ACCESS	Identify and address the needs of food insecure groups that are unserved or underserved (i.e. immigrants, elders, and the homeless).	Support agricultural entrepreneurship in immigrant and refugee communities.
Regulation Strategies		
ACCESS	Increase enrollment in child nutrition programs, increase funding for school meal provisions, and integrate local purchasing into schools and childcare facilities.	Eliminate the reduced-price category for school lunch.
ACCESS	Identify and address the needs of food insecure groups that are unserved or underserved (i.e. immigrants, elders, and the homeless).	Create enabling legislation to allow contracts between food shelves and Community Action Agencies and farmers for the provision of local food to these agencies.
		Provide WIC coverage for children in the "gap year."
ACCESS	Identify and address barriers to enrollment in federal food assistance programs. Increase enrollment rates for eligible benefit recipients.	Gradually schedule and implement categorical eligibility for federal food assistance programs.
		Lower Child and Adult Care Food Program eligibility requirements for those at-risk, thereby leveraging federal funds for local purchasing.
UTILIZATION	Establish a Farm to School program in every school in which more than 50% of the students receive free or reduced-price meals.	Secure federal funds to increase the number and capacity of farm to school programs to at-risk schools.

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APPENDIX D

Dissolving the Double Bind

Credits

Appendix D: Dissolving the Double Bind was prepared by Rachel Schattman, Virginia Nickerson, Linda Berlin, Ellen Kahler, Heather Pipino, and Scott Sawyer.

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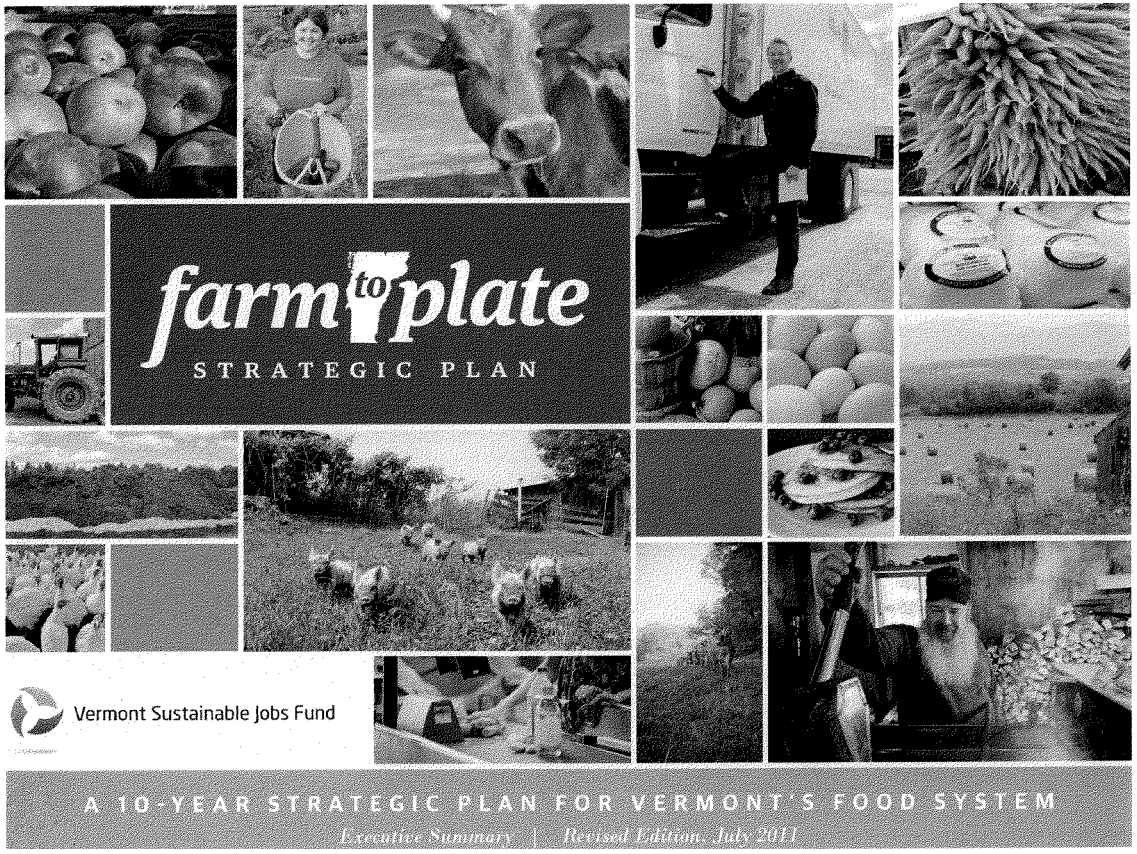
The information contained in *Appendix D* maps was derived from a variety of sources. *Advanced Geospatial Systems, LLC* (AGS) compiled these maps, using data considered to be accurate; however, a degree of error is inherent in all maps. While care was taken in the creation of this product, it is provided "as is" without warranties of any kind, either expressed or implied. AGS, the *Vermont Sustainable Jobs Fund* or any of the data providers cannot accept any responsibility for errors, omissions, or positional accuracy in the maps or their underlying records. These maps are for informational purposes only.

farm to plate
STRATEGIC PLAN

Vermont Sustainable Jobs Fund

On the Cover: Woman picking apples: Vermont Foodbank; Underhill garden: Friends of Burlington Gardens; girl with milk: Vermont Foodbank; meal preparation in community kitchen: Vermont Foodbank; Foodbank warehouse: Vermont Foodbank; canning in Middlebury: UVM Special Collections; senior meals: Vermont Foodbank; EBT machine and Brattleboro tokens: NOFA-VT; gleaning potatoes: Vermont Foodbank.


farm to plate
STRATEGIC PLAN
Vermont Sustainable Jobs Fund
A 10-YEAR STRATEGIC PLAN FOR VERMONT'S FOOD SYSTEM
Executive Summary | Revised Edition, July 2011

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The Farm to Plate (F2P) Strategic Plan is dedicated to all the hardworking farmers and food enterprises that supply nourishment for our bodies, create jobs for Vermonters, maintain our working landscape, and are the backbone of our communities.

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John Merck Fund

Growald Family Fund

Eagleridge Fund

Cabot Creamery Cooperative

Gardeners Supply Company

Ben & Jerry's Ice Cream

City Market/Onion River Co-op

Vermont Health and Nutrition Fund of the Vermont Community Foundation

Anonymous (3)

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Enid Wonnacott* (NOFA VT)

*also a member of the Sustainable Agriculture Council

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We hope this Strategic Plan is a seed that will bear fruit for years to come. Everyone has a stake in our food system. We need your help to *implement* the plan, coordinate actions, and maximize impacts.

FOREWORD

Food System Development Is Economic Development

The Farm to Plate Strategic Plan links Vermont's agricultural history and entrepreneurial spirit with a forward-looking plan for a strengthened local economy. It provides our state with a road map to new jobs and increased market share as well as improved physical, environmental and economic health. By working together to implement this Plan, we will grow our economy, maintain our working landscape, and strengthen our communities.

In the coming years, agriculture will be one of my Administration's key areas of focus for economic development. By tapping into Vermont's land resources and farming history, our diverse food manufacturing know-how, as well as considerable training and support services, there is great opportunity for new and expanded food enterprise development in our state. While keeping farmland in farming, we will be creating and retaining jobs for Vermonters.

Our commitment to an expanded agricultural economy will also improve the health of Vermonters. Expanding access to fresh, healthy, locally grown products enhances the ability of Vermont families, schools and institutions to serve nutritious and balanced meals. Creating more livable-wage jobs in agriculture for Vermonters ensures that our rural communities will thrive. These positive changes go hand in hand with efforts to improve our health care system.

Expanding our agricultural development efforts will allow Vermont to take advantage of our proximity to the over 38 million consumers within a 200-mile radius of our borders. These regional markets value the Vermont brand and are primed to buy more of our high-quality products.

Climate change and oil addiction threaten the long-term viability of Vermont's food system. But by relocalizing food production and boosting on-farm renewable energy production, Vermonters can lead the nation in proactively responding to these challenges. Unlike many other parts of the country, Vermont is not at a loss for water—an essential input to the production of a wide variety of products—from forage and oilseed crops to fruits and vegetables, from maple syrup and honey to perennial grasses for biomass production.

We are looking forward to working with Vermont's farmers, entrepreneurs, consumers, and nonprofit organizations to implement the strategies contained in this Strategic Plan. It's going to take everyone working together to grow our agricultural future. Now let's get to work!

Peter Shumlin

The Honorable Peter Shumlin
Governor of Vermont

Chuck Ross

Chuck Ross
Secretary, Agency of Agriculture, Food and Markets

L.H. Miller

Lawrence Miller
Secretary, Agency of Commerce and Community Development

PREFACE

Overview of Vermont Agriculture: How the Past Influences the Future

By Roger Allbee, Secretary of the Vermont Agency of Agriculture, Food and Markets, 2007-2010

Secretary Allbee takes part in first State House Food Garden planting

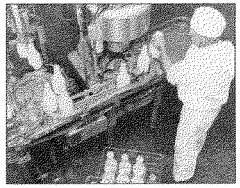
The Farm to Plate strategic planning process has been a wonderful way to review where Vermont agriculture has been, where it is today, and what its economic advantages are going into the future. It will assist in identifying the resources as well as policy changes necessary to sustain an economically viable agricultural sector within the state.

The first white settlers learned a great deal about food production, hunting, and maple sugaring from the Abenaki and other Native peoples who were here before them. Since then, Vermont has had a very rich and ever-changing agricultural history. From this history some common themes emerge that provide valuable insights for the future.

It is important to understand that agricultural production in Vermont has never been insulated from larger regional, national, and international economic forces. Beginning in the 1830s, Vermont became known as the sheep capital of the world when William Jarvis, the U.S. consul to Portugal, purchased prized merino sheep from the Spanish royal flock, which he brought to Weathersfield, Vermont. Demonstrating great animal husbandry and aided by a tariff on wool imports and a climate and topography conducive to growing grass and other forage crops, Vermont farmers excelled in raising these sheep; by 1840, over 1.5 million sheep occupied the landscape of the state. Merino sheep had the best wool, and Vermont was known worldwide for having some of the best merino sheep, winning first prize at the Hamburg Exposition in Germany in 1861. With the opening of the West and the reduction in tariffs on wool imports, however, the sheep industry lost its economic advantage and foothold and was replaced in economic importance by an emerging dairy industry after 1850.

Vermont farmers excelled in raising merino sheep in the 19th century

As Vermont's wool industry declined, our farmers understood that advantages with climate, soil, and animal husbandry, along with access to a large emerging market up and down the eastern seaboard, provided new economic opportunities. Boston became the main market for Vermont's well-known butter, and the first butter train left St. Albans on its once-per-week journey in 1854. Vermont butter became known regionally, nationally, and internationally for its quality, winning first place awards in Paris and at the Chicago World's Fair.



Vermont became a major milk producer in the 20th century

By the late 1890s, St. Albans had become the butter capital of the world with 60 separators, 1,000 farms, and 15,000 cows. Local creameries and cheese factories and related support industries sprang up quickly, and by 1900, Vermont had 186 creameries and 66 cheese facilities. However, again with competition from the West, Vermont butter lost its competitive edge and butter production was replaced by fluid milk production, even though milk could not be easily transported great distances at that time. Today, Vermont remains a major supplier of fluid milk to the New England markets and still is well known for award-winning cheddar and other specialty cheeses. Dairying accounts for about 73% of the gross farm income in Vermont and is the predominant agricultural land use.

The ingenuity of Vermont farmers in recognizing market niches has allowed them to adapt to economic forces and market changes. Although Vermont has always had one or two predominant agricultural industries, such as maple syrup, wool, butter and cheese, and then fluid milk, other enterprises have existed as well. In the mid-1800s, Vermont was the breadbasket of New England. Farmers in the Champlain

PHOTO CREDITS: Roger Allbee by Annie Fiberio Cameron; merino sheep courtesy of Vermont Historical Society; dairy milk bottling - UVM Special Collections.

Farmers scything hay, circa 1927

Valley grew wheat, barley, and oats. Potatoes, hemp, hops, apples, other fruits and vegetables, and tobacco were significant crops in various regions. Farmers recognized early on that diversity of enterprise was important for economic survival. In 1885, almost every Vermont town had market days during which local products such as eggs and honey were sold, according to the Vermont *Yearbook of Agriculture*. In the late 1800s and early 1900s, Vermont developed an aggressive campaign to draw tourists to the state, publishing many copies of the book *Our Farmers*.

Vermonters recognized early that Vermont farmers would never be able to compete with the West on a commodity basis. For instance, in 1872, in a paper written to the Vermont Board of Agriculture titled "Vermont Farmers' Future," the Rev. Wright of Bakersfield wrote:

> *It is useless for the Vermont farmer to compete with those of the West in raising those few staples of product that can be naturally raised in the West. The great increase of population and of wealth at the East indicates a growing market for milk, for the first quality butter, veal, mutton, and for products of the garden, the bee hive, the poultry yard, and the fish pond. Only those will prosper who use their minds in studying how to cater to the demands of this growing market and this changing state of things.*

In 1913, commissioner of agriculture E. S. Brigham again asserted that "farm products that belong in the East are those that are adapted to our soil and climate and are needed in large market centers."

PHOTO CREDITS: Farmers scything hay - Billings Farm and Museum, young farmers - UVM Special Collections

History has demonstrated that Vermont farmers prosper when they take advantage of their location, brand, and environment, as well as local and regional markets, to develop their farms and enterprises and distribute products that appeal to consumers. Joint marketing and distribution through farmer-owned cooperatives have helped products such as milk, cheese, and vegetables reach a variety of consumer markets.

Farmers, food system businesses, and support organizations have continued to be industry leaders in maple production and processing, organic farming, agro and culinary tourism, specialty food production, and related endeavors. Today, a "Renaissance of Vermont Agriculture" is reflected in a growing interest at the state and regional levels in local food systems. People increasingly want to know where their food is coming from and want to connect with the farmers who produce that food. All we have to do is look at the growth in farmers' markets, farm stands, and community supported agriculture within the state, the growing artisan cheese industry, vineyards, and other specialty agricultural operations to find evidence of this exciting trend.

Young farmers cultivating corn

Challenges as well as opportunities exist for Vermont and its agriculture going forward, just as in the past. Outside economic forces will continue to influence this change, as recently witnessed in the dairy industry. The state is not an island. Nevertheless, we have advantages in serving local and regional markets with products that consumers want, as history demonstrates. The Farm to Plate Initiative and this Strategic Plan identify these forces as well as some possible opportunities. As in the past, Vermont will need new policies; greater collaboration among the educational, public, private, and not-for-profit sectors; patient sources of financing and capital, and new invigorated approaches to product development, storage and processing, marketing, and distribution.

The Farm to Plate Strategic Plan is exciting because it holistically evaluates all the issues necessary for Vermont to have a more economically vibrant and sustainable agriculture sector over the next 10 years, as change continues to take place.

Executive Summary

Setting the Table for Farm to Plate

In the past 10 years, a growing movement in sustainable agriculture—involving increased local food production and consumption, value-added processing, and diversified farms—has taken off. During the 2009 legislative session, two member-based public policy organizations, *Vermont Businesses for Social Responsibility* and *Rural Vermont*, crafted and helped win legislative approval for the creation of a **Farm to Plate Investment Program** (F2P). It was approved by the Senate and House in May 2009 and signed by Governor Douglas, as Sec. 35. 10 V.S.A. chapter 15A § 330. The legislation tasked the *Vermont Sustainable Jobs Fund* (VSJF), in consultation with the *Vermont Sustainable Agriculture Council* (SAC), with crafting a **strategic plan** based on a broad scope of work.

The primary goals of the legislation are to:

1. **Increase economic development in Vermont's food and farm sector.**
2. **Create jobs in the food and farm economy.**
3. **Improve access to healthy local foods.**

Building on what former *Agency of Agriculture, Food and Markets* (VAAFM) Secretary Roger Allbee calls a "renaissance in Vermont agriculture," VSJF coordinated an 18-month statewide public engagement process to craft a 10-year strategic plan for food system development to achieve these legislated goals. **The F2P plan encompasses all types and scales of agricultural-related production and processing, from small-scale diversified production to commodity dairy production, from on-farm processing to commercial scalne food manufacturing.** It acknowledges and highlights the important role of various markets within the food system, including:

- Local markets (i.e., Vermont plus 30 miles)
- Regional markets (i.e., New England, New York, and southern Quebec)
- National and international markets

A key goal of the F2P plan is to identify infrastructure investments and public policy recommendations that will support new and existing agricultural enterprises that increase local resiliency in today's changing times. There are both historic and recent threats to the future of agriculture in the state, including the loss of dairy farms, rising energy and feed costs, the volatility of commodity markets, global competition, and climate change. There are also many signs of expansion and opportunity, especially for diversified and organic farm operations as the model of industrial agriculture faces increasing public scrutiny. **The F2P Plan's ultimate purpose is to encourage policies and strategic investments that accelerate the movement toward strong local and regional food systems.**

Vermont's major agricultural and food product output totaled $2.7 billion in 2007, the latest year of the Census of Agriculture. We estimate that the direct economic impact of just a 5% increase in farming and food manufacturing in Vermont would generate $135 million in annual output. When the multiplier effect is considered, total output would increase by an average of $177 million per year from 2011 to 2020. A 5% increase in production would also boost total food system employment by an average of 1,500 jobs over the 10-year period.

Congressmen Peter Welch, Senator Patrick Leahy, and Senator Bernie Sanders at the traditional Milk Toast in celebration of the renewal of the Milk Income Loss Contract (MILC) Program's charter on May 22, 2008.

The Vermont Congressional Delegation strongly supports the efforts of the Farm to Plate Initiative. For the first time, we will now have a concrete, systematic plan to reenergize the farm and food sector in Vermont in a way that includes new thinking, solid data, and partnerships organized to get the job done.

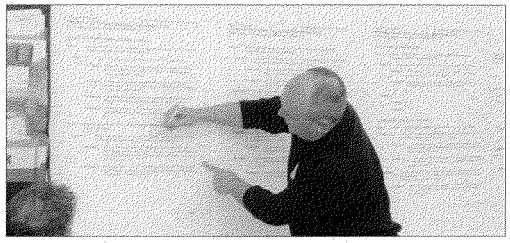
USDA programs now emphasize the "Know Your Farmer, Know Your Food" mission, and Vermonters, already known for their national leadership in this issue, stand ready to present a model that can be replicated throughout the country. Senators Leahy and Sanders and Congressman Welch have offered to help in any way they can and their positions on key committees overseeing the FDA, USDA, DOE and Federal Appropriations puts them in a unique position to have a significant impact. From organic standards and food safety regulations, interstate commerce laws, and energy efficiency, to land conservation and beginning farmer programs, they are there to make sure the federal government is a true partner in the effort. They are proud of all the hard work and foresight of the Vermont Legislature, and the effort of agricultural producers and manufacturers in our state who provide a healthy, secure food source, create new jobs, and stimulate our economy in the 21st century.

PHOTO CREDITS: Senator Leahy Press Office

Strategic Plan Development Process

To develop the F2P Strategic Plan, VSJF staff worked with nine researchers, a Geographic Information Systems (GIS) specialist, and several interns and volunteers to assemble and analyze food system data and to conduct in-depth stakeholder interviews and new research on the major elements of Vermont's food system.

The F2P team spent 18 months conducting research and consulted with over 1,200 Vermonters, ranging from interested consumers to experts in the field. Specifically, the F2P team examined and analyzed existing data sets, conducted interviews, and organized a number of focus groups and summits to gather feedback and information about how the food system operates today and how it can and should be strengthened into the future.



Jed Davis edits F2P strategies at the statewide food summit

The F2P team examined studies, reports, articles, and websites for each component of Vermont's food system. Public feedback from interviews, focus groups, local food summits, web surveys, a statewide food summit, working sessions, and meetings informed the "Analysis" component of each section of Chapters 3 and 4. The F2P Strategic Plan goals, objectives, and strategies described in Chapter 2 were developed through this public feedback process. Six in-depth working sessions were conducted to bring together key stakeholders who had knowledge, influence, and commitment in particular subject areas to review the initial research findings and to comment on draft goals, objectives, strategies, and priority investment recommendations.

Our Food System Economy

A food system encompasses all of the **resources** (e.g., land, soil, crops, equipment), **activities** (e.g., growing, harvesting, researching, processing, packaging, transporting, marketing, consuming, and disposing of food), and **people** (e.g., farmers, bakers, policy makers) involved in providing nourishment to people and many kinds of animals.

Vermont's food system is critical to our economy, identity, quality of life, and sustainability. **Jobs throughout the entire food system represent 16% (or 56,419) of all private sector jobs and are connected to about 13% (or 10,984) of all private businesses**. Retail food purchases generated over $2 billion in sales in 2008.[1] When measured by employment and gross state product, **food manufacturing is the second-largest manufacturing industry in Vermont**. Dairies producing fluid milk dominate farm production in Vermont, but a wide range of nondairy farms of all sizes produce conventional and organic fruits and vegetables, livestock, hay, maple products, and specialty crops for local, regional, and national markets. This dynamic and evolving sector is also made up of entrepreneurs of all stripes creating a variety of value-added products (e.g., cured meats, granola, salsa, chocolate); a number of distribution networks; and dozens of organizations, programs, and volunteer-driven activities that provide technical assistance, education, and outreach.

Despite Vermont's long history of agricultural production, a number of recurring weaknesses, gaps, and barriers have affected our food system. Vermont's small size, relatively short growing season, and topography (which is more suited to small-scale than large-scale farming) have been barriers to generating the volume of products needed to access larger markets. The price points in institutional and other medium- and large-scale markets' business models are commonly not viable for small-scale farmers, and these institutions frequently lack the flexibility to manage local food sourcing. At the same time, Vermont has an underdeveloped and fragmented agricultural infrastructure that makes it difficult for smaller producers to serve larger markets by scaling up or aggregating products. Many small producers are unaware of procurement specifications, and the scale and stage of development of many producers are not matched with particular markets.

The Vermont Council on Rural Development's recent *Vermont Working Landscape Partnership Action Plan* reports that "Vermont faces a fundamental contradiction: while the public desires a strong working landscape for all its scenic, cultural, environmental, and recreational attributes, state and local public policies have not defined the working landscape effectively or built a strategic plan of action and investment commensurate with its importance."[2] Access to affordable land for new and expanding farms, insufficient farm business transfer and land transfer support, and limited access to flexible capital in the food system, especially for new, undercapitalized farmers and food entrepreneurs, are all chronic problems.

The need for highly networked communication and coordination among food system enterprises, markets, technical assistance providers, and advocacy organizations regarding products, activities, and services is more acute than ever. To expand our food system efficiently and effectively, we must significantly improve access to accurate and timely information about land access, product availability, market data, rules and regulations, distribution systems, and other issues.

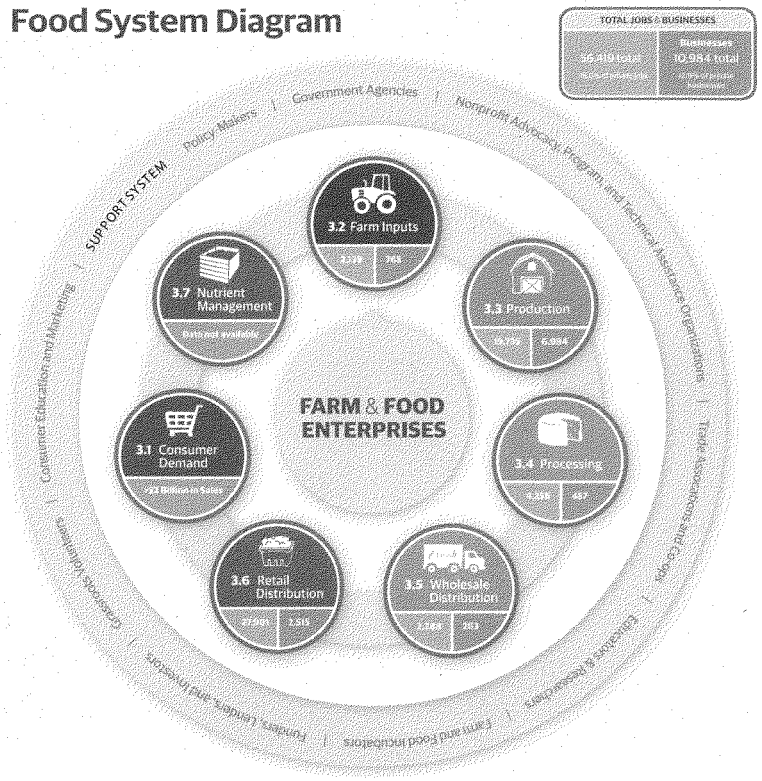
Getting to 2020

Many believe that a more proactive and strategic approach to food system development could lead to additional growth in this sector, spurring job creation and benefiting the state through import substitution (which cycles dollars locally rather than exporting them), the expansion of the export economy, and healthier, more accessible food.

Our soil-to-soil analysis of Vermont's food system attempts to examine all of the **inputs** (Chapter 3.2) that convert energy into food, feed, or other forms of energy. It then follows these agricultural **products** (Chapter 3.3) through any additional **processing** (Chapter 3.4) before they are **distributed** (Chapter 3.5) to **market outlets** such as grocery stores and restaurants (Chapter 3.6). Finally, it considers what happens to these agricultural products when they are **returned to the environment** in one form or another (Chapter 3.7). The F2P Strategic Plan also analyzes a variety of **crosscutting issues** that impact the entire food system, including education, regulations, workforce development, and energy (Chapter 4).

Vermont's food system operates within, and is influenced by, social, political, economic, and environmental contexts that are local, regional, national, and global in scope. A sizable **support system** of nonprofit organizations, government agencies, educational institutions, investors, and others also exists to aid Vermont's food system development. And of course, food system businesses (like all businesses) have needs such as financing, workforce development, organizational development, and marketing, among others.

Food System Diagram



Elements of the Food System

Consumer Demand refers to demand for food products in Vermont and demand for Vermont food products throughout the state and region.

Farm inputs include resources such as land, soil, fertilizer, feed, seed, labor, equipment, and energy, as well as the businesses that provide farm inputs. Farm support businesses include all the businesses that rent, sell, and repair equipment (e.g., plows, tractors) needed for production and merchants of farm supplies (e.g., animal feeds, fertilizers).

Food Production is defined as growing or raising a raw food product, such as hay and other forage crops, fruits and vegetables, dairy animals and fluid milk, livestock grown for meat, maple syrup, grains, honey, and fish.

Food Processing refers to the transformation of a raw product or products into a value-added product prior to entering the marketplace (e.g., livestock must be slaughtered, processed, and packaged before entering the marketplace for sale as meat).

Wholesale Distribution is defined as the process of aggregating and delivering food from the primary producer to end consumers, whether they are found at supermarkets, restaurants, schools, and convenience or general stores. At times, it also requires short-term storage.

Retail Distribution refers to the variety of locations where consumers purchase food, such as grocery stores, country stores, food co-ops, farmers' markets, CSAs, restaurants, superstores, schools, and hospitals.

Nutrient Management refers to the management of food waste and livestock manure to minimize negative impacts of nutrient losses on the environment and to provide sufficient nutrients for crop and animal growth throughout their life cycles.

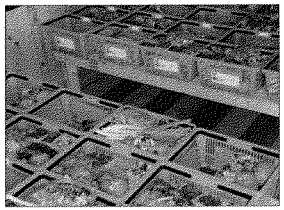
As the F2P analysis in Chapters 3 and 4 navigates through Vermont's food system—from farm inputs to nutrient management—it analyzes the internal needs and external contexts affecting food system enterprises. Based on an analysis of the strengths, weaknesses, opportunities, and threats facing Vermont's food system, a number of goals, objectives, and strategies were developed.

How much food is consumed in Vermont? How much local food do Vermonters eat?

3.1 Consumer Demand, Consumer Education and Marketing

Consumer demand for Vermont made food products drives activities throughout our food system. Data does not exist to measure local food consumption with certainty, however, **we estimate that Vermonters and visitors spent over $2 billion on food in 2008**. Most of the food Vermonters consume is imported from elsewhere, and imports have increased over the past decade.

While we do not have complete information on *local* food purchases in Vermont, several sources are used to arrive at an estimate. According to the 2007 Census of Agriculture, **Vermont leads the nation in direct agricultural products sales, with $36.77 spent per capita at farm stands, farmers' markets, and CSAs**. Direct sales vary widely across Vermont, with Addison County farms accounting for about 24% ($5.4 million) of total direct sales and Essex County farms accounting for less than 1% of sales $172,000). Total direct sales increased from $4 million in 1992 to **$22.9 million** in 2007.[4] Vermont Fresh Network member chefs reported approximately **$16 million** in food purchases from Vermont farms in 2009.[5] Based on information collected by Vermont FEED, we estimate Vermont public schools spend over **$2-3 million** on purchases from local food businesses in 2010.[6] Finally, the U.S. Census Bureau non-employer statistics reports sales receipts of **$8.3 million** in 2008 for Vermont food manufacturing establishments operated by sole proprietors or partnerships (sole proprietorships are likely to sell most of their products locally).[7] Many of Vermont's largest institutions, including the University of Vermont and Fletcher Allen Health Care, are making substantial local food purchases, but we do not know the precise amount. Likewise, many of Vermont's grocery stores carry local food products but we do not know the exact value of their sales. **Taken together, we conservatively estimate that locally produced food accounts for at least 5% of total food purchases (over $50 million) in Vermont**.



Intervale Food Hub CSA shares waiting for pick up

Low Cost vs. Local

Vermonters buy local food for a wide variety of reasons, including a desire for quality and freshness, to support the local economy, and to reduce the environmental impacts caused by so much of our food coming from thousands of miles away. On the other hand, in numerous studies, consumer surveys, F2P focus group meetings, and interviews, the predominant barrier identified to purchasing local foods was cost. For example, nearly one third of respondents to a 2010 Center for Rural Studies 'Vermonter Poll' cited **income** and **cost** as an obstacle for purchasing more local foods. The artificially low cost of our industrial food system impacts demand for local products, making it difficult for local farmers to provide their products at the price points expected by the average consumer.

"One of the core issues is artificially low and subsidized food prices. That is an especially huge challenge for us as small diversified farms starting out. Last year, I raised 10 piglets and was on my way to drive the hogs to slaughter when I passed this huge banner for a Truck Load Meat Sale with pork chops at $0.99/pound, and here I'd worked so hard to raise these 10 hogs! I think that's a huge barrier and gets back to respecting farmers as part of the community."

—Focus group participant from Northern Vermont

PHOTO CREDIT: Intervale

Cheaper food, of course, does not necessarily mean safer and healthier food. The increased availability of cheaper food, larger portion sizes, the reliance on high-calorie ingredients, and other lifestyle choices have led to an array of health problems. Vermonters tend to eat healthier than most Americans—38% of adult Vermonters eat fruit two or more times a day, tied for third in the nation, while 30% of adult Vermonters eat vegetables three or more times a day, tied for sixth in the nation.[10] The *United Health Foundation* named Vermont the healthiest state in the nation in 2010.[11] However, **58.2% of Vermont adults were considered overweight or obese in 2009**, and the percentage of overweight and obese Vermonters increased 5.5% and 60.3%, respectively, from 1995 to 2009.[12] The *Vermont Department of Health* estimates that nearly 9% (55,000) of Vermonters have diabetes.[13]

Checking out at Healthy Living, South Burlington

PHOTO CREDIT: Healthy Living

GETTING TO 2020

Goals 1, 2, and 3 of the F2P Strategic Plan focus on increasing the amount of and demand for healthy, locally produced food for Vermonters and the region and to reduce food related health problems:

Goal 1: Consumption of Vermont-produced food by Vermonters and regional consumers will measurably increase.

Goal 2: Students, administrators, and faculty of Vermont K-12 schools, colleges, and universities will consume more locally produced food.

Goal 3: Vermonters will exhibit fewer food-related health problems (e.g., obesity and diabetes).

To achieve these goals, improving consumer education was among the top three most frequently mentioned needs for strengthening the local food system during the stakeholder input process. Consumer education campaigns should, for example, provide Vermonters with information about the economic, social, environmental, and health benefits of buying locally and regionally produced food, including addressing the "price" barrier with specific information (e.g., average price per pound of food from a CSA share compared to the supermarket prices), the hidden costs of imported food, and should profile farm families and food enterprises actually benefitting from their purchases.

See Chapter 3, Section 1 for more information on consumer demand, consumer education, and marketing in Vermont.

What kinds of resources are needed to produce food in Vermont? How can Vermont farms deal with rising production costs? How much farmland is available in Vermont?

3.2. Farm Inputs

Before food production can occur, a number of critical inputs are required, from land to labor and from seed to feed. Most Vermont farms today rely on out-of-state sources for equipment, seeds, fuel, fertilizer, and parts. Vermont has at least **765 farm support establishments that collectively employ at least 2,139 people.**[14] These establishments depend on the viability of Vermont's dairies and other farms to stay in business. As the owner of the largest feed business in Vermont, *Bourdeau Brothers*, Jim Bushey knows the close financial connection between his business and so many other farms and supply vendors. "Their success will be our success," he stated.

Rising Input Costs

Since 1948, American farmers have made more food and other agricultural products on less land and with less labor but with more petroleum-based material inputs, and most farmers have made less money in the bargain. Vermont farmers have produced slightly more milk, with fewer cows and fewer dairy farms, but the volatility of milk pricing and increased material input costs have meant that, on average, many farmers are making less now than they did in 1970. The U.S. Department of Agriculture (USDA) attributes much of the increased cost of farm inputs to rising crude oil prices.

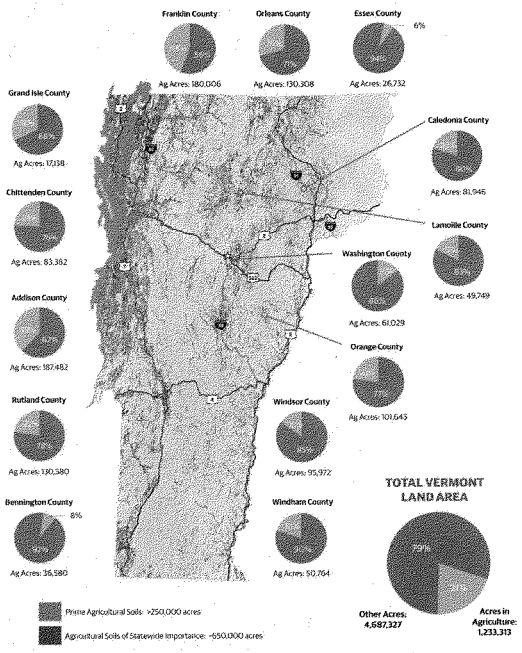
In 2007, **Vermont farmers spent almost $550 million for inputs, mostly from out of state.** Vermont dairy farms account for the majority of farm input expenses (e.g., 89% of feed purchased). Animal feed constituted 26% ($144 million) of total farm production expenses, with hired labor ($72 million) and liquid fuels ($32 million) making up an additional 19%. The cost of liquid fuels and fertilizers increased by 137% and 94%, respectively, from 1997 to 2007 in Vermont.[15]

Developing solutions for rising input costs, as well as a variety of issues such as land access and availability, water use and pollution, on-farm energy production, and soil health, is key to the sustainability of Vermont's food system.

LAND: **In 2007, over 1.2 million acres, or 21% of Vermont's land, was in agriculture.** Agricultural activity can be found in every county. Addison, Franklin, Rutland, Orleans, and Orange counties contain 59% of the agricultural land in Vermont.[16] According to the *Farmland Information Center*, nearly 41,000 acres of agricultural land, including 11,000 acres of prime agricultural land, was converted to developed land between 1982 and 2007.[17] Because of Vermont's small size, the loss of about 41,000 acres is nearly the lowest of any state. But, relative to total agricultural acreage, this loss ranks Vermont 23rd in the nation for agricultural land conversion.[18] Ongoing conservation efforts, especially for prime agricultural farmland, are essential to the future viability of farming in the state.

Affordable access to farmland was described by F2P stakeholders as a serious barrier for new farmers or those seeking to grow and expand. Farm incubator programs and sites have been identified as a way to help new farmers overcome capital barriers and gain access to affordable leased land, shared equipment, other infrastructure, and mentors while they are in the startup phase of their businesses. Embedding agriculture in residential areas closer to active markets has recently been studied in Vermont. Residents in Chittenden County were surveyed about their interest in this model of "cooperative land management," and although the agricultural quality of land parcels is unknown, the total landmass of those interested in leasing their land for farming activities was over 5,800 acres![19] Zoning ordinances, town and regional plans, and statewide planning legislation must be reviewed and adapted to encourage local agriculture and food distribution.

Acres in Agriculture by County, 2007



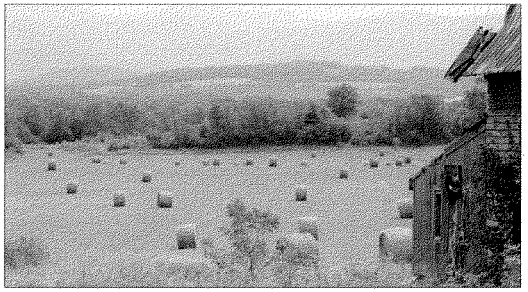
Source: Agricultural soils - Vermont Center for Geographic Information; agricultural soils by county - 2007 Census of Agriculture. *Note:* Agricultural soils maps for Essex County are not available.

SOIL: Access to highly fertile soils, and proper soil monitoring and management, are central to the future of a strong Vermont food system. Soil quality makes a critical difference between a productive farm and a struggling farm business, and healthy soils with high levels of organic matter provide a wide range of other ecological services such as improved water quality and carbon sequestration. Vermont has over 250,000 acres of "prime agricultural soils" and almost 650,000 acres of "farmland of statewide importance." Maps show where these soils are, but we do not know how many acres of "prime" and "statewide" land have already been developed or paved over, or how many parcels are too small or lack good access. Soil monitoring for a wide range of biological, chemical, and physical soil properties is critical for achieving greater soil fertility, reduced erosion, increased productivity, improved water quality, and increased soil carbon.

WATER: Vermont's abundance of water for livestock, crop production, and food processing facilities is an important asset. Food system activities account for about 2% (8.1 million gallons)[20] of daily freshwater withdrawals, but they are estimated to contribute 38% of nonpoint source pollutants—primarily phosphorus and other agricultural runoff—to Lake Champlain.[21] Mutually agreed upon goals for improving the health of Lake Champlain have been established by the *Center for Clean and Clear* and the *Lake Champlain Basin Program*, and over $100 million has been invested in the past decade. A number of programs and organizations exist to manage nutrient flows, conserve soils, and protect waterways.

SEED: *High Mowing Organic Seeds* has put Vermont on the map for organic seed production and has been party to successful court battles against *Monsanto* regarding seed sovereignty. The 2007 Census of Agriculture reports that seven Vermont farms are growing seeds on 7,224 square feet under glass or other protection.[22] However, most seeds sold in Vermont are grown out of state. Many seeds for plants needed for a diverse diet cannot be grown in Vermont. For those seed crops that can be cultivated here, increased support is needed to advance locally based plant breeding for crops aligned with Vermont's climate.

ANIMAL FEED: Vermont farmers spent over $144 million for feed in 2007, the highest single input cost. Most animal feed is purchased at local dealers, but the bulk of actual grains and supplements are not grown in Vermont. With recent record low milk prices,



Field of hay bales

many farmers have experienced difficulty paying their grain bills, and some grain suppliers are facing receivables nearing 90 days past due. As a result, some Vermont grain companies are experiencing difficulty accessing the credit necessary to maintain their cash flows. To reduce costs, many farmers have developed comprehensive nutrient management plans and grow their own feed crops or are raising their livestock on pasture.

According to the Census of Agriculture, forage land decreased by **over 54,000 acres between 1997 and 2007**, much of it to nonfarm development. Forage (e.g., hay) still covers 330,984 acres, and maintaining forage land is important for soil and water quality, reducing erosion, reducing imported feed costs, and expanding grass-fed livestock production.

OTHER FARM INPUTS: Vendors such as farm equipment and parts sales companies, contractors focusing on building farm infrastructure (e.g., barns), mechanics, veterinarians, and feed dealers are critical to the viability of Vermont's food system. However, detailed information on the impact and needs of these businesses is not readily available.

PHOTO CREDITS: Anthony Cardno

GETTING TO 2020

Goals 4 through 7 of the F2P Strategic Plan address the need to reduce the cost of farm inputs, conserve agricultural land and soils, and protect the natural environment from the impacts of agricultural practices.

Goal 4: Farmers will have increased options to reduce their costs of production.

Goal 5: Agriculture will be advanced as the highest and best use of prime agricultural land and soils.

Goal 6: Productive, fertile agricultural soil and land will be available and affordable for farming into the future.

Goal 7: Food system operations will maintain healthy water supplies and build soil, reduce their carbon footprint, and improve their overall environmental stewardship to deliver a net environmental benefit to the state.

To accomplish these goals, we have identified many objectives and strategies, such as improving statewide land use/land cover maps to identify available farmland for facilitating access for the next generation of farmers. Matching farmers seeking land with retiring farmers or others selling farmland is a critical function for strengthening Vermont's food system. Expertise and resources available from the *University of Vermont* (UVM), the *USDA Natural Resources Conservation Service* (NRCS), local watershed groups, farmers, and other soil-building experts should be employed to develop a more comprehensive soil-monitoring program in Vermont, including additional assistance to help farmers conduct regular soil tests, develop nutrient management plans, create soil fertility enhancement and erosion control strategies, and pilot monitoring projects for various soil-building strategies.

See Chapter 3, Section 2, for more information on farm input issues in Vermont. Labor and energy are covered as crosscutting issues in Chapter 4.

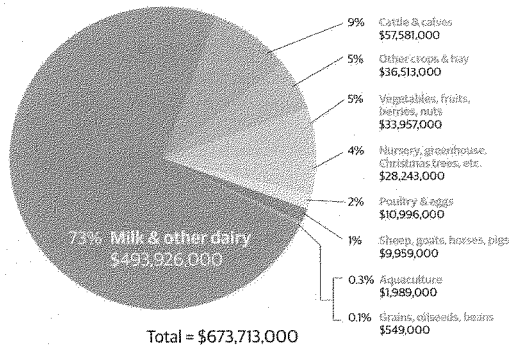
What types of food are produced in Vermont?

Can we feed ourselves?

3.3. Food Production

The market value of Vermont farm products was estimated at nearly $674 million in 2007. Dairy production alone accounted for 73% (nearly $494 million) of that total.[73] Vermont had 6,984 farms that provided employment for 19,735 people (including farm operators).

Total Market Value of Vermont Farm Products, 2007



Many Vermonters are interested in whether we can feed ourselves with local food production. Unfortunately, no comprehensive data exist to indicate exactly how much and what type of food—local or imported—is currently being consumed by Vermonters.

One measure, food availability per capita, is commonly used as a proxy for food consumption, even though it does not measure actual consumption. Food availability is calculated by adding total annual national production, imports, and beginning stocks of

a particular commodity and then subtracting exports, ending stocks, and nonfood uses. This number is then divided by population estimates for the area of interest to arrive at per capita estimates of available food for any particular year. The table below considers how much food would be available to each Vermonter if all food produced in Vermont was consumed locally (i.e., no food exports). Although it is unrealistic to expect all Vermonters to consume the per capita amount of food available to them, **with the exception of milk, lamb, sweet corn, pumpkins, apples, honey, and maple syrup, Vermont farms produce nowhere near the national per capita availability estimates and very little of many food products.**

Can Vermont Feed Itself?

Selected Food Products	2008 U.S. Per Capita Availability (retail weight)	How Much Does Vermont Produce?	Vermont Per Capita Availability
Fluid Milk & Cream	23.7 gallons	299,418,605 gallons	481.6 gallons
Beef	61.2 pounds	6,607,055 pounds	10.6 pounds
Chicken[24]	58.8 pounds	455,104 pounds	.7 pounds
Pork	46.0 pounds	521,640 pounds	.8 pounds
Lamb	.7 pounds	407,528 pounds	.7 pounds
Potatoes[25]	35.2 pounds	8,512,000 pounds	13.7 pounds
Onions	19.2 pounds	1,173,600 pounds	1.9 pounds
Tomatoes	15.7 pounds	1,729,000 pounds	2.8 pounds
Head Lettuce	15.7 pounds	356,000 pounds	.6 pounds
Romaine & Leaf Lettuce	10.3 pounds	2,021,400 pounds	3.3 pounds
Bell Pepper	9.1 pounds	1,435,200 pounds	2.3 pounds
Sweet Corn	8.5 pounds	5,525,000 pounds	8.9 pounds
Carrots	7.8 pounds	899,100 pounds	1.4 pounds
Cabbage	7.6 pounds	2,183,000 pounds	3.5 pounds
Cucumbers	6.2 pounds	481,000 pounds	.77 pounds
Broccoli	5.5 pounds	521,400 pounds	.8 pounds
Pumpkins	4.4 pounds	10,332,000 pounds	16.6 pounds
Bananas	25.1 pounds	0 pounds	0 pounds
Watermelons	13.9 pounds	191,400 pounds	.3 pounds
Apples	15.5 pounds	1,173,600 pounds	124.6 pounds
Oranges	9.6 pounds	0 pounds	0 pounds
Wheat Flour	136.6 pounds	823,320 pounds	1.3 pounds
Rice	21.0 pounds	0 pounds	0 pounds
Oat Products	4.8 pounds	368,800 pounds	.6 pounds
Soda[26]	35.3 gallons	No estimate available	
Coffee	24.2 gallons	0 gallons	0 gallons
Beer	21.7 gallons	No estimate available	
Tea	8.0 gallons	0 gallons	0 gallons
Wine	2.5 gallons	No estimate available	
Refined Sugar	65.7 pounds	0 pounds	0 pounds
High Fructose Corn Sugar	53.1 pounds	0 pounds	0 pounds
Honey	1.0 pounds	700,000 pounds	1.1 pounds
Maple	.006 gallons	1,955,000 gallons	3.1 gallons

Sources: Based on Vermont population of 621,760. Per capita availability estimates come from the USDA Economic Research Service: www.ers.usda.gov/Data/FoodConsumption/FoodAvailSpreadsheets.htm. Vermont food production estimates come from the 2007 Census of Agriculture, except where noted in the end notes.

DAIRY PRODUCTION: **Producing over 2.5 billion pounds of milk per year, Vermont is the largest dairy producer in New England, providing 60% of the regional total.** Vermont theoretically produces enough milk to meet in-state consumer demand. Regional markets for Vermont milk are critical to the viability of the industry.

Dairy farms define the working agricultural landscape across Vermont, making up a significant percentage of all farms in each county. Fluid milk can be transformed into many products: fluid milk, cheese, cultured products (e.g., yogurt, cottage cheese, sour cream, dips) and an umbrella category that includes cream, skim milk, condensed skim

milk, butter, and milk powder. This last category generally represents components used in the processing and manufacturing of products such as *Ben & Jerry's Ice Cream*.

The number of dairy farms has decreased by nearly 91% over the last nine decades. In 1920 there were 25,336 farms that milked cows. By 1980 that number had dropped to 3,372, and by 2007 it was down to 1,141. As of November, 2010, there were 1,011 Vermont dairy farms still in operation (817 conventional, 194 organic operations). There has been a nearly 50% decline in the number of dairy cows from 257,000 in 1950 to 191,089 in 1982, and 139,710 in 2007although the average gallons of milk produced per cow has increased by 311% since 1950. Per cow production increased from 686 gallon of milk per year in 1950 to 1,430 gallons by 1980 and 2,137 gallons by 2008. Advances in dairy cattle genetics, feeding and housing methods, and other technologies have resulted in this increased yield. Most Vermont dairy farmers belong to farmer cooperatives that aggregate milk supply, manage trucking and processing, and find markets for the milk.

At the Crossroads

The downside of dairy's dominant role in Vermont's food system is that when dairy suffers, the entire food system economy of the state suffers too. Not only do milk prices routinely drop below the costs of production, but highly volatile milk prices create dramatic swings from one year to the next. **The primary challenge facing the dairy industry is the lack of price stability.** Current pricing formulas do not take into account the vast differences in production costs among different regions. Most Vermont dairy farmers believe a fundamental restructuring is required to better cover the real costs of production and to minimize price volatility.

The organic dairy industry manages price minimums differently from the federal system for conventional dairy. Unlike the federal management system or the conventional cooperatives, organic cooperatives, such as *Organic Valley*, exercise supply management. When supply gets too high for demand, producers are required to cut back by a certain percentage. The ability to control supply and match it with demand in the market prevents overproduction from bringing down the price received by farmers.

For example, according to the Northeast Dairy Summary prepared by Farm Credit, during the last dairy crisis in 2009 the New England net average cost of production for a conventional dairy farm was $16.19 per hundred pounds (cwt), but the price paid in Middlebury was only $12.41 cwt. Milk prices declined sharply in 2009 as a result of an oversupply of milk and a decrease in the domestic and international demand for dairy products brought on by the global economic crisis. In contrast, Vermont organic milk producers had an estimated average cost of production in 2009 of $25 but still received a price of $27.75 cwt for their milk as a result of the premiums paid for organic milk.

Larger states, such as California, have instituted a state-controlled milk marketing order to be more responsive to local conditions for farmers than the federal system. New England may wish to institute state-managed milk marketing orders to manage local prices. Discussions are also underway at the national level with various members of Congress and *Dairy Farmers Working Together* to explore the creation of a regional milk pricing system that would be linked with supply management.

Goat milk for cheese production has been growing steadily in Vermont for several years and presents an opportunity for farm viability into the future due to high local and regional consumer demand and viable product price points. Challenges in this sector include maintaining strong animal genetics and production expertise to ensure high-quality goat milk. According to Allison Hooper of *Vermont Butter and Cheese Creamery*, "Ten farms

Grazing cows at Family Cow Farmstand

PHOTO CREDIT: Lindsay Harris

milking 600 goats, equivalent of a 200-cow dairy, would fill our current need without looking to future growth potential. In 2010 we purchased 7.3 million pounds of milk to make our cheese. In 2011 we need to purchase 8.5 million pounds. Unfortunately, because there is not enough supply here in Vermont, about 65% of the milk we buy comes from outside the state."

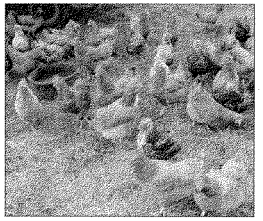
LIVESTOCK PRODUCTION: Vermont's small livestock farms cannot compete on price with the large grain-fed "factory farm" operations in the Midwest and California, but they are ideally suited for raising grass-fed livestock. Vermont livestock producers range from families with a few animals kept mainly for their own use, to hundred-head operations producing for the commercial market.

The U.S. Census of Agriculture provides an inventory of farm types in Vermont on December 31 of the year that each census is conducted. Based on the last Census, the number of Vermont farms raising cattle and calves decreased 33%, from 3,651 farms in 1997 to 2,459 on 2007. The number of Vermont farms raising hogs decreased 22%, from 320 in 1997, to 249 in 2007. The number of farms raising sheep and goats increased 72%, from 607 in 1997 to 1,047 in 2007. The number of farms raising poultry (and eggs) increased over the decade between 1997 and 2007 (from 1,273 to 1,944, a 53% increase). The number of livestock sold as meat declined for every category, except poultry and goats, from 1997 to 2007. (*Note*: This figure does not include dairy beef.)[27]

Meeting the Demand

During our interviews, Vermont producers and retailers indicated a strong demand for local, source-verified meat. Because of the relatively small quantities of livestock produced in the state, the majority of Vermont-grown meat is sold at small, locally owned grocery stores (e.g., *Healthy Living*, *Shelburne Supermarket*), at food co-ops, and through CSA shares. Some products, such as *Vermont Smoke and Cure* meats, are sold in regional supermarkets such as *Hannaford* and *Shaw's*. Vermont-grown meat is also increasingly finding its way onto the menus of hundreds of Vermont and regional restaurants. Businesses such as *Vermont Quality Meats* and the *Vermont Highland Cattle Company* focus on the export of Vermont-raised meat to other areas of the Northeast.

Although demand for Vermont-grown meat typically outstrips production, farmers face considerable challenges to increased livestock production, including the high cost and seasonality of production, limited access to slaughter, and limited technical assistance for the development of profitable production models. Several producers expressed an interest in regulatory changes to allow the retail sale of meat derived from on-farm, uninspected slaughter. However, a number of other producers cited grave concern about any decrease in the regulatory oversight of slaughter. **This issue was one of the most commonly voiced concerns during the development of this report, with strongly held opinions both in favor of and opposed to selling uninspected meat.** Additionally, many consumers voice an interest in procuring source-verified food, yet often hesitate at the price tag. Increasing consumer awareness of the cost of producing food, especially meat, in Vermont is a necessary step to increasing sales of Vermont-raised meat.



Cerridwen Farm chickens at Green Mountain College

FRUIT, VEGETABLE, AND NUT PRODUCTION: Corn rows and apple orchards are familiar sights from Vermont's roads, but other vegetables, fruits, berries, and nuts are also produced by Vermont farmers. The 2007 Census of Agriculture estimated a **market value of over $29 million for Vermont vegetable, fruit, berry, and nut production.**

Vermont has at least 494 vegetable farms on 2,927 acres.[28] Sweet corn is planted on about 38% of these acres, while pumpkins make up another 14%. Fruit trees are grown on 3,480 acres by 305 farms. Apple orchards make up 93% of these acres, while grapes are grown on about 5%. Vermont apples are considered one of Vermont's larger-scale commodity products, and they are processed and packed

Vermont apples at harvest time

PHOTO CREDIT: Chickens by Alan Larkin; apples by Vern Grubinger

Corn harvest

in Vermont and shipped and sold throughout the Northeast. Improved atmosphere-controlled storage facilities have enabled some innovative orchards to sell apples throughout the year. Additional fruit trees, including peaches, pears and cherries, are grown on a relatively small scale in Vermont. Nuts are grown on at least 68 acres, and walnuts (62% of the nut total) are the most prevalent type.

Many kinds of berries are grown in Vermont, including blueberries (51% of total berry acres), strawberries (26% of total berry acres), cranberries, raspberries, blackberries, currants, and gooseberries. Several Vermont farms specialize in berry production, and many include a variety of berries in CSA shares or farmers' market offerings. Given the short growing season in Vermont and the fragile nature of berries, berries must be sold immediately after harvesting, or processed for freezing or cooking into preserves, jams, jellies, or other sauces. On average, an acre of land in vegetable production grossed around $4,500 in 2007. This is almost nine times the value of the statewide average for all other agricultural activities. An acre of fruits, berries, or nuts grossed nearly $3,800 in 2007.

Vineyards and wineries are a recent development in Vermont. New, cold-hardy wine grapes are being grown, and Vermont vineyards and wineries are fermenting wines. There are nearly 30 wineries in Vermont, and many are growing their own grapes.

Leaping the Gap

Good Agricultural Practices (GAP) are currently voluntary for produce growers. GAP guidelines include such actions as testing irrigation water for the presence of contaminants. After the dramatic increase in foodborne illnesses in the last decade many buyers, particularly chain supermarkets and wholesalers, began requiring their produce growers to undergo a third party audit to certify that they were following GAP.

Several stakeholders interviewed during the F2P Strategic Plan development process expressed the belief that GAP certifications are not appropriate for Vermont-scale producers, which tend to be smaller than those in other states. As a result of intense lobbying efforts, important changes were included in the Food Safety and Modernization Act (FSMA), which passed Congress at the end of 2010. For example, produce growers that direct-market more than 50% of their food products, have gross sales of less than $500,000 per year, and sell products in-state or within 275 miles of the farm, will be able to develop food safety practices that are appropriate for their farms. Several provisions require the *Food and Drug Administration* (FDA) to be flexible to help small food processors and manufacturers meet costly safety and record-keeping requirements. Interested stakeholders will need to be vigilant and engaged over the next several years as the FDA begins rule-making to implement the FSMA. The *UVM Center for Sustainable Agriculture* recently added a GAP Outreach Coordinator position and created a GAP Working Group to focus on providing technical support to growers and to identify solutions to food safety challenges.

MAPLE PRODUCTION: **Vermont is the largest producer of pure maple syrup in the United States, equal to 46% (1,955,000 gallons) of total U.S. production in 2010.** Vermont's share of U.S. maple syrup production grew from 35% of total production in 1992 to 46% in 2010. The value of Vermont's maple syrup production grew by 66% from 1992 to 2009, from $19,436,777 to $32,292,000. Vermont's share of the market value of U.S. maple syrup production grew from 33% of the total in 1992 to 36% of the total in 2009. According to the last Census of Agriculture, 1,310 Vermont farms indicated an involvement in maple syrup production.[29]

Grades of syrup and logging sugar making activities

Vermont currently produces more than enough maple syrup to meet local demand and exports most of its annual crop. On a sheer volume basis, maple syrup production will never displace that of high fructose corn syrup, corn syrup, and other refined sugars, but the

PHOTO CREDITS: Corn harvest by Jim Thompson, Vermont Lenses, maple logs by Kurt Preissler

greatest market opportunity exists in replacing the use of some percentage of artificial syrup in other parts of the country with Vermont maple syrup. Expanding the number of acres devoted to sugaring, allocating significant dollars to marketing maple syrup as the natural replacement to artificial syrups, and streamlining Vermont's maple industry organizations were all identified by interviewees as next steps. The *U.S. Global Change Research Program* predicts that maple-beech-birch forests will shift dramatically northward as as the climate changes.

GRAIN PRODUCTION: Before the completion of the Erie Canal and greater Midwest transportation routes in the mid-1800s, thousands of acres of Vermont farmland were planted in a variety of grains, especially wheat and oats. Better transportation access for grain distribution, more compatible weather, and landscapes more suited to grain growing all led to the concentration of U.S. grain production in Midwestern states. The localvore movement in Vermont brought the grain issue to the forefront a few years ago because no local bread flour existed. Consumer demand is strong for local grain and is expected to grow in the future. According to the 2007 Census of Agriculture, **12 Vermont farms are growing oats on 211 acres, 7 farms are growing rye on 100 acres, and 9 farms are growing wheat on 379 acres.**[30]

Small-scale mills, such as *Gleason Grains*, may be viable to support smaller-scale growers through aggregation and equipment sharing. But stakeholders and industry experts recognize that a regional, collaborative approach to production and infrastructure development will be necessary to meet the larger-scale consumer demand. For instance, a grain cooperative made up of grain-milling companies, bakeries, and other end users throughout northern New England and southern Quebec may have a greater ability to invest in drying, storage, and milling infrastructure as a means of sharing the risk inherent in local grain growing.

Oilseed crops such as sunflowers, canola and soybeans are also being grown in Vermont, primarily in Bennington, Franklin, Addison, Rutland, and Caledonia counties. Soybeans have always been grown as part of dairy feed rations and most recently as inputs for the *Vermont Soy Company's* line of organic tofu and soy milk. All three grains can be expeller pressed to yield oil that can be either used as culinary oil or processed further into biodiesel, and the meal can be fed to a variety of livestock.

DRY BEAN PRODUCTION: Demand for locally produced dry beans such as kidney and pinto beans has grown, and some farmers are responding. The *Neighboring Food Co-op Association*, which includes more than 20 food co-ops in New England, reported that its members purchased over 30,000 pounds of black turtle beans, pinto beans, and kidney beans. All of these are currently being grown by a small number of Vermont farmers and are considered to be a viable Vermont crop.

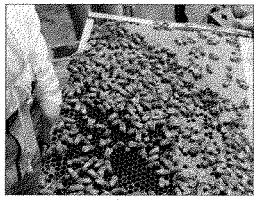
FISH PRODUCTION: With global fisheries in severe decline, local and regional fish production is an important opportunity for Vermont's food system. The last Census of Agriculture reports that **23 Vermont aquaculture farms generated nearly $2 million in sales in 2007.** While most existing farms are for pond stocking programs, two full-time food fish producers currently exist. A few businesses have been established in Vermont and Massachusetts to demonstrate that contained, sustainable, recirculating fish production facilities can be viable, especially if connected to renewable fuel and the sustainable use of wastewater to irrigate and fertilize greenhouse crops. Domestic aquaculture facilities focus primarily on tilapia and a variety of trout species.

Vermont-based *Carbon Harvest Energy* is piloting an effort to use methane gas from the Brattleboro landfill to generate electricity. Much of the waste heat from this process is intended to heat both tilapia production tanks and greenhouses producing specialty greens using fish waste as fertilizer and irrigation. Currently, the fish are planned to be marketed to the *Vermont Foodbank*, but as the number of similar facilities grow, markets can expand. *Carbon Harvest* expects to grow about 20,000 pounds of tilapia annually at its Brattleboro facility.

BEES AND HONEY PRODUCTION: Honeybees are critical pollinators for all kinds of food products and make a delicious natural sweetener. There are several commercial beekeepers and apiaries in Vermont, but most beekeepers do it as a hobby or, as noted on the *Vermont Beekeepers Association* (VBA) website, for "love and honey." The VBA is the primary voice of the state's honeybee industry, with approximately 400 members ranging from commercial producers to hobby beekeepers.

The National Agricultural Statistics Service reported that Vermont had 5,000 honey-producing colonies in 2009. At an average yield of 49 pounds per colony, 245,000 pounds of honey were produced, with an estimated value $578,000.[31] However, the VBA

reports that Vermont has 9,000 colonies that produce about 700,000 pounds of honey per year.[32] Accurate colony numbers and registration procedures need to be established. Recent threats to bee populations from colony collapse disorder prompted the legislature to request an analysis of the condition of the bee and beehive population in Vermont. The study found that, "there is no evidence to support the claim of a 'precipitous decline' in Vermont 'domestic' honey bee populations."[33]



Beekeeping Workshop, 2004

GETTING TO 2020

Goals 8 through 12 of the F2P Strategic Plan focus on increasing food production for local and regional markets.

Goal 8: Locally produced food for all types of local markets will have increased.

Goal 9: Locally produced food for all types of regional markets will have increased.

Goal 10: Vermont's dairy industry will support supply management policies, in-state processing infrastructure, and diversification opportunities.

Goal 11: The majority of farms and food processing facilities will be profitable with a stable cash flow and increased returns to producers.

Goal 12: Self-sufficiency and access to fresh food will increase through small-scale domestic production.

Developing solutions to the problems of dairy pricing and ramping up meat, fruit, vegetable, grain, and bean production to meet local and regional demand are major challenges. Marketing efforts to raise awareness among consumers about the dairy crisis and the discrepancy between milk prices and cost of production, and to increase the regional consumption of Vermont milk especially in public and other large institutions, are critical. Technical assistance and transition compensation is needed to support dairy diversification strategies, including transition to organic; enterprise budgets for on-farm dairy processing; livestock production; and grain, feed, and forage production, to name a few.

Livestock farmers have an opportunity to voluntarily embrace animal care standards as a marketing tool to appeal to consumer interest in animal management practices. Advertising humanely produced, source-verified meat could be a way for livestock producers to capture a premium in the marketplace for their products and ensure the strength of the Vermont brand.

The process of developing scale-appropriate GAP legislation is still in flux. Clearly needed now are ongoing technical assistance and a matching grant program for GAP-related physical infrastructure for growers in their first year seeking GAP certification, especially smaller growers.

See Chapter 3, Section 3, for more information on food production issues in Vermont.

How big is Vermont's food processing and manufacturing industry? How can Vermont increase its capacity for processing local food?

3.4 Food Processing and Manufacturing

Vermont has at least **457 food processing establishments that employ at least 4,356 people** and is the second-largest manufacturing sector employer in the state, behind computer and electronic products. The average wage in the food processing and manufacturing industry is $37,612 per year. **Food manufacturing is one of only two manufacturing sectors that saw employment growth from 2007 to 2010.**

Farmers may wish to use processing to recover value from an overabundance of fruits and vegetables or when cosmetic or other minor blemishes keep them from being sold as fresh, whole produce. Other forms of processing transform a commodity ingredient into a specialty food with a significantly higher retail value, such as transforming milk into artisan cheese or yogurt. And some of our favorite foods and beverages are manufactured in large commercial facilities, such as *Lake Champlain Chocolates*, *Magic*

PHOTO CREDIT: Meghan Dewald

Hot beer, *Madhouse Munchies*, and *Ben & Jerry's* ice cream. Processing can also open up new markets for producers, such as high-volume, year-round businesses (e.g., hospitals and school cafeterias), many of which are interested in lightly processed foods to reduce the labor that would otherwise go into peeling winter squash or washing and chopping vegetables for salad bars. In-state processing facilities allow producers to expand their product lines, gain greater control over the process of bringing food to market, and capitalize on "local" branding as well as other certifications based on processing procedures (e.g., GAP certification).

Throughout the F2P planning process, many Vermonters expressed a desire for additional in-state processing facilities to serve the needs of farmers and food entrepreneurs. However, getting from that expressed desire to viable businesses is not a simple process. A number of recently completed economic feasibility studies have revealed the challenges of developing processing businesses in the state.

Localizing Milk Processing Infrastructure

Within New England, the centers of milk production, processing, and consumption are not in the same location. Vermont farms provide the major share of raw milk, while processing occurs in multiple locations (particularly Massachusetts), and most consumers are in urban centers such as Boston and Hartford. One major drawback of this arrangement is that Vermont dairy producers cannot set the price of their products, and milk prices do not necessarily reflect the true cost of production.

It is difficult for a new local processing facility to enter the marketplace, but there are also advantages to creating this local capacity, and at least three Vermont-based processors have succeeded in doing so: *Strafford Organic Creamery*, *Monument Farms*, and *Thomas Dairy*. All of these local processors tout local sourcing, personal connections, and healthy, hormone-free cows as reasons people purchase their product. A renewed commitment to help more fluid milk stay in state for processing or other types of value-added products, such as cheese and yogurt, would go a long way to helping to stabilize Vermont's dairy industry.

Relieving Bottlenecks in Current Meat Processing Capacity

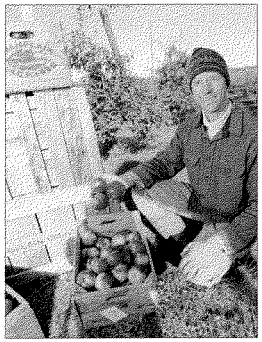
A primary challenge for the Vermont meat production and slaughter industry is the seasonality of livestock production. Access to high-quality and timely slaughter services continues to be a major hurdle for livestock producers. Producers who raise only a small number of animals experience the greatest difficulty accessing slaughter spots as most animals in Vermont are slaughtered between September and January. Interviews with slaughterhouse owners revealed that operations drop to between 80% and 30% of total capacity from February to August, respectively. If the number of animals processed could be maintained year-round, slaughterhouses would more easily realize a return on their significant capital investment. Assisting farmers with winter grass management strategies so they can profitably finish animals year-round would increase their ability to secure slaughter spots. Most kill floors in Vermont slaughterhouses are used only two or three days per week because of various meat processing and storage constraints, suggesting a significant opportunity to expand the slaughter capacity of existing facilities with additional investment.

Custom-exempt slaughter plants can process livestock for the exclusive use of the owner, the owner's family, and nonpaying guests. To increase the use of custom-exempt slaughter plants, livestock producers could sell live animals ready for slaughter to customers who could then arrange to have them slaughtered at custom-exempt slaughter plants.

Other concerns around slaughterhouse/meat processing include a lack of training for the next generation of workers, especially skilled meat cutters; a need for transition planning for existing owners nearing retirement; more brokers to help get Vermont meat into regional markets; and a lack of infrastructure to process dairy beef for sale to schools and institutions (e.g., hamburger patty machines).

Vertically Integrating Operations

Vertical integration happens when a business consolidates along a supply chain—from growing or raising food to processing and from distribution to marketing. By controlling multiple stages of product development, a business can control costs at each stage, receive all the profits at those stages, and directly manage for quality. These benefits must be weighed against the need for a diverse set of management skills in-house and the need for equipment and facilities for each step in the process of getting to market. For example, Bill Suhr of *Champlain Orchards* has brought his processing to a highly integrated level. The products he creates on-farm include fresh cider, applesauce, apple pies, turnovers, apple butter, cider syrup, fresh sliced apples for sale to commercial



Bill Suhr with crates of apples at Champlain Orchards

buyers, and dehydrated apples. He also works with *Eden Ice Cider* to press apples for making ice cider at their facilities. In 2009, he also began contract pressing apple cider for *Sunrise Orchards'* branded line of cider. *Champlain Orchards* is also one of a few farms in Vermont that has built cold storage to keep local apples available.

Light processing of fruits and vegetables commanded a high level of interest at the F2P local food summits, and is the subject of a number of feasibility studies. For example, schools, restaurants, hotels, and other large-scale food service establishments can integrate local foods into their meals more easily when pre-preparation, such as slicing apples, saves them from costly labor. However, generating the volumes necessary for commercial processing is currently a limiting factor, and the best business model for most farmers, at this time, is to target the fresh market and limit the time or money that goes into salvaging produce that can't be sold there. As production volumes increase over time, commercial processing facilities will likely become viable.

Over the past 15 years, Vermont's artisan (i.e., cheese made in small batches) and farmstead (i.e., cheese made by the farmers who raise the animals) cheese makers have demonstrated the value of vertical integration, garnering consistent first place finishes in the *American Cheese Society's* annual competition, and price premiums in the marketplace. Integrating the supply chain of a cheese-making operation, or transitioning from other forms of dairy to cheese making, requires a significant investment in training and capital, patience for product development of a slow-aging food, and a skill set that ranges from milking to processing to marketing.

Rocks of cheese in the Cellars at Jasper Hill in Greensboro

Increasing Locally Grown Inputs in Specialty Foods

The use of Vermont-grown ingredients varies across manufacturers. Some manufacturers use only local ingredients (e.g., maple products), whereas others specialize in foods that can't be grown or sourced in Vermont, such as coffee and chocolate. Many others contain a mix of local and nonlocal ingredients either within a product or across a product line. Vermont is home to hundreds of exceptional specialty food makers that have contributed to the state's reputation for quality food and that have built processing capacity within the state. The *Vermont Specialty Food Association*, counts 385 specialty food businesses in the state making over 1,500 Vermont specialty food products. Making a local ingredient connection for these specialty food manufacturers is not always practical. A recent VAAFM study found that price and availability were the primary obstacles to sourcing local ingredients.[34]

Developing Localvore Products along the Supply Chain

Vermont has recently seen the emergence of new localvore items such as culinary oils, dry beans, liquor, wine, vinegar, kombucha, mushrooms, oats, cornmeal, barley, flour, bread, and hops for beer making. Entrepreneurs face a number of issues when introducing

PHOTO CREDITS: Champlain Orchards, and D.J. Mitchell

previously unavailable locally sourced products to a larger audience. In the case of localvore bread, the small number of local grain growers, the quality and yield of Vermont wheat, a lack of processing infrastructure, and baker requirements are all challenging factors. It took the combined effort of growers, millers, bakers, and consumers, along with technical assistance from *UVM Extension* and peer-to-peer assistance in the *Northern Grain Growers Association*, for two bakeries (*Red Hen Bakery* and *King Arthur Flour*) to offer localvore bread.

Promoting Mobile Processing

In 2008, VAAFM piloted two mobile processing units, one for the individual quick freezing of berries and the other for poultry processing. Mobile units are designed to bring processing to the farm, with the hope of building enough volume (through visiting farms) to create a viable business, as well as preventing stress to animals or damage to product caused by transport. Vermont is also home to a new mobile pasteurization and cheese-making unit that produces cheese curds with the milk collected from livestock at state and county fairs.

GETTING TO 2020

Goals 13 and 14 of the F2P Strategic Plan address the need to strengthen Vermont's food processing and manufacturing sector, thus providing farmers with more outlets for their products both locally and beyond Vermont and providing consumers with more year-round Vermont-produced choices.

Goal 13: Value-added food processors will be profitable, retain and/or add quality jobs, and strengthen and benefit from the quality of the Vermont brand.

Goal 14: Food processing facilities of all kinds will enable producers to access a wider range of market outlets and enable greater year-round consumption of local food.

To achieve these goals, the F2P team developed strategies that address underlying issues in processing research, infrastructure development, aggregation, workforce training, and regulatory assistance, as well as specific products (e.g., dairy, meat, and produce). For example, a feasibility study for a medium- to large-scale fruit and vegetable processing facility aimed at serving institutional markets would identify the types of products needed to meet demand, viable price points, the number of production acres needed per product, the facility service area, and the number of facilities needed. A survey of Vermont Specialty Food Association members could identify which raw inputs are used in the greatest quantities, and additional research could identify a group of growers interested in providing these local products.

See Chapter 3, Section 4, for more information on food processing and manufacturing issues in Vermont.

How does the food distribution system connect Vermont farmers and food enterprises with local and regional markets? Are there significant inefficiencies in the current food distribution system?

3.5 Wholesale Distribution and Storage

Vermont and the Northeast region are home to a number of wholesalers and food distributors that provide a wide variety of customized services to individual farms. **Vermont has at least 263 wholesale distribution establishments that collectively employ at least 2,288 people.** Wholesalers and distributors sell to markets as varied as individual restaurants and supermarket chains. The wholesalers and distributors themselves range in size from single individuals with small trucks handling a limited range of products, such as Brad Earl of *B&D Distributors*, to sophisticated wholesaler operations able to source and deliver a wide range of products, such as *Black River Produce* and *Upper Valley Produce*. Some wholesalers such as *Dole & Bailey* and *Red Tomato* work with producers to ensure the quantity and quality of the food they require.

During the course of our interviews, we heard a variety of perspectives on food distribution issues in Vermont. For example, some producers had difficulty paying the added expense of shipping small quantities while they were developing a market presence for their products. Other producers voiced concern about wholesalers'

and distributors' handling of high-value perishable products such as meat and dairy products, while some dairy producers had no problems at all. Several vegetable producers mentioned the significant expense of purchasing high-quality waxed cartons to maintain the value of their products as they are shipped by wholesalers.

Alignment and Aggregation

The consolidation and concentration of processing, distribution, and retailing over the past 50 years has made it difficult for small and medium-sized food enterprises to gain access to traditional retail markets. **A key insight of our research is that, to be successful, food enterprises must align their stage of development and the type and scale of their operations with suitable market outlets.** Improved access to all types of markets can be strengthened by improving the connections among (1) small-scale producers who self-distribute and direct sales venues (e.g., farmers' markets); (2) medium-scale producers, wholesalers, and medium-sized retailers (e.g., co-ops, restaurants); and (3) large producers, wholesalers, and large markets (e.g., grocery stores).

A number of emerging models that embrace supply chain collaborations, including regional aggregation facilities and incubators and regional food centers hold promise for small and medium-sized food enterprises to reach larger markets.

Regional Aggregation Facilities and Incubators

Distributors and farmers interviewed frequently referred to the expense of collecting small amounts of product from dispersed and remote locations. It may be advantageous to develop dispersed warehousing to aggregate products for entry into the distribution system; however, it is equally important for farms to produce at scales that existing distributors require. Consideration should also be given to building new storage capacity to increase the year-round availability of local food for all types of markets (including processing markets), as an interim step in the development of additional multipurpose aggregation centers.

Regional Food Centers

Several of Vermont's food centers are currently exploring the economic feasibility of community kitchens or commercial-scale facilities to provide aggregation and distribution, storage, and light processing services to help small producers add value to their products.

Sorting fruits and vegetables at Black River Produce warehouse

PHOTO CREDIT: Black River Produce

Storage Infrastructure

As reliance on imported and industrially produced food has increased over the past 50 years, **Vermont has lost much of the infrastructure necessary to store food for out-of-season use.** Several controlled atmosphere facilities for apple storage have been converted to alternative uses. Many small groceries that could store carcasses for on-site processing have transformed these spaces and now buy all of their meat in retail packages. Even wholesale distributors such as *Black River Produce* and *Vermont Roots* have limited storage and rely on producers to regularly provide relatively small quantities of food for distribution. Some farms have increased their on-farm storage by adding freezers and root cellars.

Lack of storage is often cited as the reason for low quantities of year-round Vermont-grown food. The *Deep Root Cooperative* has gained greater efficiency by supporting a centralized aggregation center with storage infrastructure dispersed on farms. Farmers

maintain produce at their own locations and deliver it to a common area for pick-up and distribution. Centralized storage is available at facilities such as the *Vermont Commercial Warehouse* in Williston, which provides the added bonus of flexibility in the type and amount of storage required. *Vermont Refrigerated Storage* in Shoreham provides apple storage for many growers and is exploring other uses for their underutilized space.

GETTING TO 2020

Goal 15 of the F2P Strategic Plan addresses the need to ensure that appropriate distribution and storage infrastructure is in place over the next 10 years.

Goal 15: There will be a sufficient supply of all forms of on-farm and commercial infrastructure to meet increasing year-round consumer demand (i.e. storage, aggregation, telecommunications, and distribution services).

Strategies for accomplishing this goal include, for example, developing a brokering or matchmaking function throughout Vermont. Producers, wholesale distributors, some private consultants, and regional food centers often play a broker role, helping local food producers and retailers find each other in the marketplace. A dedicated match-

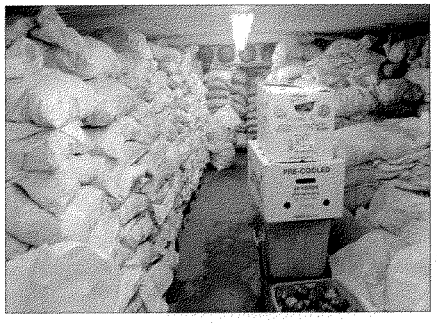


PHOTO CREDIT: Elena Gustavson

Cold storage at Pete's Greens in Craftsbury

maker role in every region of Vermont could help bring greater quantities of locally produced food into mainstream retail outlets.

At present a comprehensive inventory of existing food storage facilities does not exist. A central online database of commercially available storage options to help farmers and food entrepreneurs locate needed storage could be part of the solution to this problem because smaller farms and enterprises may not have the financial ability or desire to own their own storage facilities.

See Chapter 3, Section 5, and Appendix C for more information on wholesale distribution and storage issues in Vermont.

What do retailers of food need in order to provide more local or regional food to their customers? What do food producers need to know in order to access new market outlets?

3.6 Retail Distribution

There are at least 2,494 retail distribution establishments employing at least 27,530 Vermonters. Official statistics do not track direct market outlets or institutions that serve food. NOFA-VT and VAAFM report at least 76 farmers' markets, 80 CSAs, and 119 farm stands operating in Vermont, but we do not know how many people are employed at these establishments. There are at least 8 correctional facilities, 15 hospitals, 355 schools, and 26 colleges in Vermont, but we do not know how many people at each institution are involved in food services. **Nationally, the share of total home food sales controlled by supermarkets and supercenters has increased from 37% in 1958 to 76% in 2008.** In 2007, 86% of all Vermont retail food sales occurred in supermarkets, including *Costco* and *Walmart*. The shift to larger stores reflects significant concentration in the market. The top four retailers (i.e., *Walmart*, *Kroger*, *Safeway*, and *Costco*) now have more than one-third of total sales in the country.[35]

Connecting the Dots

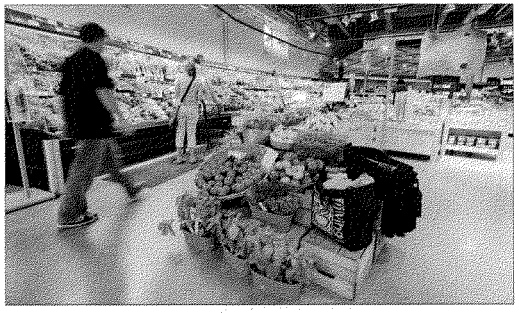
In speaking with a broad cross-section of Vermont producers, we heard accounts of successful marketing of Vermont-grown and -processed food as well as difficulty

accessing grocery and institutional outlets. Likewise, in speaking to experts in retail groceries, restaurants, and institutions, we learned about the existing structure of these mainstream outlets, the efforts being made to increase sales of local products, as well as the continued barriers and hurdles local producers face in trying to gain access to these markets. **To increase the amount of local food in institutions, traditional supermarkets, and restaurants, producers need to understand the current system of food distribution and may have to work with other producers to aggregate their products for sale to these outlets and/or increase their own scales of production.**

For example, producers planning to work with supermarkets need to understand how supermarkets operate. They should particularly be prepared to deal with the following issues:

- Supermarkets are often not prepared to source products with unknown sales records or those available only seasonally or in small quantities.
- It is standard practice for large supermarkets and distributors to rotate or change buyers; producers can lose access to supermarkets when key store personnel leave their positions.
- Most buyers require producers to carry general liability insurance. Although in the past, many stores and institutions required only $1 million in coverage, many are now requiring $2 million.
- Supermarkets normally require delivery at specific times, often quite early in the morning.
- Supermarket chains have difficulty sourcing food into individual stores to target consumers most interested in certain specialty products.
- Producers need to provide sufficient packaging to maintain product quality.

See Chapter 3, Section 6, and Appendix C for more information on retail distribution issues in Vermont.



Healthy Living's produce section

GETTING TO 2020

Goal 16 of the F2P Strategic Plan addresses the need to strengthen Vermont's retail distribution system, to provide food enterprises with a growing number of market outlets in Vermont and beyond, and to provide consumers with more year-round Vermont-produced choices.

Goal 16: Food system businesses' stages of development and scales of production will be matched with appropriate market outlets.

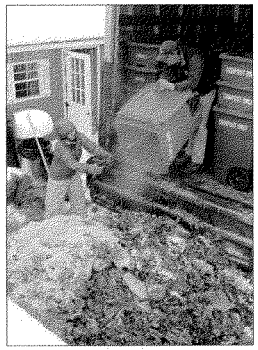
A number of opportunities exist for strengthening connections between local food producers and larger market outlets, including encouraging supermarkets to track their purchase and sale of local products so that they can be more responsive to changes in consumer demand. Or, funding a pilot project to work with various types of institutions to identify internal barriers to purchasing and tracking local food procurement and organizing more matchmaker events between producers and purchasers. By analyzing what products can be substituted at different times of the year and identifying food producers that can provide the desired products, more local food can be served in these institutions.

PHOTO CREDIT: Healthy Living

How much food waste do Vermonters generate?

3.7. Nutrient Management

After the table has been cleared and the plates have been washed, a lot of food ends up in the landfill. Vermonters generated 627,811 tons of municipal solid waste (MSW) in 2008, a 3.5% increase from 2006, and equal to about 1 ton per person per year. We do not know with precision how much food waste is generated in Vermont. **Food waste estimates reviewed for the F2P Strategic Plan ranged from 12.7% (about 80,000 tons) to 27% (about 170,000 tons) of the MSW waste stream.** Farmers, schools, and other organizations in Vermont are increasingly using composting to recover valuable nutrients and recycle them, which results in significant environmental, economic, and community benefits. Available statistics do not track the amount of compost produced or the number of people employed in compost production, but at least 32 businesses are involved in composting in Vermont, and 16 solid waste districts or planning groups are also involved in food scrap diversion and composting.

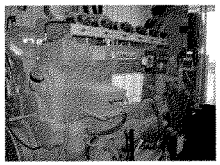


Food scraps for composting

Vermont farmers also import a lot of nutrients in the form of feed for livestock. Livestock excrete a portion of these nutrients as manure, which gets spread as fertilizer, turned into compost or energy. Vermont farmers also import fertilizers and soil amendments for crop growth. Some portion of these fertilizers and manure run off into Vermont's water bodies. Based on the last Census of Agriculture, we estimate that **over 3.1 million tons of manure (nearly 99% coming from dairy cows)** can be captured for fertilizer, compost, anaerobic digesters, and other uses.

The VAAFM, USDA NRCS, and several other organizations implement *at least ten programs* to manage manure and nutrient runoff. For example, the *Farm Agronomic Practices Program* purchased six soil aerator tools for the *Farmer's Watershed Alliance* to use to maximize the amount of rainfall moving vertically into the soil, minimizing horizontal water runoff and erosion on more than 13,000 acres.

At least 23 dairy farms use anaerobic digesters or are in the process of building digesters to manage their manure. Anaerobic digesters are essentially oxygen-free tanks that use microorganisms to transform biomass into "biogas." This biogas can then be turned into electricity and other valuable co-products, such as animal bedding, liquid fertilizer, as well as reduce odor and pathogens. Vermont ranks fourth in the nation in installed anaerobic digesters, and the feasibility of creating many more systems is being explored.



Digester engine

Despite the critical importance of soil building, Vermont's composting industry still struggles in terms of visibility and reputation, the norms and rules governing composting activities are still being debated, and critical information about the size and scope of the market is still lacking. Vermont has many technical assistance resources for ensuring that more manure makes it into the soil and that less fertilizer is imported, but VAAFM and other service providers are chronically understaffed and underfunded. Vermont also has a strong support network for the development of anaerobic digesters, but a long-term funding source for the Clean Energy Development Fund needs to be established.

GETTING TO 2020

Goal 17 of the F2P Strategic Plan addresses the need to develop closed loops systems for nutrient management.

Goal 17: Farm waste (e.g., livestock manure) and food waste will be diverted from landfills and waterways and used to produce compost, fertilizer, feedstock for anaerobic digesters, or other agricultural products.

PHOTO CREDITS: Hightfields Center for Composting and the Vermont Agency of Agriculture, Food, and Markets

To achieve Goal 17, additional personnel and funding for manure nutrient management programs are necessary. For example, VAAFM has one large farm operation (LFO) coordinator for 20 LFOs, and three medium farm operation (MFO) coordinators for 152 MFOs. For the over 800 smaller dairy farms the VAAFM relies on assistance from the Conservation Districts and complaints from the public. Increased coordination among funding organizations and prioritization of funding for projects with high impact results (e.g., allocating $240,000 to install the necessary water quality practices at remaining LFOs, or allocating more funding for soil aerators) could maximize the reach of limited financial resources. Additionally, a public education campaign highlighting best practices of compost production at different scales, as well as uses and benefits of high quality Vermont compost products, should be organized, and regulations around using commercial food scraps on farms to make compost need to be clarified.

See Chapter 3, Section 7, for more information on nutrient management issues in Vermont.

A number of crosscutting issues impacting the entire food system were identified, including food security, education, workforce development, regulatory issues, and energy.

How can we reduce food insecurity in Vermont?

4.1 Food Security in Vermont

Hunger (i.e., a painful sensation caused by a lack of food) and **food insecurity** (i.e., an inability to access enough food to meet basic needs due to financial constraints) are areas of growing concern in this country. **The USDA reports that 12.1% of Vermonters are classified as food insecure (an increase from 10% in 2007).** Emergency food assistance organizations reported an increasing number of clients in 2008. As the cost of food continues to rise and the impacts of the recession linger, many Vermonters, including many farmers, are forced to make difficult choices. They may choose inexpensive, unhealthy food so that they can afford basic necessities such as heat, transportation, and medicine. At the same time, many farmers in Vermont are struggling. Although the local food movement has provided access to an expanding market for Vermont producers, many farmers are not able to secure a reasonable standard of living for their families, and low income Vermonters are not able to incorporate fresh and affordable local foods in their diets.

Dissolving the Double Bind: Improving Access to, Availability of, and Utilization of Local Food

A double bind is a situation in which conflicting messages from a single source inhibit a person's ability to make an appropriate response. It could be argued that efforts to enhance food access and the economic success of Vermont agriculture constitute a double bind for policy makers, businesses, philanthropists, and communities: How do we, as a state, increase the vitality and value of Vermont agriculture while ensuring that all citizens have equitable access to fresh, healthy, local food? When problem solving around these two issues is conducted separately, the success of one effort may come at the expense of the other.

This does not have to be the case. By dissolving the myth of the double bind, applying creative problem solving, and leveraging appropriate resources, economic and social justice can be achieved for both food insecure Vermonters and Vermont farmers. Many organizations and individuals in the state are working on these issues simultaneously. Given Vermont's highly localized food system relative to other states, we are well positioned to lead the way in developing programming at the intersection of food access and farm viability.

GETTING TO 2020

Goals 18, 19, and 20 address the need to increase access to fresh, local food for all Vermonters.

Goal 18: All Vermonters will have access to fresh, nutritionally balanced food that they can afford.

Goal 19: Local, fresh food will be more available to people who are food insecure.

Goal 20: All Vermonters will have a greater understanding of how to obtain, grow, store, and prepare nutritional food.

F2P researchers identified many strategies to improve local food access, availability, and utilization for food insecure Vermonters, including the following:

FOOD ACCESS: Institute a state refundable tax credit for a percentage of the value of all donated food to reimburse farmers for making donations to gleaning programs and encourage more farmers to participate in gleaning programs, or agree to below cost sales to schools or food outlets (food shelves, meal sites).

FOOD AVAILABILITY: Fund organizations that develop and sustain community and school gardens. Senator Sanders recently secured a $120,000 federal grant for Friends of Burlington Gardens and the Vermont Community Garden Network to create a statewide, school-based summer gardening initiative that teaches Vermont children and youth how to grow fresh produce using land on or adjacent to school campuses.

Garden educator Jim Flint teaches children how to plant seedlings

FOOD UTILIZATION: Expand Farm to School programs to all 119 schools located in areas where 50% or more of the households have net incomes that make their children eligible for free school meals. Expanding this valuable program would bring food literacy and nutrition education to more food insecure households and introduce more low income youth to fresh, whole foods.

See Chapter 4, Section 1, and Appendix D for more information on food security in Vermont.

PHOTO CREDIT: Friends of Burlington Gardens

What education and workforce developments needs does the food system workforce of the 21st century require?

4.2. Food System Education

The success of Vermont's food system depends, in part, on its educational institutions for scientific knowledge, resources, best practices, skilled leadership, networking opportunities, and student training. **School leaders we spoke with felt Vermont could build on its reputation and marketability to become the premier food education location in the United States, given sufficient funding and collaboration across the educational spectrum.** Vermont's K-12 *Farm to School* offerings are already considered a model by the national farm to school movement. Many out-of-school activities are grounded in farming: Thousands of Vermont residents have participated in 4-H activities related to agriculture, and thousands more have participated in the Future Farmers of America Vermont state chapter. Also, several of Vermont's colleges and the *University of Vermont* offer an expanding array of food system course offerings.

Declining Enrollments and Increasing Tuition Costs

Food system education takes place in a larger context of declining public school enrollments and increasing higher education tuition costs. **Vermont public school enrollment in 2010 was over 10% lower than enrollment in 2001.**[36] With the exception of two career and technical education centers, Hannaford Career Center and North Country Career Center, enrollments in agriculture and natural resources programs have declined or stayed flat, with an overall decline of 11% statewide over three years.

Vermont students and their families incur 16% more debt for bachelor's degrees than the national average. Student debt in Vermont continues to grow with the average student debt reaching $27,786 for graduates of the class of 2009. This ranks Vermont the fifth highest in the nation for debt loads.[37] Debt loads are even more challenging for students in agriculture and food system work given the barriers to successfully entering into those careers, and low wages in certain food system professions.

Other issues specific to food system education identified during the F2P planning process include the following:

- Inconsistent investment in the professional development of agriculture and natural resources teachers
- Restricted opportunities in work-based learning and education in the fields of food processing and marketing
- Underutilization of current infrastructure to capture student interest in food, farming, and the culinary arts
- Inadequate two-year education options in food systems and a lack of flexible degree programs between technical centers and a 13th year
- Lack of clearly communicated career pathways in agriculture and food systems in middle and high schools

GETTING TO 2020

Goals 21, 22, and 23 highlight priority areas in the effort to improve food system education, from kindergarten to college.

Goal 21: Vermont K-12 students will have increased exposure to and the opportunity to pursue careers within the food system.

Goal 22: Educational, institutional, and applied research resources at the *University of Vermont* will be explicitly integrated to advance the state's food system.

Goal 23: Institutions of higher education will offer a wide range of courses and degree programs aimed at meeting the growing needs of Vermont's food system enterprises.

A wide variety of objectives and strategies were identified to improve and increase food system education in Vermont, including the following:

- Encouraging coordination among institutions of higher education (e.g., *New England Culinary Institute*, *Sterling College*, *UVM*, *Green Mountain College*, *Vermont Law School*, and *Vermont Technical College*) to collectively fill education and research gaps and market food education opportunities in Vermont
- Assisting Vermont's 17 career and technical education centers in building matriculation agreements with in-state colleges to increase the number of food system and natural resources programs that offer college credits
- Improving research coordination and sharing findings among all Vermont colleges and *UVM*

See Chapter 4, Section 2, for more information on food system education in Vermont.

What labor issues are effecting employers, employees, and job creation in Vermont's food system?

4.3 Food System Labor and Workforce Development

Farming has always been a hard way to make a living with long hours, strenuous labor, no holidays, and little access to health insurance or other workplace benefits. **Nearly 90% of Vermont farms are family owned, and the principal operators are primarily male (79%). The average age of Vermont farmers is 56, and over a quarter are 65 or older.** Yet a growing number of people—particularly young people—are looking to build careers in Vermont's food system by becoming farmers or starting food enterprise businesses. The percentage of women who are principal operators on Vermont farms has increased notably. While the overall number of principal farm operators rose by only 4%, female principal operators increased by 43% in the last decade. Changing demographics can also be found on Vermont organic farms, which draw a higher percentage of female farmers (25% vs. 21% nonorganic), farmers 35 years old or younger (14% vs. 5% nonorganic), and people whose primary occupation is farming (70% vs. 48% nonorganic).[38]

The majority of Vermont's farmers derived less than 25% of their household income from farming in 2007. Farmers interviewed during the F2P process described the necessity of one or more family members holding a full-time job to supplement farm income, maintain access to health insurance, or in some cases, cover farm expenses. Farm work is notoriously labor intensive with fluctuating seasonal demands, and farm businesses struggle with high labor costs relative to overall business income. Longtime

farmers, beginning farmers, and hired workers all identified the high cost of health insurance as a major barrier to job creation and the ability to farm full-time.

According to the Vermont Department of Labor, the average wage for farm workers is $11.32 per hour (the median wage is $10 per hour).[39] Although this rate is significantly higher than federal and state minimum wages, it is far from a livable wage, especially considering that most farmworkers work part-time. Many farms, especially dairy and larger-scale fruit and vegetable farms, depend on guest and migrant workers from Mexico, other Latin American countries, and the Caribbean. Although the exact number of undocumented workers in Vermont is unknown, VAAFM estimates that about 1,500 to 2,500 undocumented migrant workers are on dairy farms throughout the state.

Both farmers and the undocumented workers they hire face significant risks because of the workers' illegal status. Comprehensive immigration reform on a national level has been stalled for many years, though seasonal and temporary workers may be hired through the H-2A visa program. Because the H-2A program allows for the hiring of only seasonal or temporary laborers, it does not help farms that require dependable year-round labor, such as Vermont's dairy and livestock farms.

PHOTO CREDIT: Intervale

The next generation of farmers at Intervale Farms Program, 2009

Across the food system, the highest-paying jobs are for agricultural engineers, technicians, scientists, butchers, chefs, and supervisors and managers of food preparation and food service enterprises, while lower paying jobs include restaurant cooks, food servers, dishwashers, and food preparation workers. The trend is the same among other private sector professions that are partially related to the food system, including other forms of retail sales. Only 25% of these jobs have median wages over $15 per hour, and those are associated with management, science, or wholesale delivery. The other 75%, which have a median wage of about $12.25 per hour, include cashiers, packers, salesclerks, and retail salespeople.[40]

There is concern about potential shortages of certain professionals, such as large animal veterinarians.[41] These veterinarians are needed to work with farmers on practices that focus on herd nutrition, preventive health care, and herd production. Veterinarians often serve as the first line of defense against the introduction and spread of livestock diseases and diseases that can spread from livestock to humans.

GETTING TO 2020

Goals 24 and 25 of the F2P Strategic Plan address the need to increase the number of new farmers and food system entrepreneurs and respond to the needs of a 21st century food system workforce.

Goal 24: Vermont farms and food processors will provide safe and welcoming working conditions and livable wages and have access to a skilled, reliable workforce, with flexibility to respond to seasonal needs.

Goal 25: New farmers and other food entrepreneurs and workers will be available to produce a growing supply of food for local and regional markets.

The next generation of food system workers must be lured not only by a sense of stewardship of the land, but also by the ability to make a living and support their families. Vermont farmers and entrepreneurs looking to earn more income and hire additional full-time or seasonal employees will require assistance with business planning, marketing, and navigating the myriad of regulations for operating safe and legal businesses.

Incentive programs need to be developed to address shortages in certain professions. An example is the federal Veterinary Medicine Loan Repayment Program, which offsets educational debt up to $25,000 annually for veterinarians who commit to practicing for at least three years in defined shortage areas.

Policies and programs that address health care (e.g., cooperative health insurance), workers' compensation, and guest workers are also important. For example, the H-2A Improvement Act, co-sponsored by U.S. Senator Leahy and introduced in September 2010, would authorize foreign dairy workers, sheep and goat herders to remain in the United States for an initial period of three years, after which they would be allowed to petition to become lawful permanent residents.

See Chapter 4, Section 3, for more information on food system labor and workforce development issues in Vermont.

What technical assistance and business planning services are needed to strengthen Vermont's food system?

4.4 Food System Technical Assistance and Business Planning

Technical assistance and business planning services represent an important form of **infrastructure** that supports the development of our food system. These services take many forms, from work sessions with consultants, business advisors, and "farm teams," to classes, clinics, and workshops. Technical assistance and business planning services are provided at all stages of development from beginner farmer programs to intergenerational farm transfer assistance.

Nearly 25 nonprofit organizations, dozens of staff at various state agencies, and private consultants deliver technical and business planning assistance to farmers and food entrepreneurs in Vermont. Based on stakeholder input, this assistance is helping many food system businesses thrive.

One theme expressed throughout the F2P process was that farmers do not think of their farms as businesses; most entered farming as a lifestyle choice or because it is what their family has always done. Farmers and entrepreneurs have a natural tendency toward self-sufficiency that can lead to decision making in a vacuum or the feeling that no one understands what they are going through. In recent years, with the growth in demand for local and value-added products, more emphasis has been placed on how to run a profitable farm or food enterprise and how to earn a livable income.

The F2P planning process included a daylong work session in which over two dozen providers discussed the current state of technical assistance services, identified gaps, and discussed ways to meet emerging needs. The following needs will become the focus of various implementation strategies over the next few years:

- Wider availability of and a proactive focus on farm and value-added business transition planning because so many farmers and business owners are reaching retirement age
- Specialized assistance to farmers and entrepreneurs interested in scaling up their operations to reach new markets
- An agricultural development entity that can work with strategic value-added food enterprises to secure alternative financing to expand their businesses
- Coordination among service providers, and increased professional development to keep pace with the changing marketplace and the needs of farmers and entrepreneurs

GETTING TO 2020

Goal 26 of the F2P Strategic Plan addresses the need to increase the coordination between technical assistance and business planning providers to further strengthen Vermont's food system.

Goal 26: Technical assistance and business planning services will be highly coordinated, strategic, and accessible to food system businesses.

A number of opportunities exist for accomplishing this goal. For example, the newly launched *Vermont Agricultural Development Program*, a joint partnership between *VSJF* and the *Farm Viability Enhancement Program*, will assist a select number of strategic agricultural enterprises to grow faster and more sustainably through "deep dive" business assistance and access to flexible capital. The *Vermont Small Business*

Development Center, in collaboration with the Center for an Agricultural Economy in Hardwick, recently added more staff specifically to assist agriculture-related businesses in the Northeast Kingdom (NEK).

See Chapter 4, Section 4, for more information on food system technical assistance and business planning issues in Vermont.

Where can food system entrepreneurs turn to fund and finance their activities? What models are emerging to fund and finance the development of Vermont's food system?

4.5 Financing the Food System

A wide variety of financing options are available to assist Vermont's start-up, growth stage, and mature food enterprises to access capital. Despite this mix of financing options, weaknesses remain in Vermont's financing system. Financing opportunities for food system businesses in Vermont are heavily weighted toward collateralized lending, which is limiting for many small-scale or start-up/early stage enterprises that have little collateral to speak of or whose cash flow is constrained as the business tries to grow. In addition, a lack of understanding of more complex deals on the part of many borrowers and businesses (often related to equity, convertible debt, and near equity instruments), and a lack of intermediaries who can help them understand the *language of financing*, add expense and time to the financing process. Equity capital (whereby an investor takes an ownership position in a business) is not readily accessible to most food-related enterprises (with the exception of agriculture technology enterprises and value-added food manufacturing), nor is it necessarily the right type of capital because of the mismatch of expected rate of return, growth rates, and margins between business and investor. Often, a food enterprise needs equity-like, risk capital to grow, they just need it in smaller amounts and at lower returns than are available to them.

Increasing Access to Capital

A new paradigm of financing the development of our food system is emerging--one that recognizes that a start-up farmer has drastically different financing needs than a growth company selling value-added meat products, a dairy farmer selling milk into the commodity market, or a distributor of local and regional foods that is expanding its service territory. In short, **agricultural businesses have different financing needs depending on their size, stage of growth, and market outlets.** A key development in this paradigm shift is that investors, lenders, foundations, the public sector, and philanthropic grant makers are all increasingly interested in sustainable agriculture as an important funding area, investment opportunity, or both. Members of the Slow Money Alliance and other values-driven investors are revisiting their expectations on rates of return to better fit the cycle of agricultural enterprises. Social and environmental returns, and local and community investment opportunities, are now being considered as part of a financial investment strategy.

The burgeoning interest in food system development throughout the country has led to a marked increase in philanthropic, state, and federal grant funding for agricultural enterprises. In 2008, a group of private philanthropic funders began to meet and explore collaborative grant making in the state. This group, now known as the *Vermont Food Funders Network*, is an informal network of at least 10 foundations that meet at least quarterly. The F2P planning process was the Network's first jointly funded project. According to grant-making data collected by the Vermont Community Foundation, the funders collectively made 739 grants totaling $12.1 million between 2006 and 2009.

GETTING TO 2020

Goals 27 and 28 of the F2P Strategic Plan address the need to increase the awareness of and access to funding and financing opportunities for food system entrepreneurs and farmers to further strengthen Vermont's food system.

Goal 27: Food system entrepreneurs and farmers will have greater access to the right match of capital (grants, loans, mezzanine debt, equity, loan guarantees, leases, and incentives) to meet their financing needs at their stage of growth and for their scale of business.

Goal 28: Private foundations, federal funding sources, the Vermont Legislature, the governor's administration, and food system investors will leverage each other's available resources to maximize the implementation of this plan.

There are clear opportunities to meet these goals, and one of the most effective is to proactively connect food entrepreneurs with the appropriate capital providers who can help them grow and sustain their enterprises. This can be done, in part, by centralizing financing information and providing a one-stop shop that (1) offers expertise to help entrepreneurs differentiate among all the financing programs available to ensure the best match of capital with enterprise need, (2) assembles financing packages, and (3) educates and improves borrower readiness. Improving agricultural enterprises readiness for capital, in combination with attracting new kinds and models of financing (i.e., Slow Money, royalty financing) for agricultural enterprises, will facilitate the healthy growth of Vermont's food system.

See Chapter 4, Section 5, for more information on financing Vermont's food system.

What are the opportunities for on-farm renewable energy production?

4.6 Food System Energy Issues

Major productivity gains in America's food system have been made through the increased availability and use of non-renewable energy sources. Food system activities consume a lot of energy, "from the manufacture and application of agricultural inputs, such as fertilizers and irrigation, through crop and livestock production, processing, and packaging; distribution services, such as shipping and cold storage; the running of refrigeration, preparation, and disposal equipment in food retailing and foodservice establishments; and in home kitchens." The USDA reports that food-related energy use increased from 12.2% of national energy use in 1997 to 14.4% in 2002, and was an estimated 15.7% of use in 2007.[43]

About 93% of U.S. energy production is generated from nonrenewable energy sources, including coal, petroleum, and nuclear energy. Vermont consumes the least energy of any state in the country (154 trillion BTUs in 2008), but ranks 42nd on a per capita basis. Petroleum (51% of energy consumed in 2008) and nuclear energy (33% of energy consumed in 2008) are Vermont's major energy sources, followed by renewables (16%), and natural gas (6%).

Biodiesel workshop at State Line Farm in Shoftsbury

The amount of money Vermont farmers spent on fuel increased 83% from $17.8 million in 1997 to $32.6 million in 2007, even though less fuel was purchased in 2007. Between 1984 and 2009 Vermont farmers purchased an average of 6,074,462 gallons of diesel fuel per year. Data about on-farm electricity and thermal energy consumption is not readily available.

Across the state, Vermonters are stepping up to create a new vision of the future premised on the relocalization of food and energy production. A wide variety of technical assistance providers, renewable energy businesses, and funding sources are helping farmers and other food system businesses install renewable energy systems and become more energy efficient. In 2007, the *Vermont Environmental Consortium* developed a "Farm Energy Handbook" that covered such topics as biodiesel and wind power and distributed it to 1,200 farmers. *Efficiency Vermont* has worked with most of the state's dairy farms to install energy-saving devices and has historically offered an agricultural equipment rebate program for lighting, plate coolers for dairies, and other types of equipment. The *Clean Energy Development Fund*, *VAAFM*, *USDA Rural Development*, *NRCS*, and two of Vermont's utilities have provided major funding for the development of anaerobic digesters.

PHOTO CREDIT: VSJF

On-farm renewable energy production provides an opportunity for farmers to reduce input costs and greenhouse gas emissions while generating energy and new revenue. For example, farmers can replace petro-diesel with biodiesel made from oilseed crops such as sunflowers grown in Vermont. Animal feed imports can also be reduced by feeding the meal to livestock left after oil is squeezed from oilseeds. Eight dairy farms enrolled in Central Vermont Public Service's *Cow Power* program are generating over 14,000 megawatt hours of electricity per year through anaerobic digesters that turn the methane in animal manure into energy. Solids left over after anaerobic digestion can also be used as animal bedding, cutting down on another input cost. Food system activities off the farm can also produce energy: waste vegetable oil from fried foods can be turned into biodiesel and food decomposing at landfills produces methane which can be captured to generate electricity.

"You want to know what else causes people to buy local – energy costs. Last year, when gas prices were so high, people were much more attuned to the cost of getting themselves places and also aware of consumer goods and how on the edge we were."

—Focus group participant from the Upper Valley

GETTING TO 2020

Goal 29 of the Farm to Plate Strategic Plan focuses on reducing non-renewable energy use, while increasing efficiency and renewable energy production.

Goal 29: Food system enterprises will minimize their use of fossil fuels and maximize their renewable energy, efficiency and conservation opportunities.

Most, if not all, of the pieces to accomplish this goal are already in place. For example, the Farm Energy Handbook could be updated to provide cost estimates for every type of on-farm renewable energy and efficiency project and their application on a farm, update lists of financing options and technical assistance providers, and conduct workshops to explore options with the farm community.

See Chapter 4, Section 6 for more information on food system energy issues in Vermont.

What is Vermont's regulatory framework for food system activities?

4.7 Food System Regulation

The state's regulatory environment needs to be in alignment with the current and future state of Vermont's increasingly diverse food system. The existing regulatory structure is an amalgam of federal, state, and local municipal laws and rules. The food system is governed by a series of federal and state regulations that sometimes offer exemptions for small businesses and small farms. State agencies and departments work with the Governor and the and legislature to create regulations in which the state has discretion separate from federal regulations. Private sector and nongovernmental rules also shape food enterprises. For example, some major retailers have chosen to make the federal government's recommended food safety practices for fresh produce mandatory for farms wishing to sell into their stores. Voluntary certification systems exist for those producers who seek to differentiate themselves in the marketplace by meeting certain standards such as organic, eco-friendly, or humane certified.

Maintenance of a credible and accountable regulatory structure is essential for the continued expansion of food production in Vermont. Unlike most northeastern states, Vermont has continued to support a state-based agriculture regulatory program rather than relying only on federal oversight. This policy has been particularly important for the maintenance of a slaughter and meat processing infrastructure, the growth of on-farm dairy processing, and the protection of water quality. State-based regulatory systems reflect the substantial differences in farming practices that exist across the country and may be most appropriate for achieving consumer protection without impeding farmers' access to the marketplace. In addition, state-based inspectors are more accessible to Vermont farmers and can answer questions and work within the collaborative framework established between VAAFM and other state inspection programs.

Striking a Balance: Public Safety and Regulations

Striking a balance between consumers' freedom to choose what they want to eat and the public trust in the safety and quality of Vermont foods is often a challenge. Many farmers expressed a desire to do more on-farm processing of livestock, fruits, and

vegetables, and their frustration with existing federal and state regulations that seem to be designed to fit the larger, commercial operations. F2P researchers also heard concerns about relaxing regulations, including public health concerns, the potential for consumer backlash against the entire Vermont brand in the case of a food safety problem, and the unfair competition that might result for livestock producers and meat processors who are following established food safety regulations. One of the most commonly discussed topics during F2P stakeholder meetings was regulations related to all types of on-farm processing.

GETTING TO 2020

Goals 7 and 30 of the F2P Strategic Plan are geared toward achieving good public policy and an appropriate regulatory framework, all designed to strengthen Vermont's food system.

Goal 7: Food system operations will maintain healthy water supplies and build soil, reduce their carbon footprint, and improve their overall environmental stewardship to deliver a net environmental benefit to the state.

Goal 30: Regulations and enforcement capacity will ensure food safety, be scale appropriate, and allow Vermont food enterprises to increase production and expand their market outlets.

A number of objectives and strategies were identified to meet these goals, including the following:

- Building on existing online resources and training sites to create a centralized clearinghouse of food-related safety regulations for all aspects of food production, processing, and value-added production
- Developing a formal structure for using existing Vermont institutions such as *UVM* and *Vermont Law School* to provide legal advice related to emerging ownership, processing, and marketing models
- Ensuring that farms and food processors using Vermont-grown products have easy access to accurate permitting information so they can make informed decisions regarding expansion or diversification of their enterprises.

See Chapter 4, Section 7, for more information on food system regulatory issues in Vermont.

What additional leadership, communication, and coordination is needed to ensure the success of Vermont's food system?

4.8 Leadership, Communication, and Coordination Across the Food System

Many organizations and institutions have important leadership roles to play, alongside Vermont's food-related enterprises, in ensuring that the F2P Strategic Plan gets implemented over the next 10 years. For instance, because the F2P Investment Program was created by the Vermont Legislature, state government has an important enabling, funding, and regulatory role to play. VAAFM has been deeply engaged in this 18-month-long planning process, and our hope is that the Plan will be embraced as the Agency's plan and implemented within the confines of the Agency's staff and funding resources. An example of the divergence between the food sector's importance and state support is that **General Fund appropriations for the VAAFM equaled only 0.3% of Vermont's total budget for fiscal year 2011.**

The economic development and planning communities, the *Agencies of Commerce and Community Development* (ACCD) and *Natural Resources*, and the *Departments of Education* and *Health* also have important roles to play. In addition, many statewide and local organizations, such as the *Sustainable Agriculture Council*, feel a sense of ownership for the plan and can be helpful in implementing specific strategies. The *Vermont Agricultural Development Board*, the *Vermont Food Funders Network*, federal agencies, and Vermont's congressional delegation will also be key players in implementing the plan.

Communication, Coordination, and Collaboration

Given the sheer number of programs, activities, and organizations working to strengthen our food system, many are understandably confused about roles and responsibilities. **Because the food system is so large and so complex, communication, coordination, and collaboration among stakeholders must evolve to a higher level.** This is especially true for the community of nonprofit organizations, trade associations, state agencies, and funders that provide critical technical assistance for our food system. Collectively, our leadership capacity needs to develop, and we must all be open to new voices and mentor young people to become the next generation of food system leaders.

Ongoing Role of the F2P Investment Program

VSJF has statutory responsibility for maintaining this strategic plan and monitoring its progress over time. VSJF will continue to work closely with the Governor's office, VAAFM, ACCD, the Vermont Legislature, Vermont's U.S. congressional delegation, the *Agricultural Development Board*, the *Sustainable Agriculture Council*, and stakeholder organizations to ensure that the goals, objectives, and strategies included in this plan are achieved in a cost-effective and efficient manner. A **F2P Working Group** will be established to review progress and provide guidance for the implementation of the strategic plan, and various **task forces** will be created as needed to more closely monitor the implementation of priority strategies over the next 10 years.

GETTING TO 2020

Goals 31, 32, and 33 address the need to improve communication, coordination, and collaboration among food system stakeholders and to firmly link food system development with economic development.

Goal 31: Vermont's governor, legislature and state agencies will continue to celebrate the farm and food sector and will champion it as an economic development driver for the state.

Goal 32: Food sector stakeholders will be well-represented on all local, regional, and state economic development boards.

Goal 33: Food system market development needs will be strategically coordinated.

Annually evaluating progress and refocusing priority strategies for the coming year will be a critical part of keeping this strategic plan alive and responsive to changes in the marketplace. Developing a Vermont Food Atlas (i.e., a GIS-based website and information portal), similar to the *Renewable Energy Atlas of Vermont*, will act as a central access point for food system stakeholders. The Shumlin Administration has publicly stated its desire for greater coordination and communication across agencies and departments, especially between the VAAFM and ACCD.

See Chapter 4, Section 8, for more information on food system leadership issues in Vermont.

Celebrating the bounty of the year.

PHOTO CREDIT: Friends of Burlington Gardens.

Highest-Priority Strategies

After analyzing existing data sets, published materials, and public feedback for strengths, weaknesses, opportunities, threats, gaps, barriers, and needs affecting Vermont's food system, we developed a set of objectives and strategies to overcome obstacles, realize opportunities, and strengthen Vermont's food system. These strategies acknowledge and support ***existing*** programs, projects, and initiatives because so much innovative, high-impact work is already happening that should be continued and coordinated. The strategies also seek to advance ***new*** ideas that have a high likelihood of strengthening Vermont's food system over the long haul.

The following table lists the highest-priority strategies that should be advanced over the next ten years. Financing these strategies will come from a combination of private sector, public sector (state and federal), and foundation sources. Determination of costs associated with each priority strategy is currently underway. Although many more strategies are outlined throughout Chapters 3 and 4, we believe these are the *highest leverage strategies*, which, if implemented, would have the potential to create the greatest ripple effect throughout the food system. Some strategies can be implemented at the same time, whereas others will need to be sequenced. And some may never come to pass if the right market conditions do not emerge (e.g., sufficient demand for lightly processed vegetables). It is important to note that these strategies are not prioritized within the table.

VSJF's market development approach was used to organize these objectives and strategies. This approach operates from the premise that there is no "invisible hand" guiding markets, but rather, consumers, governments, businesses, nonprofits, farmers, and others continuously make and shape markets. These ten market development needs are important for the success of individual businesses and for the development of the food system as a whole.

Market Development Needs

- **Research** (e.g., new data, mapping, market research, and new product research)
- **Natural Resource, Physical Infrastructure, and Technology** (e.g., land use and land access issues, developing new equipment, building needs, energy needs)
- **Sales and Distribution** (e.g., matching supply and demand, working with supermarkets to adjust business models to work with smaller growers)
- **Marketing and Public Outreach** (e.g., need for consumer food literacy and education and building consumer awareness)
- **Technical Assistance and Business Planning** (e.g., producer alignment with processor and wholesaler specifications, Good Agricultural Practices, Hazard Analysis & Critical Control Points, trainings, mentoring, and financial management)
- **Financing** (e.g., for specific types of businesses and stages of development)
- **Network Development** (e.g., support for existing networks and trade associations or the creation of new ones)
- **Education** (e.g., food system education at elementary schools, tech centers, and institutions of higher education)
- **Workforce Development** (e.g., need for skilled labor, health care and workers comp needs, needs of H-2A/guest workers)
- **Regulation and Public Policy** (e.g., new regulations or state and federal policies).

Highest-Priority Strategies

CHAPTER	OBJECTIVE	STRATEGY
Research Strategies		
3.1 Consumer Demand	Develop valid and accurate local food consumption data for use in tracking the progress of the F2P Plan.	**Measure consumer demand:** Establish a statistically valid, credible methodology and begin collecting data on how much locally and regionally produced food Vermonters are purchasing and how much Vermont-produced food regional consumers are purchasing.
	Preserve and enhance Vermont's quality brand and related value-added premiums.	**Develop and establish a Vermont branding program:** Continue researching options for additional value-added premiums such as reserved designations, geographical indications, and terroir certifications.
3.2 Farm Inputs	Improve access to viable and affordable agricultural land and secure tenure for farmers (ownership and leases).	**Land use mapping:** Create and update a land use statewide spatial LiDAR database of agricultural land usage and an inventory of agricultural land that captures information on soil type, current land use, accessibility to roads, proximity to market areas, etc. Call attention to publicly owned land locations conducive to food production adjacent to publically owned buildings.
		Infill farming: Support legal research on embedding new farming activity in established and developing residential areas on productive agricultural land owned by nonfarmers. This effort should be coordinated with existing farmland access programs and should be included in the web-based Vermont Food Atlas.
	Improve water quality, soil fertility, and organic matter and reduce erosion.	**Comprehensive soil monitoring:** Develop a more comprehensive soil monitoring program for a wide range of biological, chemical, and physical soil properties, including additional assistance to farmers to conduct regular soil tests and develop nutrient management plans, soil fertility enhancement strategies, erosion control strategies, and matching funds for farmers to comply with Clean and Clear best practices. Includes reestablishing soils lab capacity in the state and funds for ongoing crop trials for short-season corn varieties and cover crop perennials.
3.3 Production	Increase the availability of Vermont-grown grains and dry beans in retail and wholesale market outlets.	**Grain and dry bean market and processing infrastructure analyses:** Conduct a regional market analysis of demand, packaging options, and marketing opportunities for a variety of grain and dry bean products. Include an analysis of the processing infrastructure needed to support high-demand products. Conduct an inventory of grain milling and other processing facilities in existence or being considered in Vermont and the region. Include recommendations for the grower and processor regarding packaging and marketing. Include an assessment of opportunities for value chain partnerships.
	Increase access to locally and regionally grown fish.	**Fish production feasibility research:** Conduct a feasibility study for developing economically viable recirculating fish production facilities that are heated with renewable fuels and can also support fruit and vegetable production in greenhouses. Advance associated research on algae as a fish food.

CHAPTER	OBJECTIVE	STRATEGY
Research Strategies		
3.4 Processing	Maximize opportunities for local producers to access existing institutional wholesale markets with lightly processed fruits and vegetables.	**Serving institutional markets:** Conduct a feasibility study for a medium- to large-scale fruit and vegetable processing facility specifically to serve institutional markets. The study would include the amount and types of product needed to meet demand, procurement specifications, viable price points, number of production acres needed per product, interested producers at various scales, facility service area, number of facilities needed in Vermont, and annual operating budget.
4.2 Education	Track the reach and impact of Farm to School programs.	**Farm to School evaluation system**: Establish an evaluation system for schools participating in Farm to School activities. Establish a methodology to track education impact, local food procurement levels, and overall health improvements. Survey public schools to provide a benchmark for excellence in food and agriculture education in K-12 curricula.
4.8 Leadership, Coordination, & Communication	Conduct an annual assessment of progress in reaching 2020 F2P Goals.	**F2P progress indicators:** Develop data collection protocols for all relevant stakeholder groups and provide training in data collection and outcomes development and tracking. See Chapter 2 for suggested measures.
Natural Resource, Physical Infrastructure & Technology Strategies		
3.2 Farm Inputs	Improve water quality, soil fertility, and organic matter, and reduce erosion.	**Strip, zone, and no-till practices:** Establish a matching fund program to help farmers retrofit existing equipment and to offset the initial yield reductions associated with strip, zone, and no-till cultivation practices.
	Improve access to viable and affordable agricultural land and secure tenure for farmers (ownership and leases).	**Farmland conservation:** Establish a revolving loan fund in collaboration with the Vermont Land Trust (VLT), the Vermont Housing and Conservation Board (VHCB), and other farmland conservation partners for the purpose of *fee purchases of strategic farmland parcels* to be conserved (i.e., conservation easements applied), resold to farmers, and/or held as leased incubator farms or for other farming activities. **Farmland conservation:** Support VLT, VHCB, and other farmland conservation partners to conserve (i.e., *purchase of easements* only) at least an additional 20,000 acres of farmland for fruit and vegetables, livestock, grains, beans, oilseed, and other crop production.
3.3 Production	Improve access to viable and affordable agricultural land and secure tenure for farmers (ownership and leases).	**New incubator farm programs:** Establish additional farm incubator programs (providing land, technical assistance, equipment sharing) in underserved areas of the state. Develop a matchmaking database of existing farmers who want to host and mentor new farmers on a portion of their property (this is another form of farm incubation).
	Improve producers' ability to access retail market outlets that require GAP or other forms of food safety certification.	**Funding for GAP certification:** Establish a matching fund program to help producers obtain needed equipment and make building modifications to enable them to reach GAP or other food safety certifications (so they can access larger retail markets).

CHAPTER	OBJECTIVE	STRATEGY
Natural Resource, Physical Infrastructure & Technology Strategies		
3.3 Production	Increase local egg production to meet 50% of local demand by 2020.	**Increase egg production:** Encourage the development/scaling of poultry laying farms to 1,000 to 2,000 birds each to significantly increase the supply of locally produced eggs. These farms could serve the needs of schools that do not require liquefied/pasteurized eggs. Assess the annual institutional purchasing of eggs (shell eggs and liquefied/pasteurized eggs). Conduct an economic feasibility study to determine the capital expenditures needed for a liquid egg pasteurization machine at an appropriately scaled egg farm.
	Double in-state goat milk production to serve the value-added cheese industry.	**Goat dairy expansion:** Provide matching funds and production technical assistance to 10 goat dairies to allow them to scale up to a 600-goat herd. Improve production practices and herd genetics.
3.4 Processing	Support infrastructure improvements at slaughter and meat processing facilities.	**Financing for slaughter expansion:** Assist slaughterhouse owners in accessing funding for capacity improvements, such as additional storage and other systems improvements, to maximize plant use and profitability.
3.7 Nutrient Management	Build the infrastructure to divert 80% of Vermont's organic residuals to be used for composting and soil building.	**Expand composting:** Encourage the construction of an additional 5 to 10 commercial composting facilities and 20 to 25 on-farm composting facilities over the next 10 years.
4.8 Leadership, Coordination, & Communication	Create a web-based portal to house everything related to Vermont's food system.	**Vermont Food Atlas:** Develop a statewide food atlas modeled after the *Renewable Energy Atlas of Vermont*. Include land use mapping data files, all F2P-related materials, a database of stakeholder organizations, links to local grower guides, matchmaking databases, capital provider sources and technical assistance program resources, a portal to regulatory information, a master calendar of events, job postings, etc., as well as links to all known organizational and business websites related to Vermont's food system.
Sales and Distribution Strategies		
3.6 Retail Distribution	Increase producer access to market demand information.	**Strategic partnerships:** Encourage the formation of strategic partnerships between producers interested in scaling up to meet larger-scale markets and retailers interested in sourcing more local food (e.g., prebuy contracts similar to the CSA model, retailer and wholesaler investment in a producer's storage or equipment, investing in a farmer-owned processing facility, cooperative marketing, etc.).
		Matchmaking events: Increase the number of matchmaking events between sellers and local and regional buyers to increase the sale of local products in these markets, build strong relationships, and increase awareness about barriers and opportunities faced by both producers and market outlet staff and category managers.

CHAPTER	OBJECTIVE	STRATEGY
Sales and Distribution Strategies		
3.6 Retail Distribution	Increase the purchasing of local food by hospitals, state facilities, university and colleges, K-12 schools, senior meal centers, and other institutions.	**Sourcing local food:** Encourage the leadership of hospitals, K-12 schools, and higher education institutions to adopt a goal and/or policy directive to source as much locally produced food as budgets will allow, and to increase these budgets over time. This should include establishing a tracking system to analyze and monitor the progress in local food purchasing over time.
		Expand Farm to School programs: Strategically focus funding to establish a Farm to School program in every school that has more than 50% of the students receiving free or reduced price meals.
	Increase opportunities for local producers to access existing local retail markets.	**Consumer food co-ops:** Provide matching funds for the Neighboring Food Cooperative Association to conduct economic feasibility studies for the expansion of existing local food co-ops and/or the development of new ones throughout the region.
Marketing and Public Outreach Strategies		
3.3 Production	Increase the consumption of New England produced milk through regional marketing differentiation.	**Regional marketing for Northeast milk:** Encourage New England states to pool resources for regional marketing beyond the Keep Local Farms program. Encourage milk co-ops and processors to improve their regional marketing efforts. Work with the Northeastern Association of State Departments of Agriculture on this strategy.
	Increase the amount of locally produced fluid milk that is locally consumed and/or used in value-added processing.	**Value-added dairy marketing:** Identify key marketing strategies for developing cheese and other value-added dairy products such as cottage cheese, yogurt, sour cream, and kefir, and nonfood dairy-based products. Marketing research–based strategies should be for both in-state and export markets and include terroir/taste of place content and case studies/storytelling of success stories. Ads for Vermont dairy products, and their origin stories, should be regularly placed in related industry and tourist publications.
	Increase the marketing of local foods through statewide media and promotional campaigns.	**Buy Local marketing:** Develop and provide materials to distributors and retail outlets regarding the importance of buying local. Build on models such as USDA's Know Your Farmer, Know Your Food campaign, Vermont's Buy Local campaign, and the Vermont Fresh Network.
Technical Assistance and Business Planning Strategies		
3.2 Farm Inputs	Increase information about viable and affordable agricultural lands and tenure models.	**Farmland lease resources:** Assemble information on farmland lease options and samples for secure tenure models, customize them for Vermont application, consolidate into a searchable database and online resource, and conduct four workshops for farmers and landowners that explain leasing and lease options and provide hands-on technical support.

CHAPTER	OBJECTIVE	STRATEGY
Technical Assistance and Business Planning Strategies		
3.3 Production	Increase the number of farmers participating in technical assistance and business planning services, especially related to diversification strategies, farm transfers, and retirement planning.	**Farm management teams:** Provide 50% matching funds for volunteer farm management teams to work with farms throughout the state using skilled facilitators.
		Farmland and business transfers: Conduct workshops and provide one-on-one assistance for farmers involved in farm and/or farmland transfers.
		Enterprise plans for diversification: Develop detailed enterprise plan templates (i.e., budget calculator tools) for various diversification strategies including transition to organic production, on-farm liquid milk processing, biomass energy and forage crops, maple, livestock, value-added dairy products, grains, and high-demand large-scale fruits and vegetables.
	Achieve a 40% increase in the use of Vermont slaughterhouses between February and August.	**Coordinated livestock management program:** Develop a coordinated livestock management program within the Farm Viability Enhancement Program, UVM Extension/Vermont Pasture Network, NOFA-VT, and other livestock trade associations to improve winter management practices, carcass development, commercial hog production, and year-round beef and lamb production.
	Maximize the resources available to provide technical assistance to farmers and food entrepreneurs.	**Training for scaling up:** Provide specialized scaling-up technical assistance and business planning services for farmers and value-added food entrepreneurs seeking to serve larger markets. Survey farmers to identify those interested in scaling up productions specifically for institutional markets.
3.4 Processing	Encourage the use of mobile slaughterers for the on-farm slaughter of animals raised for home use.	**Increase custom and mobile slaughter capacity:** Increase the number of trained mobile and custom-exempt slaughter plant operators in Vermont to serve small-scale livestock operations and those raising animals for home use.
3.5 Wholesale Distribution	Increase opportunities for local producers to access existing local retail markets.	**Food storage inventory:** Create a statewide inventory of all food storage facilities. List these on the Vermont Food Atlas website, once developed. Support the development of food aggregation centers throughout the state, or help expand the existing distributor warehouse network, so that small to medium-sized producers can more easily reach retail outlets.
Financing Strategies		
4.5 Financing	Increase the availability of flexible and/or non-asset-based risk capital and investments for food enterprises.	**Public funds for non-asset-based lending:** For non-asset-based lending, invest public dollars (i.e., state general fund, state retirement investment funds) in alternative capital intermediaries and other organizations that offer new models of equity-like risk capital, at a Vermont scale, and provide technical assistance to early- and growth-stage food entrepreneurs who are starting to access risk growth capital.
		Public funds to co-invest in slaughter and meat processing facilities: Provide public funds to co-invest with private investors to accelerate the development of the critical, capital-intensive infrastructure needed for additional federally inspected slaughterhouses and meat processing facilities (both stationary and mobile plants). Benchmark other successful models in other parts of the country.

CHAPTER	OBJECTIVE	STRATEGY
Financing Strategies		
4.5 Financing	Support efforts to transition conventional dairy farms to other types of production—in the event that a supply management system is not enacted—to maintain working farms.	**Farm transition fund:** Create a special multi-year farm transition fund and provide appropriate technical assistance to farmers that want to diversify or transition out of conventional milk production into other forms of production (e.g., organic milk, diversified vegetables, livestock, value-added products).
	Increase the amount of philanthropic funds and program-related investments invested in Vermont food enterprises and nonprofit support organizations.	**Attract national philanthropic funding:** Work with the Vermont Community Foundation and the Vermont Food Funders Network to increase funding from regional and national foundations. Proactively identify and build relationships with foundations outside of Vermont.
	Encourage more public and private investments in agricultural land that provide longer-term financial returns and flexible exit strategies, and that involve farmer lease-to-own contracts.	**Private agricultural land investment company:** Benchmark models such as Equity Trust and Farmland LP to identify agricultural land investment models that could work in Vermont. Then, create or leverage an existing intermediary that would raise private investment funds, purchase farmland, and create flexible lease-to-own contracts with farmers. Such contracts would allow farmers' lease payments to go toward building more equity each year, tie payments to annual farm performance/income, and provide exit options for farmers.
Network Development Strategies		
3.3 Production	Increase the volume of high-quality, locally grown meat at local and regional market outlets, and maximize the availability of dependable markets for local producers.	**Additional sourcer positions:** Encourage a greater use of sourcers at the intersection of production, processing, and retail outlets. Develop information resources about the cost and benefits of sourcer positions to improve relationships between processors/end markets and raw product producers. (For example, Dole & Bailey sourcers provide technical assistance directly to their pork and beef producers to ensure high-quality meat. Vermont Butter & Cheese employs a goat nanny to help partnering farms produce high-quality goat milk.).
	Increase opportunities for local producers to access retail markets.	**Food system brokers for effective matchmaking:** Identify, coordinate, and expand the number of food system brokers, or coordinator positions, to serve as matchmakers between buyers and sellers to increase local food consumption at all types of retail outlets, but especially at institutions. Identify existing programs and staff and hire additional personnel at various organizations and distributors, as needed.

CHAPTER	OBJECTIVE	STRATEGY
Network Development Strategies		
3.4 Processing	Encourage greater coordination among meat producers, slaughter facilities, and meat processors to expand the production and use of Vermont-grown meat.	**Statewide meat industry council:** Provide early-stage, publically supported funding and organizational development assistance to create a statewide meat industry council (or Vermont Meat Guild), including three years of funding for a dedicated staff person to serve the council and industry.
4.1 Food Security	Increase the quantity of fresh local produce to all food shelves and charitable meal sites throughout the state.	**Expand gleaning programs:** Establish gleaning programs and coordinators in every county by 2014. Include on-farm harvest gleaning plus reclaimed food from restaurants, caterers, institutions, supermarkets, etc.
4.8 Leadership, Coordination, & Communication	Encourage ongoing support by the governor, relevant state agencies, the legislature, and private and public stakeholders to ensure the implementation of the F2P Strategic Plan.	**Guardian of the F2P Plan:** Conduct an annual evaluation of progress on F2P Strategic Plan implementation, including data collection and analysis. With VAAFM, convene key stakeholder groups to implement strategies from the F2P plan for which no organization is yet spearheading, or that need a group of stakeholders to implement. Convene an annual planning retreat to review progress on F2P goals and refocus priority strategies for the following year. F2P leaders will meet with the key government officials each January (and as often as necessary outside of the legislative session) to apprise them of progress being made toward implementing the F2P plan.
Education Strategies		
4.2 Education	Fully leverage the resources of Vermont's public schools to support food systems education and engagement.	**More school farms and gardens:** Promote and support the existence of working farms, or larger-scale production gardens, at high schools and career and technical education centers.
	Improve the rigor of agriculture programs in both high schools and career and technical education centers.	**College credit courses at technical centers:** Assist career and technical education centers in building articulation agreements with state colleges and the University of Vermont to increase the number of food system and natural resources programs that offer college credits.

CHAPTER	OBJECTIVE	STRATEGY
Workforce Development Strategies		
3.4 Processing	Ensure a sufficient number of high-quality meat cutters and butchers to assist producers in accessing regional outlets.	**Skilled meat cutters:** Establish and fund technical assistance and educational training programs for skilled meat cutters and butchers through NECI, Vermont Tech, and high school technical education centers.
4.3 Labor and Workforce Development	Improve access to qualified farm labor.	**Guest workers:** Improve the system for hiring migrant farm workers/guest workers and the visa/H-2A program (federal policy changes are needed).
		Increase the use of interns and apprentices: Adjust labor regulations to encourage a greater use of interns and apprentices not directly associated with university programs.
Regulation and Public Policy Strategies		
3.1 Farm Inputs	Encourage the creation of local zoning regulations to protect the right to farm and encourage the protection and active use of prime agricultural soils.	**Planning and zoning:** Review and update zoning ordinances to ensure, to the greatest extent possible, that prime agricultural soils are conserved for agricultural use. Develop tools such as those developed by the Delaware Valley Regional Planning Commission (dvrpc.org) to guide improvements to planning and zoning ordinances that support the further development of the food systems.
3.3 Production	Support the passage of Dairy Price Stabilization legislation in the U.S. Congress.	**Dairy price stabilization:** Work with Vermont's congressional delegation and Dairy Farmers Working Together to develop a milk pricing system based on supply management.
	Increase local food consumption at state-owned institutions and facilities with food service by sourcing as much locally produced and fresh food as possible.	**Public procurement of local food:** Enforce the existing state policy (Act 38, 2007) that instructs VAAFM, the Agency of Administration, and the Department of Buildings and General Services to develop a system of local food and dairy purchasing within state government and government-sponsored entities. This provision should also be applied to businesses with food service that lease large parcels of real estate and/or receive significant funding from the state. Encourage farming on public lands that are adjacent to public facilities.
3.6 Retail Distribution	Maximize the amount of local food served in K-12 schools by increasing the number of schools participating in Farm to School programs.	**School food purchases:** Advocate for policies that enable school districts to take "cash in lieu of commodity food" whenever possible to increase funding and flexibility for school food purchasing.

CHAPTER	OBJECTIVE	STRATEGY
Regulation and Public Policy Strategies		
4.7 Regulation	Encourage Vermont's regulatory structure to support the right of farmers to use science-based animal practices in the management of their herds and flocks.	**Humane certified:** Through appropriate marketplace compensation, encourage farmers to adopt voluntary, credible, and science-based animal care standards, or to become humane certified, in order to sell to certain retailers.
	Maintain the Use Value Appraisal Program to keep farmland in farming.	**Changes to the Use Value Appraisal Program:** Support efforts to discourage short-term enrollments of land in the program that a landowner intends to develop, and convert paper documents to electronic files and GIS-based maps. The administration and legislature should also work with interested parties to identify other steps to improve the program's effectiveness, efficiency, and sustainability over the long run.
	Help producer cooperatives attract equity capital so they can expand into value-added processing and/or new markets.	**Enable Uniform Limited Cooperative Associations:** The Vermont Legislature should pass the Uniform Limited Cooperative Association Act, which would create a new corporate structure to allow producer co-ops to accept equity investments from nonproducer members (minority shares) (H.109 from the 2009 session).
	Increase funding to VAAFM to strengthen its capacity to help farmers and food entrepreneurs understand regulations, and to help VAAFM enforce those regulations.	**Technical assistance and enforcement funding for VAAFM:** Provide state general funds to ensure that VAAFM can provide proactive technical assistance to help farmers and food entrepreneurs understand regulatory issues, and also to ensure that VAAFM can adequately enforce state and federal regulations.

Economic Impact of Increased Production and Consumption of Local Food

With the help of Nic Rockler (Kavet, Rockler and Associates), we conducted an economic impact assessment of our current food system and estimated the direct and indirect economic impacts of a 5% increase in farming and food manufacturing in Vermont.[43] Specifically, we estimated the expected changes in employment, gross domestic product, and personal income from such growth.[44]

Based on recent economic census data (adjusted to 2010 dollars[45]), **Vermont's major agricultural and food product output totaled $2.7 billion in 2007.**[46] Therefore, the direct impact of a 5% increase equals $135 million in annual output. When the multiplier effect is considered,total output would increase by an average of $177 million per year from 2011 to 2020.[47]

A 5% increase in production would boost total food sector employment by an average of 1,500 jobs over the 10-year period, with the greatest concentration being in farming, forestry, fishing, and related activities (which include agricultural services).[48] Other industries that would experience substantial growth include construction and manufacturing.

A 5% increase in food production (and related output) would generate an average annual increase in the gross domestic product of $88 million per year. As a result, personal income would increase by an average of $110 million per year.[49] This represents income from wages for the new jobs created and business income from the expanded food system activity. Real disposable income (i.e., income after taxes and social insurance contributions) would rise by an average of $80 million per year.

So how can Vermonters help achieve this 5% increase in overall food system production? According to the U.S. Census Bureau's 2009 Consumer Expenditure Survey (CEX), families earning between $50,000 and $70,000 per year spent on average $6,420 for food ($3,755 for food eaten at home and $2,666 for food eaten away from home). We assume that, on average, Vermont families spend 5% of their food budget on Vermont food products. **Therefore, if a Vermont family were to double its local purchases, it would mean increasing purchases of local goods from $321 to $642 per year** (this does not mean adding $321 to the total spent, just substituting $321 for imported food with $321 for local goods). Because the average household in the CEX survey had 2.7 people, **the cost of the shift to purchasing more local food would be about $9.92 per person per month.** In some cases, the shift to local food may cost more. But even if we assume that local food costs 10% more, the total cost of food would increase by one half of one percent.

Employment Impact of 5% Increase in Food Production 2010-2020

Industry	# of new jobs
Forestry, Fishing, Related Activities (includes Ag. Services)	274
Farming	247
Construction	156
Government	125
Manufacturing	106
Retail Trade	87
Wholesale Trade	66
Professional and Technical Services	48
Accommodation and Food Services	41
Transportation and Warehousing	33
All Other[50]	319
Total Employment Change (Jobs)	**1,502**

Next Steps

During 2011, VSJF staff will take this Strategic Plan on the road, meeting with stakeholder groups, funders, legislative committees, agency staff, and lenders, as well as farmers and food entrepreneurs, to begin the implementation process. The highest-priority strategies will be our first focus. Some strategies can be implemented at the same time, whereas others will need to be sequenced. In addition, new state, regional, and national funding sources will be approached to support these highest-priority strategies.

VSJF staff will create an F2P Working Group and will also work with a number of task forces to monitor the implementation of certain strategies over time. Each fall, the F2P Working Group will convene annually to assess progress over the previous year and reprioritize the strategies for the coming year. Legislative priorities will also be developed by the Working Group at that time.

The F2P planning process involved well over 1,200 Vermonters in the development of this 10-year strategic plan for expanding Vermont's food system. Accomplishing the goals and implementing the blueprint laid out in the Plan will take even more farmers, entrepreneurs, and stakeholders to be actively engaged at all levels of the economy and state government. As Governor Shumlin said in the Foreword, "It's going to take everyone working together to grow our agricultural future. Now let's get to work!"

Autumn rainbow over cornfield

PHOTO CREDIT: Kirk Marshall

F2P Strategic Plan At a Glance

Chapter 1 provides an overview of the F2P Strategic Plan development process.

Chapter 2 highlights the major goals identified during the F2P Strategic Plan development process that will strengthen Vermont's food system by 2020.

Chapter 3 analyzes each section of Vermont's soil-to-soil food system and identifies objectives and strategies that will help Vermont achieve the goals set out in Chapter 2.

Chapter 4 analyzes cross-cutting elements of the food system and also indentifies objectives and strategies for achieving Chapter 2 goals.

Chapter 5 summarizes our major findings and provides an in-depth discussion of the likely economic impacts of strengthening Vermont's food system.

A set of appendices provides detailed analyses of the dairy industry, distribution, livestock production, and food security in Vermont.

End Notes

1 This figure is considered conservative because it is only our estimate of retail food purchases; it does not include sales in and revenues from support industries, manufacturing, wholesale, and so on.

2 Vermont Council on Rural Development. *Vermont Working Landscape Partnership Action Plan*. December 2010. http://vtrural.org/sites/default/files/library/files/working%20landscape/WorkingLandscapePlatform.pdf.

3 Farm or agricultural sales represent the gross market value before taxes and production expenses of all agricultural products sold or removed from the place in 2007 regardless of who received the payment. The value of crops sold in 2007 does not necessarily represent the sales from crops harvested in 2007. Data may include sales from crops produced in earlier years and may exclude some crops produced in 2007 but held in storage and not sold.

4 United States Department of Agriculture, 2007 Census of Agriculture, Table 2, www.agcensus.usda.gov/Publications/2007/Full Report/Volume 1, Chapter 1 State Level/Vermont/st50_1_002_002.pdf.

5 Personal communication, Meghan Sheradin, Executive Director, *Vermont Fresh Network*.

6 Personal communication, Jean Hamilton, *Vermont Food Education Every Day*.

7 United States Census Bureau, 2008 Nonemployer Statistics, http://censtats.census.gov/nonemployer/nonemployer.shtml.

10 K. A. Grimm et al., "State-Specific Trends in Fruit and Vegetable Consumption Among Adults United States, 2000-2009." *Morbidity and Mortality Weekly Report*, 59 (35): 1125-1130.

11 United Health Foundation, www.americashealthrankings.org.

12 Centers for Disease Control and Prevention, http://apps.nccd.cdc.gov/brfss/display.asp?TrendValue=3&state=VT&cat=OB&yr=0&qkey=4409&grm=0&SUBMIT5=Go

13 Vermont Department of Health, http://healthvermont.gov/prevent/diabetes/diabetes.aspx.

14 Employment and establishments figures for farm inputs, food production, food processing, wholesale distribution, and retail distribution are based on the *Vermont Department of Labor, Quarterly Census of Employment and Wages* (second quarter, 2010), and the U.S. Census Bureau's 2008 nonemployer statistics.

15 United States Department of Agriculture, 2007 Census of Agriculture, Table 4, www.agcensus.usda.gov/Publications/2007/Full Report/Volume 1, Chapter 1 State Level/Vermont/st50_1_004_005.pdf.

16 United States Department of Agriculture, 2007 Census of Agriculture, Table 1: County Summary Highlights, www.agcensus.usda.gov/Publications/2007/Full Report/Volume 1, Chapter 1 State Level/Vermont/vtv1.pdf.

17 Farmland Information Center, www.farmlandinfo.org/agricultural_statistics/index.cfm?function=statistics.view&stateID=VT.

18 Farmland Information Center, Table 2, www.farmlandinfo.org/documents/38415/FIC_NRI_2007_Data_Tables.pdf.

19 Personal communication with D. L. Erickson, S. T. Lovell, and V. E. Mendez, based on their unpublished manuscript, Landowner Willingness to Embed Production Agriculture in Residential Areas of Chittenden County, VT, and Its Implications, August 2010.

20 Laura Medalie and M.A. Horn, *Estimated Water Withdrawals and Return Flows in Vermont in 2005 and 2020*, U.S. Geological Survey Scientific Investigations Report 2010–5053, 2010, http://pubs.usgs.gov/sir/2010/5053.

21 Lake Champlain Basin Program, www.lcbp.org/Atlas/HTML/is_apps.htm.

22 United States Department of Agriculture, 2007 Census of Agriculture, Table 37, www.agcensus.usda.gov/Publications/2007/Full Report/Volume 1, Chapter 1 State Level/Vermont/st50_1_037_037.pdf.

23 United States Department of Agriculture, 2007 Census of Agriculture, Table 2, www.agcensus.usda.gov/Publications/2007/Full Report/Volume 1, Chapter 1 State Level/Vermont/st50_1_002_002.pdf.

24 2002 broiler sales are used because 2007 sales figures were suppressed.

25 Average yields for fresh vegetables and fruits are derived from U.S. average yields or New York average yields for 2008: http://usda.mannlib.cornell.edu/usda/current/VegeSumm/VegeSumm-01-27-2010.pdf, http://usda.mannlib.cornell.edu/usda/current/Poto/Poto-09-23-2010.pdf, and http://usda.mannlib.cornell.edu/usda/current/NonCFruiNu/NonCFruiNu-07-07-2010_new_format.pdf.

26 Soda figures are from 2003.

27 United States Department of Agriculture, 2007 Census of Agriculture, Tables 12, 21, 27, and 28, www.agcensus.usda.gov/Publications/2007/Full Report/Volume 1, Chapter 1 State Level/Vermont/index.asp.

28 United States Department of Agriculture, 2007 Census of Agriculture, Tables 34 and 35, www.agcensus.usda.gov/Publications/2007/Full Report/Volume 1, Chapter 1 State Level/Vermont/index.asp.

29 National Agricultural Statistics Service, http://quickstats.nass.usda.gov/results/9635150A-4D1B-3876-8C3B-29D2D9-4C8F2D and www.nass.usda.gov/Statistics_by_State/New_England_includes/Publications/0605mol.pdf.

30 United States Department of Agriculture, 2007 Census of Agriculture, Table 33. www.agcensus.usda.gov/Publications/2007/Full_Report/Volume_1_Chapter_1_State_Level/Vermont/st50_1_033_033.pdf.

31 National Agricultural Statistics Service, http://usda.mannlib.cornell.edu/usda/current/Hone/Hone-02-26-2010.pdf.

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33 A REPORT TO THE VERMONT LEGISLATURE ON THE "HONEYBEE POPULATION" IN VERMONT, By Stephen G. Parise Agriculture Resource Management Specialist/Apiculturist, Vermont Agency of Agriculture, Food & Markets, December 2007, responding to an ACT OF THE GENERAL ASSEMBLY, NO. 38. ANACT RELATING TO THE VIABILITY OF VERMONT AGRICULTURE. (H.522)

34 Vermont Agency of Agriculture, Food and Markets study, with assistance from the Center for Rural Studies and Dan Erickson (unpublished).

35 USDA Economic Research Service; Monthly Retail Trade Survey, Census Bureau; Company annual reports.

36 Vermont Department of Education, www.education.vermont.gov/new/html/data/enrollment.html.

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38 United States Department of Agriculture, 2007 Census of Agriculture, www.agcensus.usda.gov/Publications/2007/Full_Report/Volume_1_Chapter_1_State_Level/Vermont/index.asp.

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41 Report to House and Senate Committees on Agriculture and Education Related to Large Animal Veterinary Loan Repayment/Incentive Option, www.leg.state.vt.us/reports/2009ExternalReports/25113-1.pdf.

42 Canning, Patrick, Ainsley Charles, Sonya Huang, Karen R. Polenske, and Arnold Waters. Energy Use in the U.S. Food System, ERR-94, U.S. Dept. of Agri., Econ. Res. Serv. March 2010, www.ers.usda.gov/publications/err94/.

43 We used an econometric model specific to Vermont that is also used for official state revenue estimates (REMI).

44 The U.S. Department of Agriculture, Census of Agriculture, 2007, and the U.S. Census Bureau, Census of Manufacturers, 2007, were the primary data sources used. In certain instances, the number of employees or the value of sales are disclosed only as a range value or not at all. In these cases, we used the employment range midpoints and/or value of shipments per employee from states believed to be comparable.

45 Measured in 2010 dollars, the 2007 figure of $2.8 billion falls to $2.7 billion, owing to declining price levels received by producers and manufacturers for dairy products, which have declined from 5% for fluid milk to as much as 17% for dry, condensed, or evaporated milk.

46 This figure does not include very small producers whose employment levels are too low to quality for inclusion, nor does it include products that are not likely candidates for promotion under this initiative.

47 The multiplier effect includes indirect and induced impacts. Indirect impacts are those of local industries buying goods and services from other local industries. Induced impact (mostly) represents labor income recirculated through household spending patterns causing further local economic activity (e.g., workers and their families buying food, clothing, etc.).

48 The REMI econometric model uses employment figures from the Bureau of Economic Analysis, which are consistent with data from the Census and the Bureau of Labor Statistics for manufacturing but not as reliable for farming. When we use employment figures from the Census of Agriculture, estimated growth in farm employment would be twice that shown in the Table.

49 It is important to remember that the state product figure (equivalent to the value added in production) represents the true economic value of the growth in activity in Vermont. Output, the larger value, includes the value of inputs produced elsewhere for use in subsequent Vermont production, as in the case of petroleum products, transportation equipment, and a variety of goods not produced in Vermont, as well as a number of services that are also imported to the state. For the most part, the value of Vermont output leads growth in the state economy, although some interaction with the bordering states, as in the case of the dairy industry production using Vermont-produced milk, can generate small amounts of activity in the state when it is reimported and sold as a finished product.

50 All other: Health Care & Social Assistance; Other services, except Public Administration; Administrative & Waste Services; Real Estate, Rental & Leasing; Arts, Entertainment & Recreation; Finance & Insurance; Educational Services; Utilities; Information; Mining.

Credits

The Farm to Plate Strategic Plan was prepared by the Vermont Sustainable Jobs Fund: Ellen Kahler, Kit Perkins, Scott Sawyer, Heather Pipino, and Janice St. Onge.

Developing the Farm to Plate Strategic Plan was a real team effort and a number of skilled people conducted research, collected data, and wrote sections of the Farm to Plate Strategic Plan: Linda Berlin, Louise Calderwood, Dan Erickson, Greg Georgaklis, Doug Hoffer, Helen Labun-Jordan, Ginger Nickerson, Nic Rockler, Rachel Schattman, and Holly Tippett.

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Layout and Design: Katie-Marie Rutherford www.katierutherford.com

On the Cover: Bin of Vermont apples: Clint Atkinson; Beth Wood celebrates the harvest from her garden plot: Friends of Burlington Gardens; Parma the cow: Lindsay Harris, Family Cow Farmstand; Black River Produce delivery truck: Black River Produce; Carrots at Brattleboro market: Art Drauglis; Maplebrook Mozzarella: Healthy Living; Field of rolled hay: Anthony Carrino; Free range eggs: John Churchman; Pumpkins by the bushel: Matt Metcalf; Blueberry pancakes: Pinaki Chakraborty ; Leon Boyd: Michael Kormos; Line of Ladies: Josh Larkin; Checkout at Healthy Living: Healthy Living; Spring piggies running: Lindsay Harris; Turkeys at Green Mountain Girls: Tonia Sing; Compost pile: Highfields Center for Composting; Butterworks Farm Tractor: Tonia Sing.

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Testimony for the Senate Committee on Agriculture, Nutrition and Forestry
March 7, 2012

2012 Farm Bill Nutrition Programs Must Be Protected and Strengthened to Prevent Hunger and Provide Access to Healthy, Local Foods

Hunger is a serious problem in the United States and in Vermont. When asked by Gallup, "Have there been times in the last twelve months when you did not have enough money to buy food that you or your family needed?" almost 20% answered yes in the second half of 2011 (15% in Vermont). Hunger Free Vermont works to end the injustice of hunger and malnutrition for all Vermonters through our education and advocacy efforts, primarily on behalf of the federal nutrition programs that feed Vermonters young and old nutritious foods every day. 1 in 7 Vermonters are currently considered food insecure, including 1 in 5 of our children. Food insecurity is associated with some of the most costly health problems in the US, including diabetes, heart diseases, depression and obesity. In addition, those who are hungry are often forced to choose food over medication, postpone preventive or needed medical care, or forgo the foods needed for special medical diets, which only exacerbates disease and compromises health.

In the words of Vermonters:

"There have definitely been days when I have not eaten so that my kids can have the milk or the bread. As sad as it sounds, it's true."

"At the end of the month, that's when you have to use what you have. If you have to give them mac and cheese or Ramen noodles for the next three days then that's what has to be done."

"I always skip meals. I pretty much do from the first of the month. It's been a long time since I've had three meals a day because I want to make sure my son eats."

"Bills and rent are so high. You need a place to live so you have to pay rent before you can buy food."

The 2012 Farm Bill provides an important opportunity to make real progress on ending hunger across America and improving our nation's health. The great recession has shown how vital the nutrition safety net is for Americans in difficult times. Despite extremely high unemployment and increases in poverty, hunger has not risen to the same extent. The nutrition programs within the Farm Bill have helped keep food on the table in tough times. It is critical that these programs be both protected and strengthened to ensure that every American has access to the nutritious food they need to grow, learn, and thrive as a productive member of society. In addition to ending hunger, the Farm Bill nutrition programs have long-term economic and social importance. By investing in nutrition now, we can decrease costs in both health care, and education far into the future.

The Supplemental Nutrition Assistance Program (SNAP) is the nation's first line of defense against hunger, the cornerstone of the nutrition safety net. More than 46 million Americans, including 96,000 Vermonters are currently enrolled. For four decades SNAP has enjoyed strong bipartisan support and

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has helped ensure the poorest and hungriest people in our nation can put food on the table. SNAP has extraordinary strengths:

- It is proven to decrease hunger and food insecurity and improve health outcomes by providing targeted benefits to very low-income people to specifically purchase food for their households.
- SNAP responds quickly to economic downturns and natural disasters making it one of the most effective safety net programs during the recent recession and hurricanes, providing families with a stable source of food even as jobs were lost or homes were flooded.
- SNAP benefits are targeted to those most in need, with 90% of benefits going to households with incomes less than 100% of the poverty line, and 84% of benefits going to households including children, elders and people with disabilities.
- SNAP's accuracy rate of over 96% is at an all-time high and much higher than many other federal benefit programs. Errors are at an all-time low. The vast majority of retailers and participants play by the rules and are grateful for the benefits of the program.
- SNAP benefits are so needed by families that they are spent quickly, thereby stimulating the economy. For every SNAP dollar spent, about $1.70 to $1.80 is generated in economic activity.

SNAP is one of the most effective national programs, but it has yet to achieve its full potential due to federal laws and rules that create gaps in access, provide inadequate benefits and impose unnecessary administrative burdens.

Hunger Free Vermont urges Congress to strengthen and support SNAP by opposing proposals to cap or reduce funding, restrict eligibility or reduce benefits. Instead, we urge Congress to increase benefits to adequate levels to ensure that families have the resources they need to purchase a nutritionally adequate diet.

The Emergency Food Assistance Program (TEFAP) provides approximately 30% of the food the Vermont Foodbank (25% nationally through Feeding America foodbanks) distributes to about 85 food shelves and meal sites across the state. As the recession has deepened, food shelves in Vermont have seen a significant increase in demand (30-35% over 3 years) and struggle to serve every Vermonter in need of short-term hunger relief. Food shelves rely heavily on volunteers and donations and count on the nutritious TEFAP foods to sustain their operations. Food shelves combine TEFAP with private donations to maximize TEFAP benefits beyond the budgeted amount for the program, thus exemplifying a model of public-private partnership.

TEFAP also has a strong impact on the farm economy. Producers of commodities provided as bonus TEFAP receive an estimated 85 cents per dollar of federal expenditure. By contrast, only about 16 cents of every retail food dollar goes back to the farmer. TEFAP purchases declined in FY2011 by 30% due to declines in funding and strong agricultural markets and are expected to continue to decline. However, need has not decreased and food shelves struggle to meet that need.

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Hunger Free Vermont urges Congress to protect and strengthen TEFAP by making mandatory funding for TEFAP foods more responsive to changes in need by providing a trigger that ties funding to unemployment levels.

The Commodity Supplemental Food Program (CSFP) provides a nutritious box of foods to approximately 3,800 senior households in Vermont (about 600,000 low-income people in 39 states total) distributed once a month by the Vermont Foodbank. CSFP is an effective use of federal dollars; while the cost to purchase commodities for the pack of food is about $20 per month, the average retail value of the foods in the package is $50. Designed to supplement the diets of low-income seniors (and some children), CSFP helps to combat poor health conditions among food insecure seniors, and the food package components are strictly controlled to provide essential nutrients. At the same time, the administration of the program is challenging and costly.

Hunger Free Vermont urges Congress to maintain adequate funding for CSFP and transition to a seniors-only program to reduce administrative complexity.

USDA Foods provides commodities for school meal programs across the country. Approximately 15% of school meals in Vermont come from USDA Foods, helping to ensure the success of school meal programs as a critical component of a quality and cost effective program. The USDA has estimated that fully implementing the new nutrition regulations mandated by the Healthy Hunger Free Kids Act of 2010 will cost school food service authorities an additional $0.27 per breakfast and an additional $0.08 per lunch, for a total of $0.35 additional cost per student per day, offset by only an additional $0.06 in reimbursement for lunch.

Hunger Free Vermont urges Congress to create an entitlement for commodity foods through the School Breakfast Program to ensure that schools are able to continue operating this program while implementing the new USDA nutritional standards mandated by the Healthy Hunger Free Kids Act of 2010.

Many food-insecure children in Vermont are going hungry during the summer months because schools and organizations in Vermont find it financially difficult to run summer food programs, and once the new nutritional requirements of the Healthy Hunger Free Kids Act of 2010 are applied to summer food programs, the financial challenges will increase.

Hunger Free Vermont urges Congress to increase the amount of commodities included in the reimbursement formula for the Summer Food Service Program to ensure that summer food providers are able to implement the new USDA nutritional standards mandated by the Healthy Hunger Free Kids Act of 2010.

Access to Healthy, Local Foods

The 2012 Farm Bill is also an opportunity to ensure that more local, healthy foods produced by America's farmers are accessible to people at all income levels, which will simultaneously provide added income for farmers and better nutrition for low-income populations, maximizing benefits for the

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good of everyone. With these duel goals in mind, Hunger Free Vermont urges Congress to do the following through the Farm Bill:

- ***Allow SNAP participants the option to apply their SNAP food benefit toward the upfront cost to purchase a CSA farm share.*** Interest in CSAs among low-income Vermonters is growing, but the process currently allowed is cumbersome and difficult for both the farm and the SNAP participant.

- ***Provide monetary incentives for purchasing fresh foods from farmers' markets and grocery stores.*** Research shows that when provided with more money for food, participants are more likely to buy fresh foods they otherwise wouldn't be able to afford. In the 2010 Vermont farmers' market season, 87% of EBT customers surveyed said that the amount of fruits and vegetables they were able to purchase at the farmers' markets made a big difference in their families' diets.

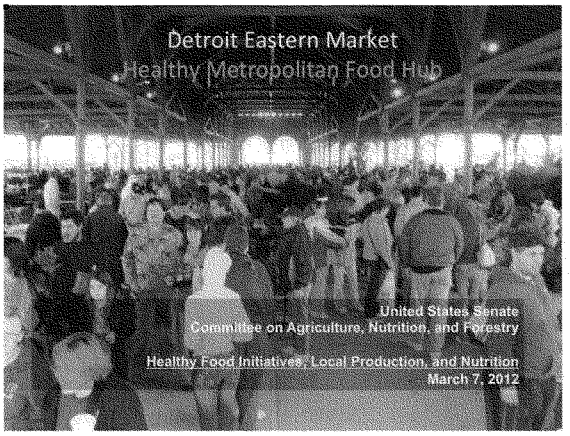
- ***Provide sustainable funding and operational flexibility for farmers' markets and farms that accept SNAP benefits as authorized retailers.*** Currently, it is both costly and administratively burdensome for small farmers' markets and farm stands that do not have significant sales to financially maintain wireless EBT machines without grant funding. More sustained USDA funding would increase the likelihood of markets continuing to accept benefits over time. More flexibility, such as allowing small farms to share machines among farm stands, would also encourage more farms to participate as authorized SNAP retailers.

- ***Increase the opportunities to incorporate fresh local foods into TEFAP and CSFP through a cash-in-lieu of commodities option or a voucher program.***

- Current USDA bidding and certification rules prohibit smaller farms (most all farms in Vermont) from participating in the USDA Foods and DoD Fresh programs, directly contradicting the support by USDA for farm-to-school initiatives in the Healthy Hunger Free Kids Act of 2010. In addition, should the Good Agricultural Practices (GAP) certification be required of farms selling to schools, the cost would be prohibitive for small farms with few employees. ***Allow states and schools the flexibility to create ways to bring more local food into the USDA Foods program*** through the following:
    - Open the USDA Foods program bidding process to small farms by:
        - Eliminating the farm size minimums.
        - Allowing states to indicate small size and regional preferences.
        - Waiving GAP certification for small farms with few employees.
        - Permitting states to replace GAP certification with an alternative inspection system that continues to ensure food safety.
    - Provide a voucher or cash in lieu option for schools, for the purchase of local food only, for the DoD Fresh portion of their USDA Foods Program allotment.

Testimony prepared by Angela Smith-Dieng, 3SquaresVT Advocacy Manager at Hunger Free Vermont. 802-865-0255, asmith-dieng@hungerfreevt.org

Eastern Market Corporation



Detroit Eastern Market is one of the oldest and largest public markets in the United States.

Since 1891, Eastern Market has been the region's preeminent center for food processing, distributing, and retailing – functions of the public market itself and the cluster of food businesses near the market. However, over the last sixty years, as food systems have grown in scale and as larger food businesses have built their own supply chains, Eastern Market's market share has diminished.

Surging interest in local food and the deepening desire to build a more sustainable, viable, and equitable food system provide a rich opportunity to re-build the market.

Healthy and **metropolitan** are key objectives in our vision for Eastern Market.

Eastern Market can help improve the health of southeast Michigan residents by helping re-connect them with diets richer in Michigan grown fruits and vegetables and by catalyzing food sector development to build a healthier economy.

Metropolitan is central to our work because that is the scale to focus on in developing a comprehensive regional food system. Eastern Market is a regional entity serving as a hub for urban, suburban, and rural parts of southeast Michigan.

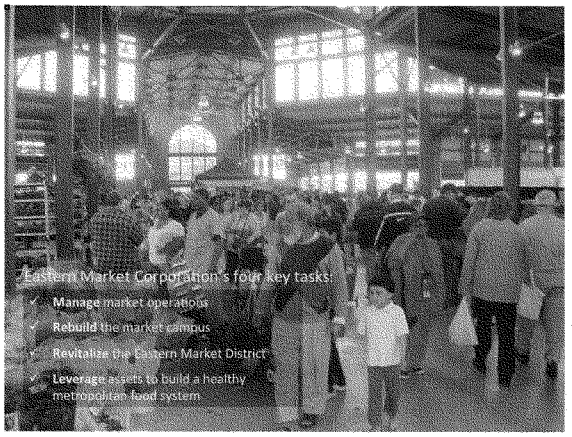
Eastern Market Corporation

While Eastern Market goes back to 1891, Eastern Market Corporation (EMC), the non-profit responsible for overseeing the market is a recent invention.

In 2006, EMC entered a Promotion & Management Agreement with the City of Detroit accepting market management responsibilities from the City's Recreation Department.

EMC is governed by a 21 member Board of Directors that represent three key stakeholder groups relevant to Eastern Market:

- ✓ **Vendors and Merchants:** those that grow and/or sell products at the market or in the market district.
- ✓ **City of Detroit:** the municipality that owns the market's assets and represents the residents who buy products at the market.
- ✓ **Greater community:** those who work for a more vibrant local food system and who have special interest, talents, or resources that can help build a stronger market.



Eastern Market Corporation has four key tasks:

✓ **Manage** market operations

EMC manages the day-to-day affairs of the market. Recruiting new tenants, improving the performance of existing tenants, developing and enforcing standard operating procedures, providing a clean and safe environment, and attracting new customers through a wide variety of marketing and programming are just some of the operational activities.

✓ **Rebuild** the market campus

Design, raise funds, and construct important infrastructure and facilities to enhance the market.

✓ **Revitalize** the Eastern Market District

EMC serves as the official business district development organization for the Eastern Market District that stretches from I75 to St. Aubin and from Gratiot to Mack Avenues.

✓ **Leverage** assets to build a healthy metropolitan food system

EMC works collaboratively with many other organizations seeking to build a more robust regional food system such as MSU, Detroit Public Schools, MDARD, and the Fair Food Network.

Eastern Market Corporation

Eastern Market is not one market but a collection of different markets.

✓ **The Year-Round Saturday Regional Market** is a proud Detroit tradition. A warm Saturday Morning at Eastern Market is one of the most authentic urban experiences in North America attracting as many as 40,000 people.

✓ **The Seasonal Wholesale Market** persists because there are growers and buyers that have become extinct in other metro areas.

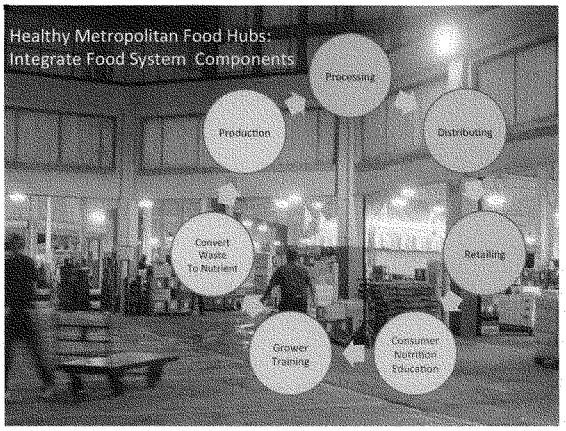
- Michigan growers producing a wide variety of crops – the state's great agricultural diversity is on display five mornings a week from June through November.
- Buyers from the deep bench of locally owned grocery stores. Detroit's food desert image obscures the fact that metro Detroit has the best collection of independent grocers in the nation.

✓ **The Seasonal Tuesday Neighborhood Market is** a more intimately scaled market held in Shed 2 from July through October. It debuted in 2011.

✓ **A Year Round Sunday Merchandise Market** will launch in 2013. Intended to complement rather than duplicate the Saturday Market. It will feature Michigan-made arts and crafts, antiques, collectibles, and flea market items and a variety of exhibitions, events, and a bit of food.

✓ **Special Events** are held at Eastern Market throughout the year and provide income stream to help offset market operating expenses and strengthen the market's role as a gathering place.

Eastern Market Corporation



Healthy Metropolitan Food Hubs: Integrate Food System Components

Whether local or global all food systems have a series of parts that moves food from farm to table.

Since 1891, Eastern Market has been processing, distributing, and retailing food. Our focus at EMC is on those three food system components and re-building local/regional capacity that has been reduced as food systems became larger in scale.

EMC works with a wide-variety of community partners on other food system components including production, consumer nutrition education, grower training, and conversion of waste into soil nutrients.

The Eastern Market District offers a unique opportunity for agri-tourism and eco-tourism because innovative projects associated with the entire system components can by viewed in close proximity.

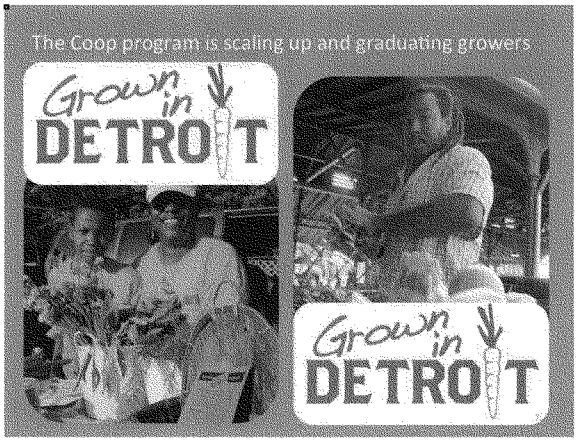
Gardening class taught neighbor to neighbor in the Brightmoor Neighborhood

The Community Gardening Movement in Detroit is profound.

In 2004 there were 200 community gardens in Detroit. Last year there were over 1500. More amazing is the high retention rate – those that start gardens keep gardening.

The Garden Resource Collaborative (GRC) comprised of the Greening of Detroit, MSU Extension, and the Earthwork's Urban Farm of the Capuchin Soup Kitchen provide one of the best garden training programs in the country. Earthwork's has received support from the USDA from a Community Food Project grant to further their work.

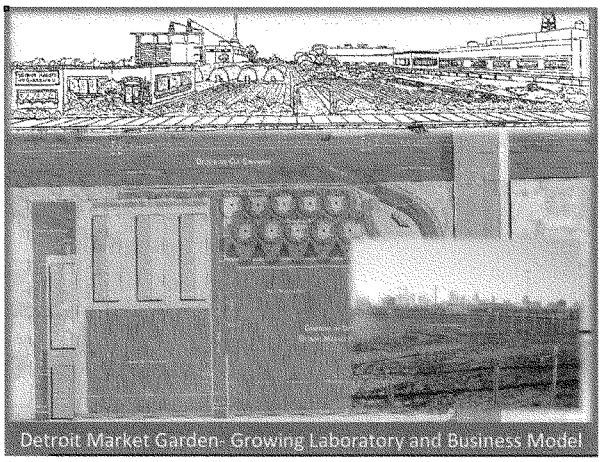
For one low fee, the GRC provides community gardeners with training, soil testing, seeds and transplants, tools, and the ability to participate in a seller's co-op to sell excess production at Eastern Market, other neighborhood markets around the City of Detroit, and to select restaurants.



Grown in Detroit is the brand under which 80 of the largest community gardens in Detroit sell their crops.

The Grown in Detroit stand at Eastern Market has become one of our most popular. Thus far two growers have graduated from the cooperative and have their own businesses operating stands at Eastern Market.

To graduate more growers into full-time farmers, the Greening of Detroit is building a Market Garden in the heart of the Eastern Market District.



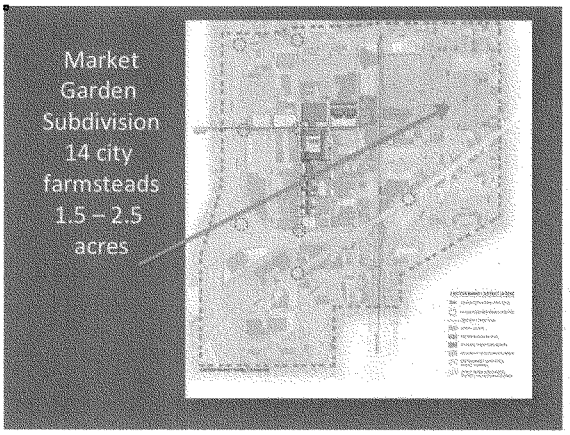
The Detroit Market Garden is a 3 acre site at Wilkins and the Dequindre Cut.

Currently under construction, it will be both a growing laboratory and a business incubator where specialty crop growing plans and business plans will be merged in close proximity to the processing, distribution, and retailing businesses of the Eastern Market District.

The Detroit Market Garden will help validate that small scale specialty crop production can support 1, 1.5. or 2 FTE jobs and provide a training ground for advanced community gardeners to become farmers.

Building a wide range of tools to support the development of farmers is an on-going task. EMC and Greening of Detroit are partnering with Charter One to provide a micro-grant program to help small farmers establish sustainable businesses.

Eastern Market Corporation



Immediately east of the Detroit Market Garden the density of the built environment diminishes rapidly.

Creation of a Market Garden Subdivision will repurpose 25-30 acres of largely vacant land as farmsteads to incrementally expand production of the specialty crop market.

This pattern of land use provides a highly implementable method of right sizing the City of Detroit. No residents will be displaced and all salvageable buildings will be re-used.

Whether this subdivision is a mid-term or long-term solution depends upon the trajectory of local food district growth and the health of the overall economy.

If higher and better uses emerge, urban farmsteaders can leverage increasing land values to cash out, relocate, and expand operations – following the pattern of success several generations of Eastern Market farm families have enjoyed.

In the meantime, the neighborhood gradually improves and fewer services are required from the City of Detroit.

Eastern Market Corporation

Hydroponic / Aquaculture Demonstration Project

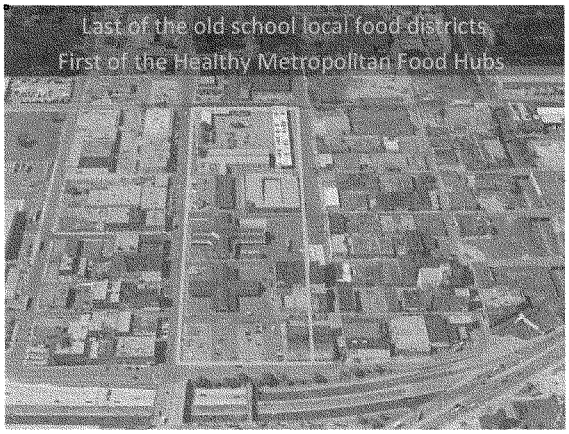
Smaller scale specialty crop production is only one form of a more diversified approach to food production that needs to be piloted in urban areas.

Repurposing vacant and abandoned commercial buildings with vertical growing systems is an emerging industry where Detroit can be a global leader.

MSU's high level conceptual and analytic approach, evidenced by its international leadership of the Metro Ag project initiated by the Dutch government, helps inform and is informed by the more on-the-ground piloting and experimentation conducted in the Eastern Market District.

The above building, located across the street from the Detroit Market Garden could provide a captivating storyline for urban food production set in the context of a fully integrated local food district.

Eastern Market Corporation



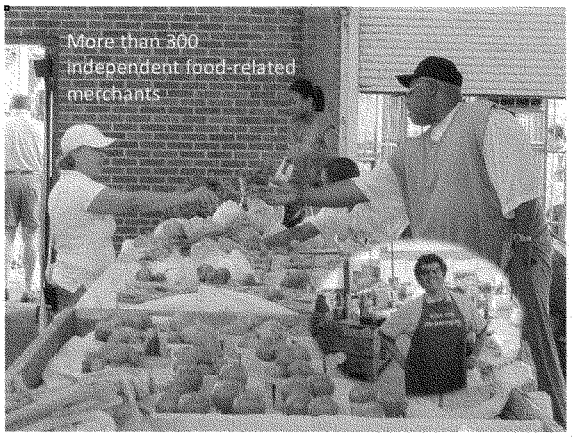
The five-block campus of Eastern Market sits within the square mile Eastern Market District.

Most cities had a local food district like Eastern Market but as real estate became more valuable for bars, boutiques, and lofts small scale food operations lost ground to global competitors.

A large hybrid public market with both wholesale and retail operations and a cluster of eighty food related businesses gives Detroit the building blocks to create a dynamic food hub faster than many other cities which are scrambling to replicate these components.

Carefully leveraging this historic asset with a sound strategy to guide future development and support form the State of Michigan, can provide an emphatic boost to Detroit's economy.

Eastern Market Corporation



At its heart, Eastern Market is an entrepreneurial vortex.

More than 300 vendors and merchants populate the market and the market district. EMC has worked hard to increase the diversity of food businesses.

Four years ago there were no specialty food vendors while today there are anywhere from 30 to 60 such vendors depending upon the season. For them, Eastern Market is a great place to test product. For a $75 daily stall rental, a budding food business can test market their product with up to 40,000 customers.

Ramping up the incubation of food processing is the shortest route to new food sector employment. At the macro level Michigan is in the top tier in terms of crop diversity with 151 crops grown commercially but in the middle of the pack with regards to food processing employment (currently ranked #22).

Recent success in growing new food businesses is evident from the success of those with a few years of experience such as McClure's Pickles. This nationally acclaimed brand is expanding, adding employees, and moving from Troy to Detroit. Equally important there is a group of 40 fledgling food businesses that are still below the radar - working out of their kitchens poised to grow as reasonably priced licensed kitchens become available.

Eastern Market Corporation

Eastern Market is a place where city, suburb, and rural communities interact. In an area starved for regional conviviality this convening function of the market should not be underestimated.

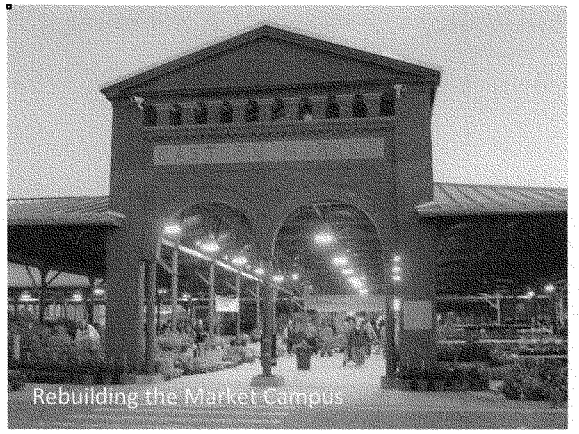
People of all ages, occupations, and backgrounds assemble each Saturday and generally leave feeling better than when they came.

Public markets are places that can be utilized to help build an identity for regional food sheds. In 2011 with support from MEDC, EMC staged a public art competition with 20 markets throughout southeastern Michigan.

Along with the Michigan Apple Committee, EMC delivered 4' high fiberglass apples to 20 local markets who collaborated with local artists converting the plain apples into public art that was displayed at the local market before making their way to Eastern Market where an entire "orchard' was exhibited.

A harvest season celebration culminated with an auction of the apples generating marketing funds for the participating markets.

Eastern Market Corporation

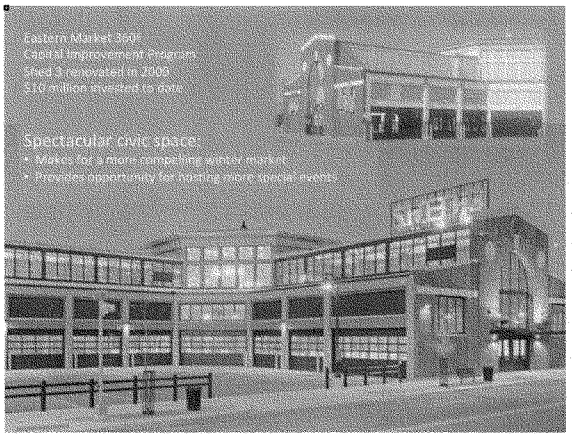


EMC has led the major rebuilding of two of the markets five large sales pavilions. Sheds 2 and 3 have been renovated and Shed 5 is currently under re-construction.

By the time Shed 5 is completed in late 2012 more than $15 million will have been invested in Eastern Market since EMC took responsibility for market operations.

Those that have invested more than $1 million include the City of Detroit, the W.K. Kellogg Foundation, the Kresge Foundation, and the Ford Foundation.

Eastern Market Corporation

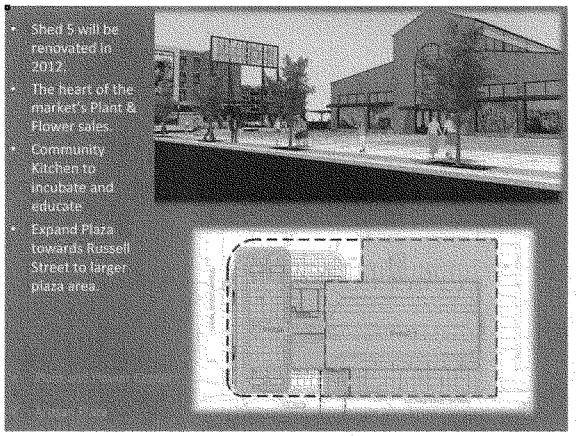


The transformation of market properties has been dramatic.

Like many older business districts, there was substantial talk about "fixing" the market over the last twenty years. In turning the talk to action, EMC has increased the enthusiasm of Eastern Market stakeholders and the general public.

Steady incremental progress is improving market performance. However, key funding and leadership can greatly accelerate the pace of transformation.

Eastern Market Corporation

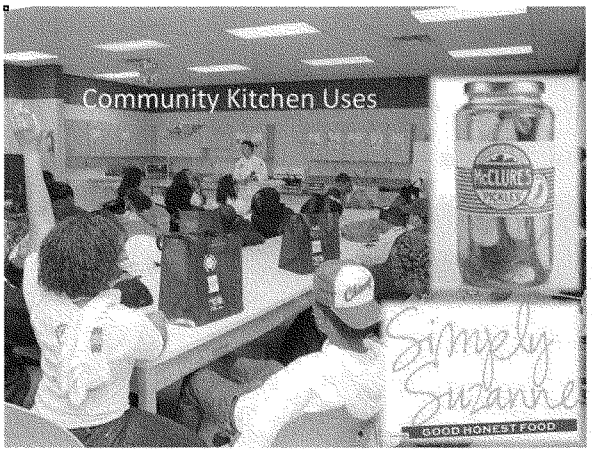


The program for Shed 5 has three key components. It has been and will remain the home of Eastern Market's plant and flower business. That is a key market sector, especially in the spring, that gives Eastern Market and its growers a competitive advantage.

Strong spring plant and flower sales helps cash flow food crops and provides for a more diversified sales portfolio for local growers.

Shed 5's outdoor plaza will be expanded to accommodate more non-food vendors selling Michigan-made arts and crafts. This Artisan Village was added to the market in 2010 and has grown to include 30 vendors. This project will allow Artisan Village to grow to 50 vendors.

A shared-use Community Kitchen is a key strategic piece that will be added as part of Shed 5 renovations. This kitchen will allow EMC to increase its incubation of specialty food vendors, its education and nutrition engagement efforts to improve kitchen literacy, and use of the market for special events.



The Community Kitchen project will allow Eastern Market to provide licensed facilities to emerging niche food processors at affordable prices. As with any incubation program facilities are only a small part of creating a thriving entrepreneurial culture. Providing essential business development mentoring and creating a rich peer-to-peer network are also critical.

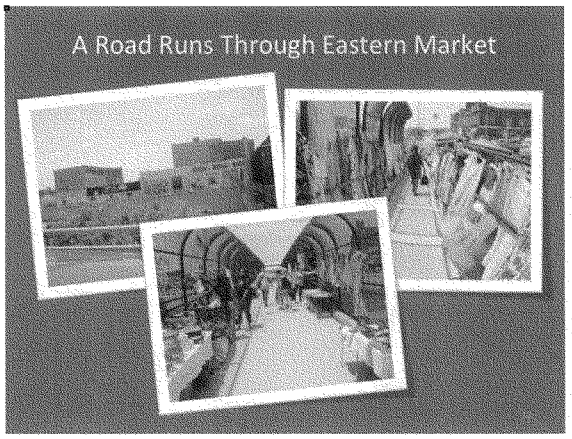
The Michigan State University Product Center has domiciled an Innovation Counselor on the Eastern Market campus to increase the availability of services. EMC is also partnering with Tech Town to tie into their small business development resources.

Improving access to market provided by the Eastern Market retail and wholesale markets, access to low cost production space by providing the Community Kitchen , access to essential information by having experts on hand, and access to capital by having dedicated food venture funds will allow us to increase the rate of food business formation at Eastern Market.

On market days most food ventures will be busy selling their products leaving the Community Kitchen available to be used as a teaching kitchen to provide health and nutrition programming to market customers.

Working with MSU Extension and area health care providers, EMC plans to book a slate of offerings for specific food and diet related health issues such as diabetes, hypertension, and obesity, and hypertension.

Eastern Market Corporation

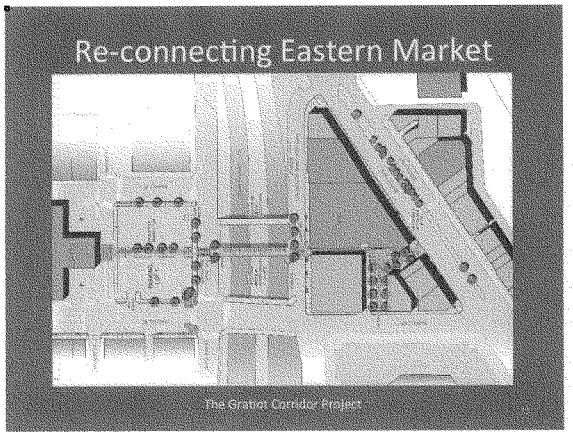


In the 1960's, the Federal Highway Administration inserted a six-lane freeway between the produce and meat departments at Eastern Market.

The narrow pedestrian bridge that connects the two and the current configuration of sidewalks greatly discourages pedestrian movement between the Eastern Market Campus and the great butcher shop on the other side.

EMC has developed a two-pronged strategy to improve connections. Streetscape, sidewalk work, and way finding signage in the short tem will improve flow while down the road a new, wider pedestrian bridge will convert what is now an Eastern Market District chokepoint into a district focal point.

Eastern Market Corporation



Connecting Shed 2 with the Gratiot Central Market will be achieved in two steps.

First, the parking lot south of Shed 2 will be renovated to improve pedestrian safety and vehicular access. A promenade through the center of the parking lot will be wide enough to accommodate street vendors so that the density of street vendors on the existing pedestrian bridge can be reduced to improve the pedestrian experience.

More thoughtful integration of street vendors will help make the journey between Shed 2 and Gratiot Central more enjoyable helping to reduce the perceived distance between the produce and meat departments.

Ultimately, a new pedestrian bridge is planned with vendor stalls built into a wider bridge to provide another outdoor gathering place in the Eastern Market District.

Eastern Market Corporation

Gratiot Central Market is the name of the market on the south side of the freeway. It is a six-day a week operation featuring an outstanding selection of meat and a very weak selection of fruits and vegetables.

The current owners of Gratiot Central Market are keen on retiring and EMC seeks to purchase the market and enhance it to become Shed 1: Healthy Market Hall.

Improvements to the meat aisle will be minimal – it's a place that already does an incredible amount of business. The other aisle is less successful. Its green grocer's quality rivals that of some of Detroit's worst corner stores and there are several vacant spaces.

Working with health care partners, EMC will integrate a nutrition clinic into Shed 1. MSU Extension, Henry Ford Health Systems, and Detroit Medical Center have all expressed interest in this project as have several national foundations and DHS.

Working with several workforce development agencies we will develop a model green grocer program to convert the now pathetic grocer into a model green grocer with a bountiful selection of locally grown fruits and vegetables.

Following the lead of nine other states, we will also develop a 2,500 square foot WIC only store to help improve health outcome for moms and their kids.

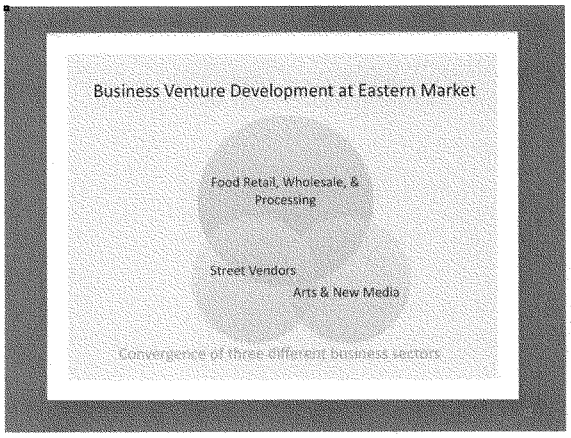
Eastern Market Corporation

The goal of the Shed 1 Healthy Market Hall is not to discourage meat sales, but rather to take a butcher shop and convert it into a more full service grocer. Inspired by markets in Barcelona, it is clear minimal processing and creative marketing can be implemented to increase fruit and vegetable consumption.

To fight obesity, hypertension, and diabetes it is critical to improve access to fresh food in under served areas. Eastern Market is working at the market, throughout the market district, and all over Detroit to improve food access.

The Healthy Market Hall project helps reunite the market district and provides a forum for an engaged community discussion about the importance of food choices on health outcomes.

Eastern Market Corporation



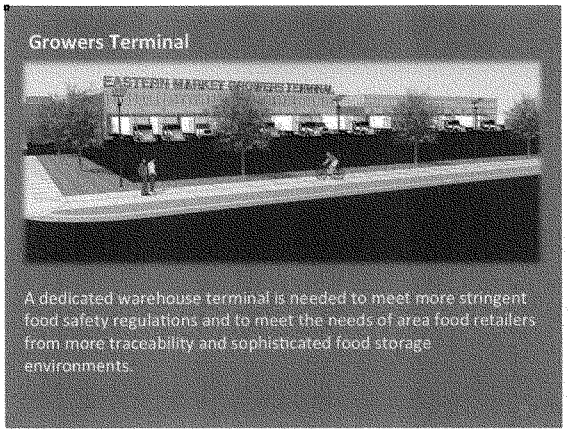
As an entrepreneurial hot spot, EMC also seeks to better engage the street vendors and help them develop their small businesses. The building next to Gratiot Central Market has already been acquired to provide an indoor merchandise market hall that can operate six days per week and provide selling space on inclement market days.

The Gratiot Corridor is already a creative class outpost. While maintaining the food centric nature of the market district is important, the Gratiot Corridor has attracted four new visual and performing arts venues in the past few months.

Eastern Market features three distinct entrepreneurial clusters. The interaction between food, arts and new media, and street vendors provides for interesting collaboration and cross-breeding.

EMC has been building coalitions to develop food sector job training programs, a number of entry level commissary job opportunities, a youth food entrepreneur program, and a job readiness program.

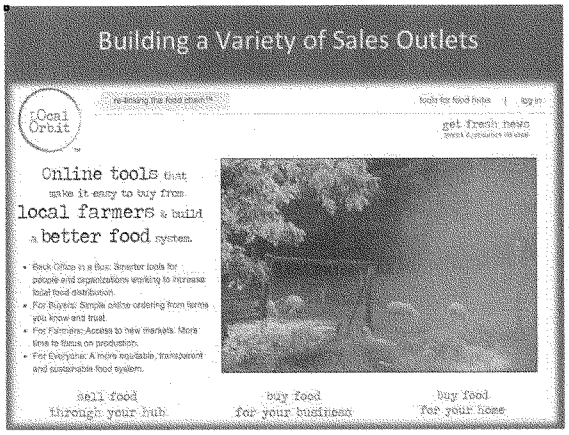
Eastern Market Corporation



A dedicated Growers Terminal is a critically needed facility for the wholesale market to sustain itself.

Since 1891 Eastern Market has hosted a wholesale market without the benefit of docks or refrigeration. While the lack of docks is an inconvenience, the lack of refrigerated environments makes it difficult for growers to comply with food safety regulations and meet the requirements of their customers.

Eastern Market Corporation



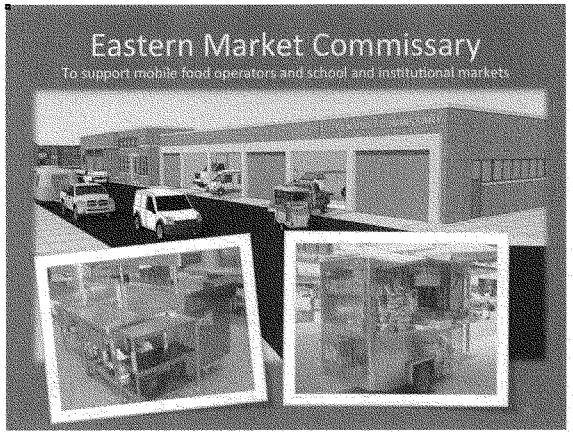
In addition to securing a better bricks and mortar home for the wholesale market EMC is also working to develop a virtual wholesale market in collaboration with an Ann Arbor software development firm.

The Local Orbit – Eastern Market site goes live in March 2012 and is aimed at making it easier for smaller producers and specialty processors to sell into the wholesale market.

As the number of small growers increases, EMC believes it is imperative that new markets be developed so that new growers can be sustained if direct sales cannot absorb all the products coming to market.

EMC's role of working to develop new market channels and incubating new specialty food processors works hand in glove with both community-based and land grant based programs to expand food production.

Eastern Market Corporation



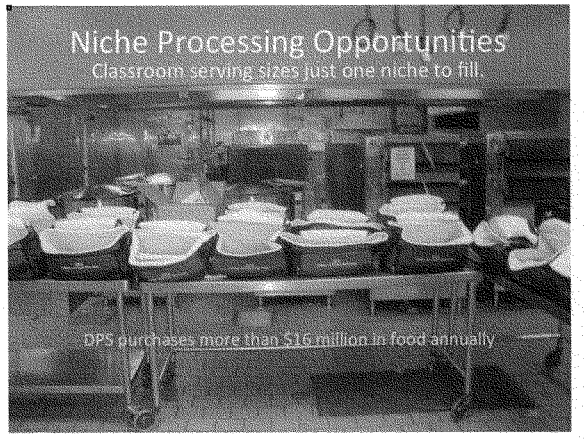
Commissary facilities are needed to allow budding food businesses to exploit several emerging markets.

Mobile food trucks have enjoyed robust growth nationally and they provide a more viable alternative to Detroit entrepreneurs seeking to open neighborhood restaurants. With the future of many neighborhoods uncertain and with a lack of obviously good retail sites, mobile units are a low barrier to entry which allows food entrepreneurs to try sites before settling into bricks and mortar locations

Currently, the closest commissary to service mobile food operations in Detroit is in Madison Heights, requiring food cart or truck operators to travel two hours per day between their commissary and Detroit sites.

The City of Detroit's current fire vehicle maintenance building is perfectly located for conversion to a complex of commissary kitchens.

Eastern Market Corporation



Another use of commissary kitchens is to fulfill institutional needs for healthier meals.

EMC is working with Detroit Public School Office of Food Services to change 30% of student meals replacing highly processed food with locally grown or minimally processed foods.

With few employees left in school kitchens to cook, there is a huge job opportunity to do that work at a central commissary.

Likewise, a local senior meals provider purchases **4,100 meals per day** from a commissary in Jackson, Mississippi.

This importation of nearly 1.5 million meals annually is a travesty that highlights the opportunities that are uncovered from the systematic re-localizing of food systems.

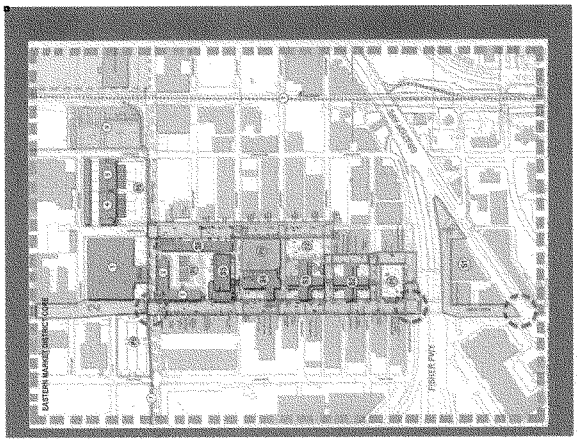
Eastern Market Corporation

Michigan Department of Agriculture and Rural Development (DARD), Michigan Economic Development Corporation (MEDC), Detroit Economic Development Corporation (DEGC), and EMC have joined forces to build a Detroit Ag & Food Network to build better communication between local food companies and those agencies and non-profits trying to grow the food sector.

Several success stories have already occurred by creating this forum. Not surprisingly, improved peer to peer communication has led to local business firms working together to grow markets and/or reduce costs.

Another key hub function is to provide for the exchange of ideas and the connection of previously unconnected food system participants.

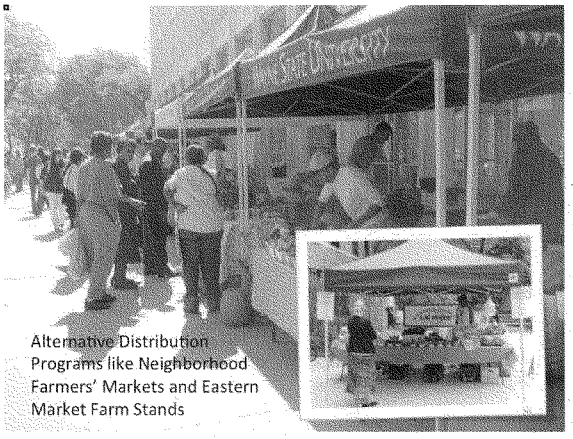
Eastern Market Corporation



Taken together, Eastern Market's capital needs for facilities and infrastructure exceeds $90 million. While a substantial number Eastern Market is well on its way. EMC has already invested $12 million and is close to securing an additional $5 million.

With strategic USDA support Eastern Market can become a pilot for a market-driven comprehensive healthy food hub and move food system development in the region from arithmetic to geometric growth rates.

Eastern Market Corporation



Alternative Distribution Programs like Neighborhood Farmers' Markets and Eastern Market Farm Stands

Even with $90 million invested, Eastern Market is not the only solution to food access issues in Detroit

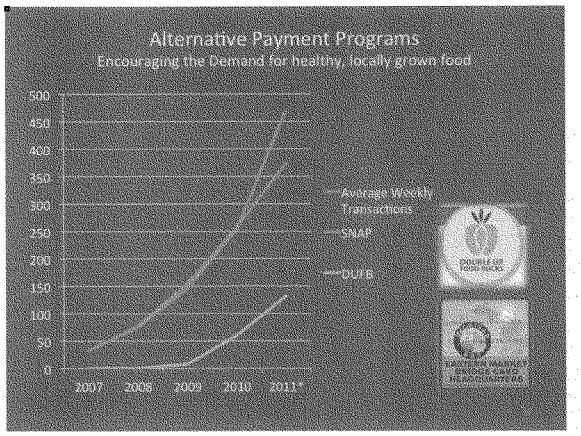
Over the past three years, EMC has been working with many community partners to develop alternative distribution programs such as food box programs, neighborhood farmers markets, and farm stands.

Utilizing funding from a 2010 USDA Farmer's Market Promotion Program grant, EMC has increased efforts to build a network of neighborhood markets. Joint marketing and promotion of five different markets has improved the sustainability of each of the participating markets.

Essentially, we have been taking Easter Market to those who cannot get to Eastern Market. We look forward to work with Project for Public Spaces in 2012 to build an analytic tool to help evaluate what sites are most likely to succeed as a neighborhood farmers market or farm stand.

Also, connecting these operations to new commissary facilities can foster the growth of specialty food processors to compliment the distribution of fresh fruits and vegetables while adding jobs to the local economy.

Eastern Market Corporation



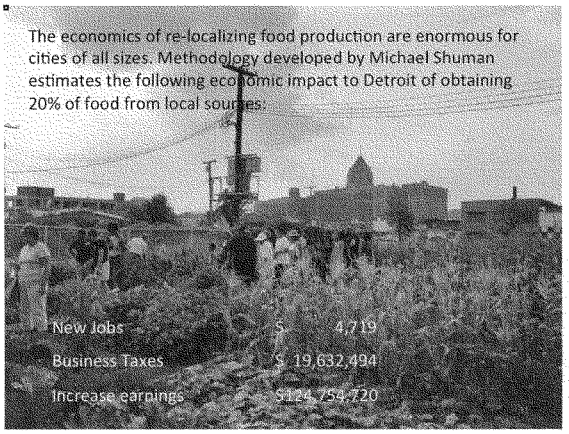
EMC has also been a leader in promoting the use of the Bridge Card at farmers markets and in piloting the use of food vouchers to augment SNAP benefits and promote locally grown crops.

Since it began accepting SNAP benefits in 2007 and the use of Fair Food Network's Double Up Food Bucks vouchers in 2009, Eastern Market will soon pass the $1 million threshold of benefits redeemed and payouts to area famers.

EMC represents 2% of total SNAP redeemed at farmers' markets in the United States and 37% of SNAP redemptions at farmers' markets in Michigan. Our program growth was made possible by a USDA Farmers' Market Promotion Grant in 2007.

Alternative food programs that promote healthy food choices improve the diets of lower income families, increase the income of family farmers, and lower health care costs. This win-win-win solution is essential in an era of public austerity.

Eastern Market Corporation



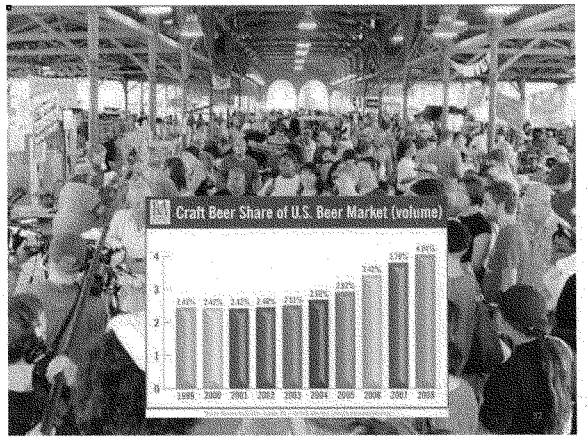
Converting 20% of our food system from global to regional would yield big economic results.

Researcher Michael Shuman estimates that nearly 5,000 jobs, $20 million in new state and local tax receipts, and $125 million in new household income would be created if that shift to local production occurred.

Economic development officials are skeptical – how do emerging small scale producers stand a chance competing with larger, more efficient producers and processors?

Strangely, the answer comes from the world of beer.

Healthy Metropolitan Food Hub



The only growing part of the American beer industry since 2008 has been the craft beer sector.

While slowly increasing its market share the number of craft breweries has increased dramatically demonstrating that, despite fierce competition from huge commodity brewers specialty product can survive and flourish.

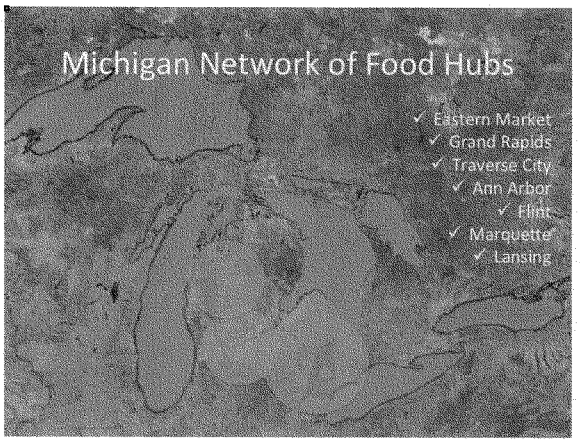
In the mid 1980's the number of breweries reached record lows (less than 60). By 2008 the number of US breweries exceeded the number of breweries when the Federal government enacted prohibition law (1500) and by 2012, their were 1915 breweries - more than anytime since the 1800's.

Despite tough economic times, American consumers have continued to choose paying a bit more for a better quality product.

This same consumer driven demand is also fueling the growth of farmers markets and increasing interest in specialty foods.

As with beer and wine, Michigan is well positioned to be a national leader in the local food movement.

Eastern Market Corporation

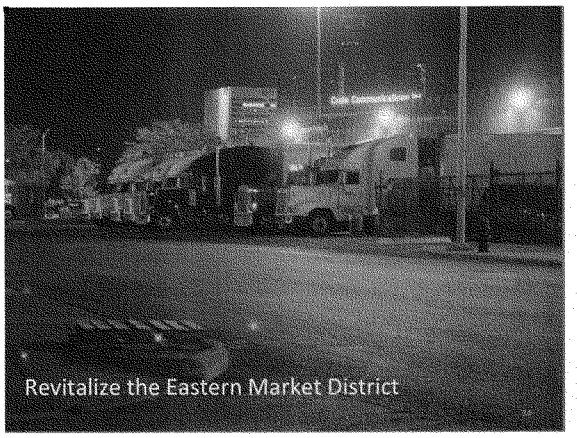


The Michigan Department of Agriculture and Rural Development in conjunction with Rich Pirog of the CS Mott Group at MSU is leading the development of a community of practice around food hub development throughout the state.

Representatives from Detroit, Ann Arbor, Flint, Grand Rapids, Traverse City, and Marquette attended the first meeting. More are expected at the next meeting in March.

EMC has actively participated in creating this state network as it has at the national level by participating in several W.K. Kellogg Foundation and USDA initiatives to develop the food hub concept.

Eastern Market Corporation



In addition to being a food hub, Eastern Market is also a lively urban mixed use district.

As such it has the typical development issues found in all urban business districts. How do we encourage investment, upgrade aging infrastructure, create a place that fosters economic activity, is accessible, safe, and welcoming.

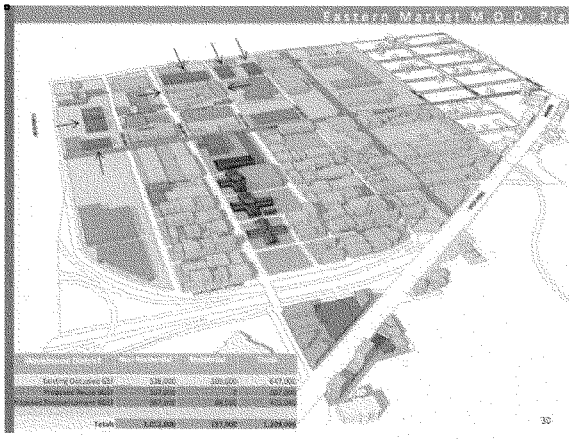
While we strive to remain food centric – a working food district- there is also the opportunity to build another compelling Detroit neighborhood with several forms of mid-density housing.

In 2008 EMC completed a economic development strategy for the Eastern Market District.

Core principles for the market district adopted in that plan are:

- ✓ **Improving Connectivity**
- ✓ **Restoring Density**
- ✓ **Lively Mix of Uses**
- ✓ **Preserve Authenticity**

Eastern Market Corporation



Creating a more supportive development framework is crucial for long term success.

EMC, its consultants, and City planning staff have been working to simplify the regulatory framework and make it easier to do projects in the Eastern Market District.

The market district has been carefully considered and sub-zones established to encourage a variety of uses while preserving the working food district authenticity of the district.

Eastern Market believes that while the mix of uses in and around the market needs to be carefully managed, the opportunity exists to add up to 600 housing units without destroying the working food district character of the district.

Most of the residential development would take place in the Dequidre Cut corridor but there are some selected places where mixed use projects could benefit the market itself.

Shed 4 is proposed as a mixed-use development project with a Shed structure at ground level with three floors of mixed-income housing above. This would take advantage of the buildings location adjacent to the Eastern Market Parking Garage by providing safe, secure, and adjacent parking for tenants.

It would also help provide a financial model for how to build mixed-use projects in towns that simply want to move their temporary farmers market into a permanent structure.

Affordable housing finance tools can be used to help pay for building shell capital costs and operating income derived from successful mixed-income projects can help sustain market operations.

Eastern Market Corporation

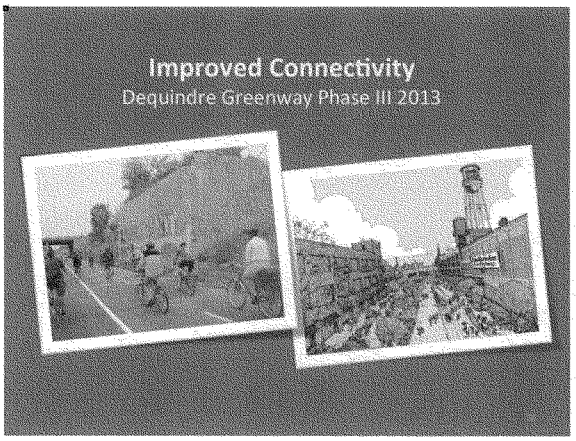
Critical need to improve customer parking

Providing sufficient parking is a challenge in the Eastern Market District. One clear way to improve customer parking is to more fully utilize an existing city parking structure in the heart of the Eastern Market District.

EMC is currently negotiating transfer of the Eastern Market Garage from the City's Parking Department to EMC similar to the agreement that governs other City-owned facilities included in the management agreement with the City of Detroit.

While structurally sound, significant improvements and repairs are needed to re-position the parking structure to be financially self-sustaining and not drain EMC financial resources.

Eastern Market Corporation

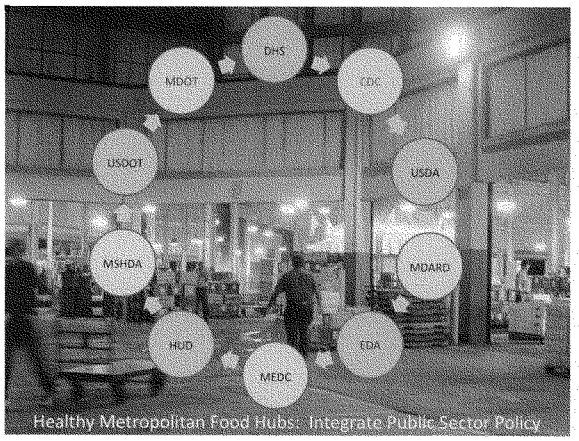


Reconnecting Eastern Market to the urban fabric is critical to improving the sustainability of the district.

The Dequindre Cut phase two and the Midtown Loop phase four will connect near the Detroit Market Garden. While not as noteworthy as the driving of the golden spike at Promontory Point, it will be a historical occasion when the Motor City finally completes a non-motorized trail system.

The Detroit Riverfront Trail is marvelous but until the Midtown Loop joins the Dequindre Cut trail, Detroit has a collection of trail pieces not something that connects places of work, living, play, and shopping.

Eastern Market Corporation



Eastern Market is a place where place making and local food system development are nearly of equal importance.

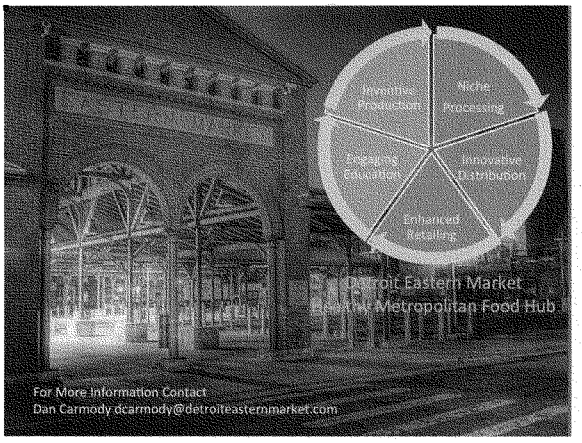
Fast tracking the development of Eastern Market will require the enormous coordination of state and local policy and programs. Cross pollenating and leveraging across departments seems to be increasing in importance as a way to maximize the impact of limited resources.

The bottom up nature of community based agriculture and the top down nature of corporate/land grant university research and development can find common ground at Eastern Market.

Economic gardening is truly both a literal and figurative approach to the revitalization of Eastern Market and the Eastern Market District

Grab your hoe. Let's go.

Eastern Market Corporation



This development narrative has been articulated over the last four years as Eastern Market has emerged as one of the nation's most compelling urban revitalization stories. The EMC Board of Directors thanks you for your time and attention.

George W. Jackson, Jr.
Joseph Kuspa
Brian Holdwick
Morse Brown
Tom Bedway
Helena Bengals
Jim Bonahoom
Gary Brown
Karen Brown
Robert Davis
Bert Dearing
Ed Deeb
Al Jordan
Don Lindow
Alicia Minter
Rich Pirog
Rob Ruhlig
DeWayne Wells
Guy Williams

The Detroit Food System Report

2009-2010

Prepared by Kami Pothukuchi, Ph.D., Wayne State University
For the Detroit Food Policy Council

May 15, 2011

The Detroit Food Policy Council

Membership, April 2011

Members	Sector Represented
Malik Yakini, Chair Nsoroma Institute	K-12 Schools
Kami Pothukuchi, Vice Chair Wayne State University, SEED Wayne	Colleges and Universities
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Charles Walker, Treasurer	Retail Food Stores
Marilyn Nefer Ra Barber Detroit Black Community Food Security Network	At Large
Dan Carmody Eastern Market Corporation	Wholesale Food Distributors
Patrick Crouch Capuchin Soup Kitchen	At Large
Charity Hicks Detroit Black Community Food Security Network	At Large
Phil Jones Jones Urban Foods	Food Processors
Minsu Longiaru Restaurant Opportunities Center of Michigan (ROC-Michigan)	Food Industry Workers
Anntinette McCain Detroit Public Schools Coordinated School Health Programs	At Large

Members	Sector Represented
Lisa Nuszkowski City of Detroit	Mayoral Appointee
Sharon Quincy City of Detroit Department of Health and Wellness Promotion	Dept. of Health & Wellness Promotion Appointee
Olga Stella Detroit Economic Growth Corporation	Urban Planning
Kathryn Underwood Detroit City Council City Planning Commission	City Council Appointee
Pam Weinstein Northwest Detroit Farmers' Market Grandmont Rosedale Development Corporation	Farmers' Markets
DeWayne Wells Gleaners Community Food Bank of Southeastern Michigan	Emergency Food Providers

We thank the following past members for their service on the Council:

William Ridella City of Detroit Department of Health and Wellness Promotion	Dept. of Health & Wellness Promotion Appointee
Taja Sevelle Urban Farming	Mayoral Appointee

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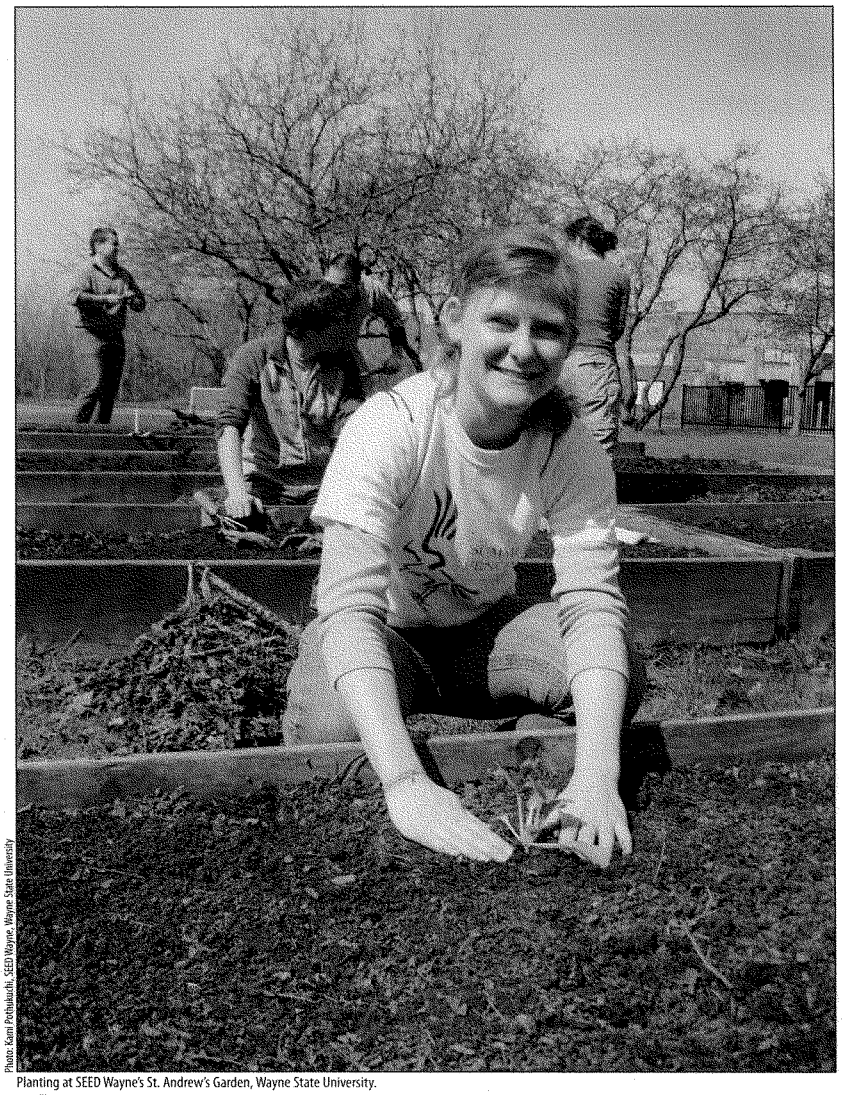


Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

Planting at SEED Wayne's St. Andrew's Garden, Wayne State University.

Preface

Photo: Northwest Detroit Farmers' Market

Nicki Zahm and Will Gardner, formerly of Greening of Detroit.

THIS REPORT IS THE FIRST OF AN ANNUAL SERIES TO BE RELEASED BY THE DETROIT FOOD POLICY COUNCIL (DFPC), WHICH FIRST CONVENED IN 2009.[1] IT FULFILLS A KEY GOAL OF THE DFPC, WHICH IS TO: produce and disseminate an annual City of Detroit Food System Report that assesses the state of the city's food system, including activities in production, distribution, consumption, waste generation and composting, nutrition and food assistance program participation, and innovative food system programs.

The other goals and a summary of events that resulted in the formation of the Detroit Food Policy Council are described in Section 1. Sections 2, 3 and 4, respectively, present substantive information

We hope that this report will inform future initiatives and help in the coordination of existing ones...

[1] www.detroitfoodpolicycouncil.net

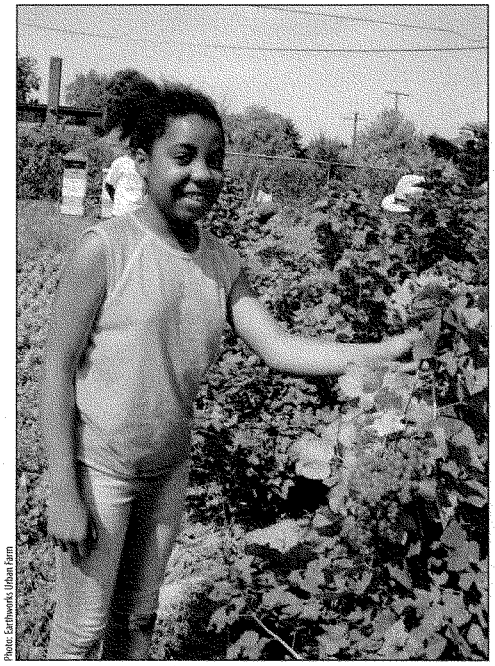


Photo: Earthworks Urban Farm

about the community, Detroit's food system, and innovative activities to repair gaps in the food system and build a more sustainable and just alternative.

Although the most recent data available are provided, the baseline year for the report is 2009. Also, wherever possible and relevant, data are offered in a comparative light, relative to a few years ago, or to the region and the state, or to the rest of the sector of which they are a part. Because this is the first such effort of the DFPC, the report relied entirely on pre-existing sources of data and analysis, and in some cases derived estimates for Detroit based on national averages; no primary research was undertaken for this report. We expect that future reports will incorporate more recent data unavailable to this one—such as from the 2010 Census—and findings from primary research to answer questions specific to Detroit and for that time.

We also expect that future reports will contain a more detailed listing and systematic assessments of both the conventional and "alternative" food systems in Detroit. For example, many Detroit organizations collect data on their programs for internal purposes, and data in categories of interest to the general public may not be available from every initiative. Hopefully, the need for more consistent data for future annual reports will contribute to the development of uniform data gathering and related tools in the community. The DFPC should take the lead in designing such tools.

The 2010 report's compilation of data and analysis and writing were done entirely on volunteer time, primarily by a Wayne State University urban planning faculty member (Kami Pothukuchi) over ten months, with assistance from a student (Annette Stephens). We anticipate that future DFPC reports will have a budget to enable research and analysis on emerging questions and the compilation of the report itself. The author is grateful to council members, community-based experts, and the DFPC coordinator, all who contributed data and analysis, and/or chased down sources of data, for this report.

...leaders of neighborhoods and food organizations mobilized more residents to grow their own food and sell to their neighbors, developed initiatives to increase access to healthy food in neighborhoods, and fostered a lively debate on needed changes in the city's food system.

It is no secret that these are hard times for Detroit's residents. Even prior to the economic downturn that hit the country hard in 2008, Detroiters suffered from a higher rate of unemployment than the region or the state. In 2009, the official unemployment rate jumped to 28 percent. The Federal Stimulus helped the city somewhat through jobs in shovel-ready projects and food assistance, among other things, but many schools were closed or consolidated, and talk of rationalizing neighborhoods to provide services more efficiently was everywhere, engendering both fears about losing even more ground as well as hope for meaningful reorganization of resources. During the same time, leaders of neighborhoods and food organizations mobilized more residents to grow their own food and sell to their neighbors, developed other initiatives to increase access to healthy food in neighborhoods, and fostered a lively debate on needed changes in the city's food system.

The Detroit Food Policy Council is one outcome of such debates. We hope that this report will inform future initiatives and help in the coordination of existing ones, assess initiatives for outcomes and impacts identified by DFPC goals, and enhance synergies among those in community food security and broader community empowerment and development.

Executive Summary

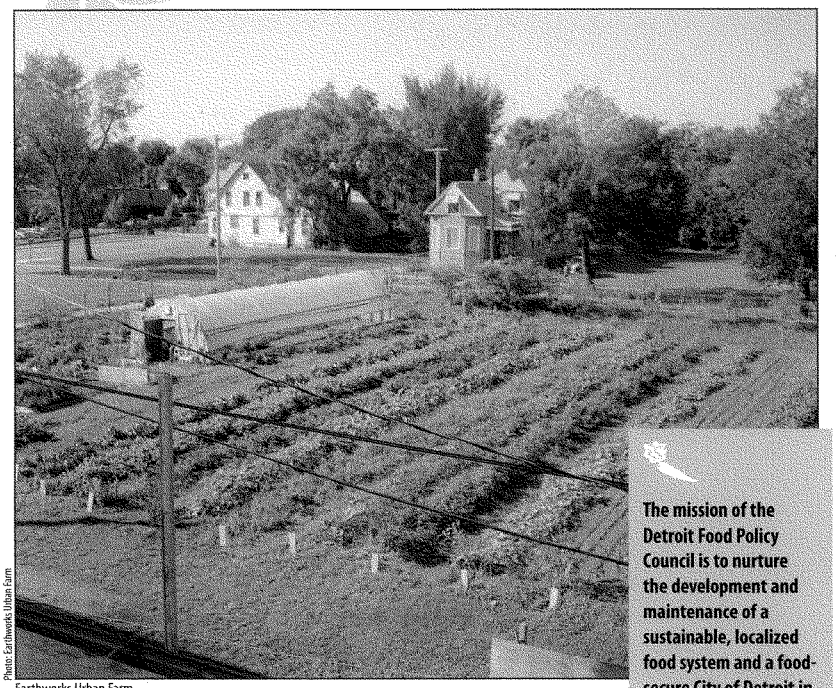


Photo: Earthworks Urban Farm

Earthworks Urban Farm.

The mission of the Detroit Food Policy Council is to nurture the development and maintenance of a sustainable, localized food system and a food-secure City of Detroit in which all of its residents are hunger-free, healthy and benefit economically from the food system that impacts their lives.

The Detroit Food Policy Council—A Background

The Detroit Food Policy Council came into being in November 2009 following a City Council resolution in 2008 supporting its creation and another resolution earlier that year to adopt a City Food Policy. These landmark events are the product of policy organizing and community consultation by the Detroit Black Community Food Security Network.

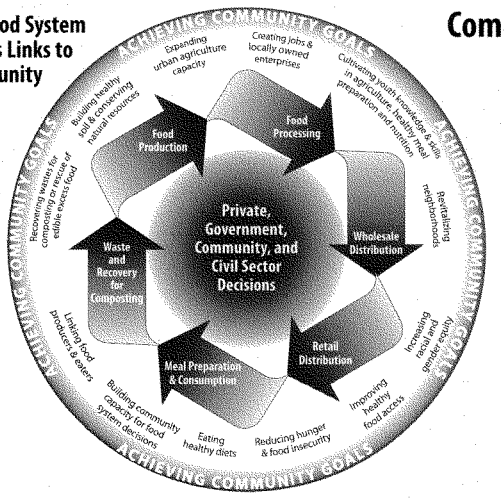
The mission of the Detroit Food Policy Council is to nurture the development and maintenance of a sustainable, localized food system and a food-secure City of Detroit in which all of its residents are hunger-free, healthy, and benefit economically from the food system that impacts their lives.

The DFPC's Goals are to:

1) Advocate for urban agriculture and composting being included as part of the strategic development of the City of Detroit;
2) Work with various City departments to streamline the processes and approvals required to expand and improve urban agriculture in the City of Detroit including acquisition of land and access to water;
3) Review the City of Detroit Food Security Policy and develop an implementation and monitoring plan that identifies priorities, timelines, benchmarks, and human, financial and material resources;
4) Produce and disseminate an annual City of Detroit Food System Report that assesses the state of the city's food system, including activities in production, distribution, consumption, waste generation and composting, nutrition and food assistance program participation, and innovative food system programs;
5) Recommend new food-related policy as the need arises;
6) Initiate and coordinate programs that address the food-related needs of Detroiters;
7) Convene an annual "Powering Up the Local Food System" conference.

The DFPC has 21 members selected for their expertise on a variety of community and food system sectors. Four work groups are organized to advance DFPC goals; they address issues related to healthy food access, schools and institutions, urban agriculture, and community food justice. Since its first convening, the DFPC has taken steps to become incorporated as a 501(c)(3) nonprofit, developed procedures for financial and other operations, set up an office, hired a coordinator, and educated itself on numerous local, state, and federal policy issues. DFPC members also contributed about 40 articles and opinion pieces to *The Michigan Citizen*, a community newspaper.

The Food System and Its Links to Community Goals



Community Food Security

The Detroit Food Security Policy defines community food security as a "condition which exists when all of the members of a community have access, in close proximity, to adequate amounts of nutritious, culturally appropriate food at all times, from sources that are environmentally sound and just."

Community food security requires a focus on the linkages between the food sector and the community in a systemic way, with a long-term view of correcting the sources of hunger and food insecurity; supporting the development of closer links between producers and eaters; building greater food system capacity and ownership among all community members; and encouraging practices across the food system that help sustain the natural resource base upon which agriculture, indeed all life, depends.

Detroit Community and Food System Indicators

Detroit neighborhoods lost people and wealth between 2000 and 2010

According to the 2010 US Census, Detroit's population is 713,777, showing a loss of a quarter of its 2000 population. As this report goes to press, detailed Census data are unavailable. The American Community Survey (ACS) estimated the city's 2009 population to be 910,848, showing a decline of only 4 percent since 2000. Thus, Detroit's population figures will continue to be a matter of debate and contention for some time to come.

According to the 2009 ACS, the number of households with children under age 18 shrank by almost 14 percent, while single-person households grew by a similar rate, thanks in large part to the many young, single people who are flocking into the city. School enrollment dropped nearly 11 percent overall between 2000 and 2009; at the same time, enrollment in colleges or graduate school grew by 47 percent.

Photo: Growtown.org

The Penrose Children's Art House Garden in Northwest Detroit.

Despite a 10 percent loss of Black population between 2000 and 2009, Detroit remains a majority African-American city, and experiences poverty and other indicators of community distress at rates much higher than national averages. Consider the following for 2009:

- The city's official unemployment rate was 28 percent, double that in 2000, and three times the national average.
- Median household income of $26,000 was two-thirds that in 2000, after adjusting for inflation.
- 36 percent of individuals lived below the poverty line, a 40 percent decadal increase.
- 31 percent of families with children had incomes below the poverty level—a rate of increase since 2000 of nearly 50 percent.
- More than four out of ten single-parent families had incomes below the poverty level.

...this report estimates that food insecurity in Detroit is more than double the national rate.

Detroiters face high rates of food insecurity and obesity

In 2009, nationally, 14.7 percent of households (or 17.4 million) were food insecure, meaning that at some time during the year they had difficulty providing enough food for all members due to insufficient resources. Because food insecurity is higher in urban areas, in communities of color, and among those who live in poverty, this report estimates that food insecurity in Detroit is more than double the national rate.

According to a study by the US Conference of Mayors, requests for food assistance in Detroit went up 30 percent in 2009 relative to the previous year. About 75 percent of people requesting assistance were also part of a family.

Nationally, food insecurity goes hand in hand with obesity as healthy foods such as fresh fruits and vegetables and whole grain products tend to be more expensive than highly processed foods containing added fats, sugar, and salt. Outlets selling fresh fruits and vegetables and other healthy foods at affordable rates are also scarce in urban, predominantly African-American neighborhoods where the density of fast food outlets tends to be higher. In such neighborhoods, obesity rates are higher.

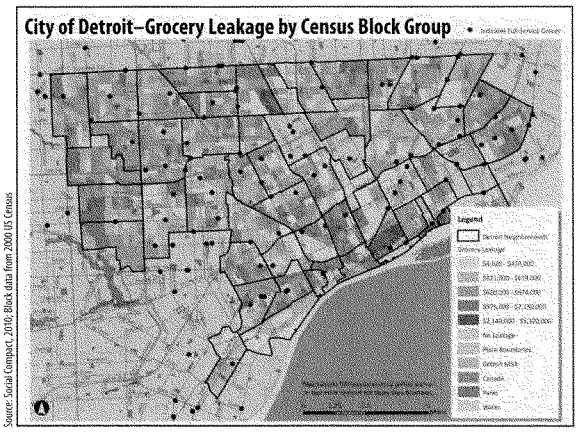
Only one Black-owned grocery supermarket exists in Detroit, a city in which four out of five residents are African-American.

Fewer than a quarter of residents of Wayne County—the county that includes Detroit—consume fruits and vegetables at recommended rates. Nearly three out of 10 residents report not having participated in any physical activities in the last month. The Centers for Disease Control and Prevention (CDC) reports that 36 percent of Michigan residents are considered overweight and another 30 percent obese. Obesity rates are higher in communities of color such as Detroit: 37 percent for African Americans and 31 percent for Hispanics relative to 26 percent for whites. Rising obesity among youth is especially troubling: one in five high school students (21 percent) in Detroit is obese; the statewide rate is 12 percent.

Food expenditures in metro Detroit are higher than in other cities

At 13 percent, metro Detroit had the third highest average annual household expenditures for food of 18 metropolitan areas studied in 2008-09, below only Boston and Los Angeles. Perhaps unsurprisingly, metro Detroiters pay the most for transportation when compared with residents of the other cities—19.2 percent of their household income after taxes—compared to 16.3 percent for the country as a whole.

Two out of five dollars spent by households on food in metro Detroit ($6,412 average annual total) were spent on food purchased to be eaten away from home, that is, at a restaurant or fast food outlet. Only 17 percent of the budget allocated for food at home was spent on fruits and vegetables, while another 14 percent was spent on cereals and bakery products.



Source: Social Compact, 2010; Black data from 2000 US Census

Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

Detroit is underserved by about $200 million annually for retail grocery

Many Detroit neighborhoods are underserved by full-service grocery supermarkets that offer a range of healthy and affordable food choices. Although approximately 80 full-service stores were shown to exist in the city by a study sponsored by the Detroit Economic Growth Corporation (DEGC), still, an estimated $200 million in unmet demand exists in the city. Existing grocers in Detroit provide an average of only 1.59 square feet of grocery retail space per capita, compared to an industry standard of 3.0 square feet per capita.

Only one Black-owned grocery supermarket exists in Detroit, a city in which four out of five residents are African-American.

Despite recent declines, food remains an important part of the local economy

Food manufacturing, wholesale and retail activities in Detroit have generally declined between 1997 and 2007. Despite this decline, they are important to their respective sectors in Detroit. For example, food wholesale trade accounts for more than 35 percent of all wholesale sales and more than a quarter of wholesale-related jobs in Detroit. Food retail accounts for nearly 30 percent of all retail sales and nearly 35 percent of all employment in the sector. These statistics point to the enduring value of the food sector to the local economy.

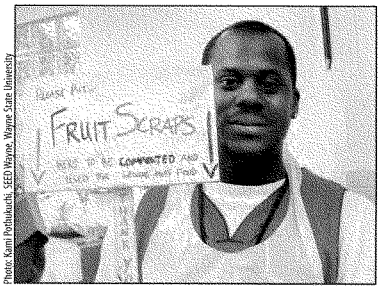


Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

Significant amounts of food system wastes in Detroit can be rescued or composted

Based on nationally derived averages, this report estimates that between 80,000 and 100,000 tons of food scraps were created in Detroit in 2010. Additionally, a similar amount of yard waste was generated in the city. We also estimate that more than 42,000 tons of wastes are created annually by fast food and other eating places in Detroit, with more than half consisting of food that could be rescued.

According to the Environmental Protection Agency (EPA), nearly nine percent of the waste that each person generates each day could be recovered for composting. This works out to 140 pounds per person per year, and a total of more than 50,000 tons for the City of Detroit. Diverting this waste from the incinerator could save the city $1.25 million annually.

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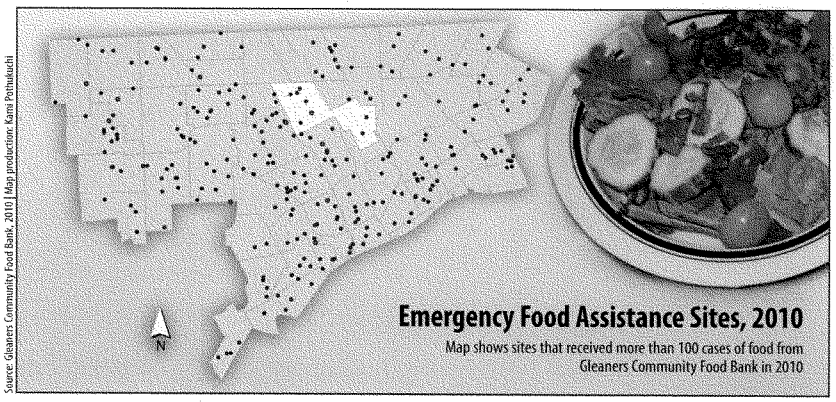
Government nutrition programs are vital to Detroit's food security; more eligible non-participants, however, need to gain benefits

SNAP participation rose sharply over the last few years

Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamp) benefits which arrive electronically to participants through the Bridge Card in Michigan, are important to many households' ability to put food on the table. More than three out of 10 households in Wayne County and a slightly higher proportion of Detroit households depend on SNAP. In 2010 Wayne County's monthly SNAP rolls had more than half a million participants whose benefits were approximately $69 million or about $138 per participant. In



Emergency Food Assistance Sites, 2010

Map shows sites that received more than 100 cases of food from Gleaners Community Food Bank in 2010

Source: Gleaners Community Food Bank, 2010 | Map production: Kami Pothukuchi

Photo: Earthworks Urban Farm

Children learn to cook in the Growing Healthy Kids program at the Capuchin Soup Kitchen.

2010, there were 67 percent more SNAP participants in Wayne County than in 2004.

SNAP allocations increased in 2009 due to the Federal Stimulus; some concerns remain

Approximately 88 percent of Wayne County residents eligible to participate in SNAP actually did so in 2009. This difference from full participation represented lost benefits of about $10 million in 2009, a loss that the community can ill afford given the ongoing recession. Monthly benefit levels are higher than they were in 2008 thanks to additional funding provided by the Stimulus Bill. Nonetheless, they are also typically inadequate to consistently maintain healthy diets with sufficient quantities of fresh fruits and vegetables. Plus, the increment from the Stimulus is slated to end in 2013, which is sure to create hardships for families given rising food and gas prices and the ongoing economic malaise.

Nine out of ten meals served by the Detroit Public Schools are free and reduced-price

School nutrition programs are critical to children's ability to learn, and free and reduced-price school meals are therefore an important tool in a community's food security toolbox. More than three out of four of the 86,000 students in Detroit Public Schools (DPS) in 2009-10 were on the rolls to receive free or reduced-price school lunches and breakfasts. In October 2009 on an average day, 47,686 total lunches and 42,622 total breakfasts were served.

Over the past few years, the DPS Office of Food Services has made many improvements in the nutritional quality of school meals, established school gardens and farm-to-school programs, and integrated food and agriculture issues in the curriculum.

Participation rates in school meals and other child nutrition programs, however, need to improve

Despite the high rates of enrollment in free and reduced-price meals in DPS, only one out of two enrollees asks for and gets a free or reduced-price lunch on any given day, and only 42 percent of enrollees do the same for breakfast. High school students participate at much lower levels than other students. More needs to be done so that children who are eligible for free and reduced-price meals choose to eat such a meal at school, and are comfortable asking for the meal while being with their friends.

Participation rates are dismally low for other child nutrition programs such as the Summer Food Service Program. For example, only five percent of Detroit children eligible to receive these benefits actually participate due to lack of awareness or difficulties with transportation to sites.

According to the City of Detroit's Department of Health and Wellness Promotion (DHWP), approximately 35,000 pregnant women and breastfeeding mothers, infants, and children below the age of five participated monthly in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) in Fiscal Year (FY) 2010. We do not know the participation rates of WIC-eligible individuals.

More people are requesting emergency food assistance

Food assistance programs reported a 30 percent increase in requests for assistance in 2009 over the previous year. Emergency food assistance is yet another food security mainstay in our community; a significant portion of the food distributed is paid for by taxpayer dollars. The Gleaners Community Food Bank is the principal distributor to food assistance programs offered by neighborhood and social service organizations. In 2010 Gleaners distributed nearly 18 million pounds of groceries to 300 outlets in Detroit, including food pantries, soup kitchens, homeless shelters, halfway houses, and school and community sites hosting children.

Photo: JimWestPhoto.com

Children from the Indian Village Child Care Center harvest basil and learn about gardening in the Capuchin Soup Kitchen's organic garden. Produce from the garden goes to low-income residents and is used in the soup kitchen's programs.

The Alternative Food System: Innovative Community Food Programs

Urban agriculture activities have grown over the last few years

Several citywide urban agriculture programs in Detroit have helped establish and support hundreds of backyard, community, school, and market gardens; engage and train thousands of adults and youth in related activities; and conduct related outreach and networking. These gardens collectively produced several hundred tons of food last year. Programs that support urban agriculture by providing resources, training, organizing, and demonstration sites in the city include the Garden Resource Program Collaborative, Earthworks Urban Farm, D-Town Farm, and Urban Farming, Inc.

For example, in 2010 the Garden Resource Program Collaborative engaged more than 5,000 adults and 10,000 youth in more than 1,200 vegetable gardens, including 300 community gardens, 60 school gardens, 800 family gardens, and nearly 40 market gardens. They collectively produced more than 160 tons of food. Earthworks Urban Farm, Detroit's first and, as yet, only certified organic farm consisting of more than two acres over seven sites, involved more than 6,000 volunteers to produce 7,000 pounds of food, produced transplants for gardeners in the Garden Resource Program Collaborative, and offered numerous training workshops—from basic skills to entrepreneurial agriculture—to hundreds of youth and adults across the city. They also composted more than 300,000 pounds of food system wastes, thereby diverting wastes from landfills or the incinerator and enriching soils for agriculture. D-Town Farm is putting into place plans to expand from two acres of production at Rouge Park to seven acres.

Detroit has enough publicly owned vacant land to grow a significant portion of the fresh produce needed by the city.

Photo: JimWestPhoto.com

Young Detroiters sell heirloom tomatoes at the East Warren Avenue Farmers' Market, where everything on sale is locally grown. They grow their produce on vacant city lots.

Photo: JimWestPhoto.com

Volunteers grow vegetables that are distributed to food assistance sites by Gleaners Community Food Bank.

Significant potential exists to expand urban agriculture to meet Detroit's needs

Detroit has enough publicly owned vacant land to grow a significant portion of the fresh produce needed by the city. A study by Kathryn Colasanti of Michigan State University showed over 4,800 acres of vacant, publicly owned parcels, the majority of which were residential and owned by the City.[2] The same study arrived at the acreage that would be needed to meet current consumption levels of fruits and vegetables that could be grown locally. At a minimum, using only field production and moderately intensive methods, Detroit growers could produce enough fruits and vegetables on 894 acres to supply 31 percent of vegetables and 17 percent of fruits consumed by the city. At the high end, nearly 76 percent of vegetables and 42 percent of fruits consumed in the city could be supplied by 2,086 acres using intensive production methods that also include season extension and storage.

Many initiatives increase retail access to fresh foods within neighborhoods

Many initiatives in Detroit help bring affordable, fresh and healthy food into neighborhoods. Selected examples include the following:

- Eight neighborhood farmers' markets brought fresh, local and seasonal foods to Detroit residents and workers in 2010; additionally, two mobile markets served specific neighborhoods. These markets also created significant revenues for participating farmers and other local food vendors.
- Eastern Market sponsored farm stands in 2010 at 40 locations in metro Detroit to increase access to fresh, affordable and local produce at various neighborhood and employment locations.
- The Green Grocer Project provides technical assistance, financing, and fast-track permitting assistance to existing Detroit grocery stores to improve operations and increase access to fresh and healthy foods, or new stores that open in underserved neighborhoods. By December 2010, $90,000 in grants were awarded to three stores.
- Detroit Fresh—SEED Wayne's (Sustainable Food System Education and Engagement in Detroit and Wayne State University) healthy corner store project—had 18 corner stores in 2010 that carried (or carried more) fresh produce following store-based assistance, linkages with produce distributors and neighborhood outreach.

[2] Colasanti, K., & Hamm, M. W. (2010). "The Local Food Supply Capacity of Detroit, MI." *Journal of Agriculture, Food Systems and Community Development*, 1(2), 1-18.

- The Fresh Food Share program, led by Gleaners Community Food Bank, dropped off 998 boxes containing 28,111 pounds of fruits, vegetables, and other selected healthy foods at sites around the city for pick up by participants. Subsidized boxes cost $10 and $17 for small and large boxes, respectively, non-subsidized ones were $14 and $24 for the small and large boxes respectively.

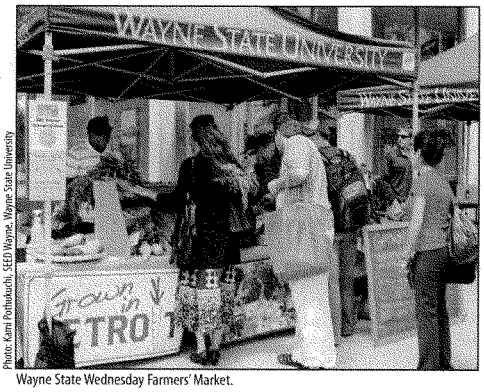


Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

Wayne State Wednesday Farmers' Market.

Double Up Food Bucks support fresh food purchases and local farmers

The Double Up Food Bucks Program (DUFB), offered by the Fair Food Network, matches Supplemental Nutrition Assistance Program (SNAP or food stamp) spending at farmers' markets in Detroit and other select locations, dollar for dollar (up to $20 per card per day). Michigan farmers benefit as well from the additional spending on fruits and vegetables. In 2010, for all markets, $111,585 of SNAP spending was matched by $91,866 in DUFB tokens for fresh fruits and vegetables.

Food system entrepreneurial and workforce development initiatives hold promise

Several initiatives have recently started to build entrepreneurship and job skills among youth and adults in agriculture, culinary arts, and food service. Consider these examples:

- COLORS Hospitality Opportunities for Workers Institute by Restaurant Opportunities Center of Michigan (ROC-Michigan) seeks to help restaurants be profitable while promoting opportunities for workers to advance in the restaurant industry. The COLORS Restaurant, a worker-owned restaurant, will open in Summer 2011.
- 10-13 youth participate each year in D-Town Farm's summer employment program in which youth ages 15-23 plant, irrigate, weed, harvest, and sell at Wayne State University Farmers' Market.
- Earthworks Agriculture Training (EAT) offered by Earthworks Urban Farm trains interns in agricultural entrepreneurship, with eight graduates in 2010.

Food justice conversations address race in the food system

Undoing Racism in the Food System is an informal group of people whose goal is to help create food justice and food security in Detroit as part of a larger struggle for social justice. More than 200 people have participated to date in small and large discussion groups to analyze racism in Detroit's food system and identify approaches to dismantling it, including a two-day anti-racism training held in March 2010.

Detroit-based food organizations and networks have capacity and need support

Organizations collaborate in varying combinations to achieve the above gains. Detroit food groups have developed both individual organizational capacity as well as network capacity to collaboratively develop and implement needed initiatives to deliver real benefits to neighborhoods. These collaborations should be supported preferentially by foundations, government programs, and other donors to enable sustainable growth. We urge donors to seek and support existing, locally organized initiatives before attempting to bring in leaders from outside Detroit to develop initiatives from scratch. Support is needed, in particular, to systematically assess existing initiatives so as to develop a set of baseline measures of the system from which future growth can be traced. Lessons also need to be drawn from their successes and challenges to inform future efforts.

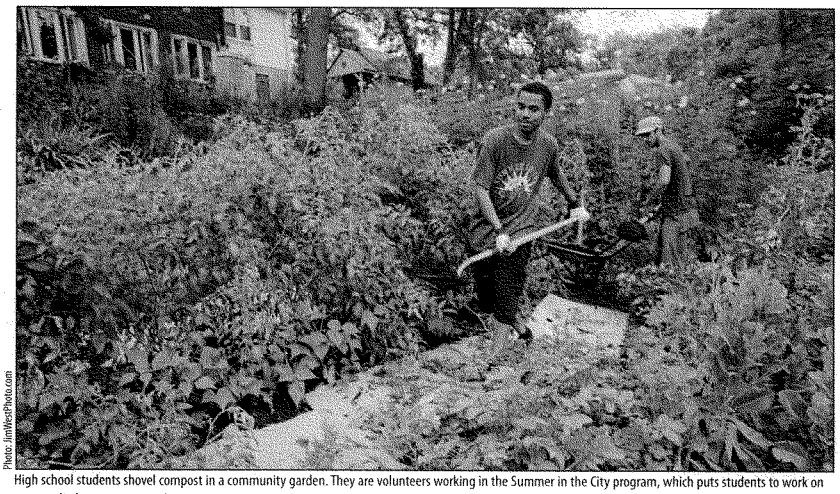


Photo: JimWestPhoto.com

High school students shovel compost in a community garden. They are volunteers working in the Summer in the City program, which puts students to work on community improvement projects.

Federal, state and local policies affect Detroit's food system

Recent laws such as the Farm Bill (Food, Conservation and Energy Act of 2008), the Stimulus Bill (American Recovery and Reinvestment Act of 2009), and the Child Nutrition Reauthorization (Healthy, Hunger-Free Kids Act of 2010) collectively helped realize more funding for nutrition and food security needs; increased funding for fruit and vegetable production; made nutrition program participation easier; instituted nutritional improvements in the meals offered at school and other settings; and enabled the sourcing of school cafeterias from local farms. These changes also benefited local food businesses and farms.

However, they also contained elements that are worrisome to proponents of sustainable agriculture and food justice. For example, money from the SNAP funding increment enabled by the Stimulus Bill was taken to fund child nutrition activities. This and other cuts to the SNAP increment mean that the SNAP benefits increase will terminate earlier, in November 2013, raising concerns about the ability of participants to put food on the table, even as food and energy prices are rising and the economic recession continues.

Nationwide, grassroots groups are organizing to prepare for the Farm Bill reauthorization in 2012. Given budgetary and other pressures, it is important to ensure that the gains for nutrition and food assistance programs, nutritious school foods, and farm-to-school programs are maintained; an agriculture is promoted that supports healthy diets, small farm viability, and healthy ecosystems; and more community-based initiatives to create a just food system are fostered.

At the state level, different laws facilitate or hinder actions in Detroit to improve the local food economy and promote urban agriculture. The Right to Farm Act, for example, ties the City's hands in creating urban agriculture policies that are appropriate for Detroit and balance the concerns of both growers and their neighbors. On the other hand, the Cottage Food Law allows small-scale producers to bring select products to market that are prepared and stored in their home kitchens, eliminating expensive licensing and certification requirements.

At the local level, it is critical that urban agriculture and composting, healthy food access, and other Detroit Food Policy Council goals are integrated into current policy frameworks such as Detroit Works and other decisions affecting the lives of Detroit residents.

Recommended Actions

The DFPC should:

Photo: Northwest Detroit Farmers' Market

Northwest Detroit Farmers' Market in the Grandmont Rosedale neighborhood.

- Track and analyze, on an ongoing basis, Detroit's food system and its impact on households and neighborhoods and important community goals such as public health, economic and ecological vitality, and social justice. Research is needed that specifically assesses, from the perspective of DFPC's mission, Detroit's needs and assets in food, and activities to build a more sustainable, just and self-reliant food economy.
- Support policies and programs that increase access to healthy and affordable foods in Detroit's neighborhoods through grocery stores; non-traditional channels such as farm stands, food cooperatives, corner stores, mobile markets, good food boxes; and increased participation in urban agriculture. Advocate additional ways to leverage existing food-related programs such as SNAP, and explore non-food-related mechanisms such as liquor and lottery licenses, to increase access to healthy foods in underserved neighborhoods.
- Track government nutrition program participation by Detroit residents, and support efforts to increase participation rates of eligible individuals and households.
- Track the effects of recently adopted or upcoming legislation for their impact on Detroit's food security and activities to build a sustainable and just food system in the city.

Join us in building a more sustainable and just food system in Detroit!

The Detroit Food Policy Council welcomes the participation of community members in our activities. To start, we suggest involvement of individuals in one or more of the following ways:

- Learn more about Detroit's food system and the status of community food goals related to nutrition, urban agriculture, healthy food access, and others.
- Participate in one of the four work groups of the DFPC: Healthy Food Access, Urban Agriculture, Community Food Justice, Schools and Institutions.
- Volunteer in activities sponsored by the DFPC, such as neighborhood forums or the annual "Powering Up the Local Food System" summit.
- Bring to DFPC members' attention important policies currently in place or being proposed that impact Detroit's food system.
- Participate in other actions that advance DFPC's goals.

To volunteer, obtain copies of this report, or for more information, contact the DFPC Coordinator: Cheryl Simon, 313-833-0396 or detroitfoodpolicycouncil@gmail.com

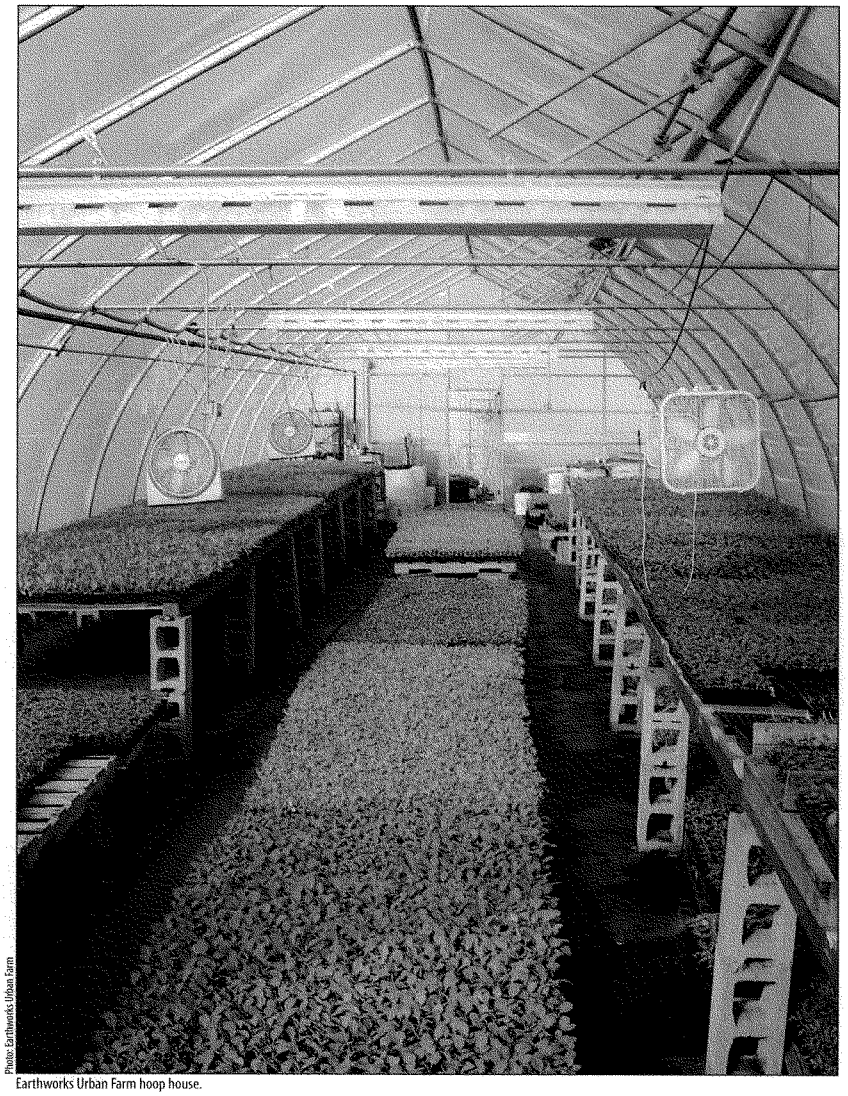


Photo: Earthworks Urban Farm

Earthworks Urban Farm hoop house.

Section 1:

Detroit Food Policy Council A Background

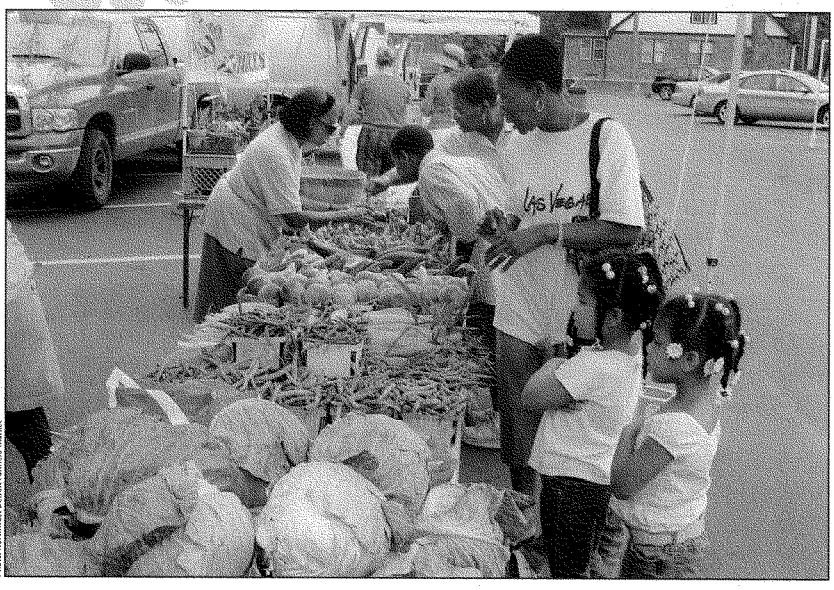


Photo: Northwest Detroit Farmers' Market

IN 2006, MEMBERS OF THE DETROIT BLACK COMMUNITY FOOD SECURITY NETWORK (DBCFSN) spoke before the Neighborhood and Community Services Standing Committee of the Detroit City Council, chaired by Councilmember JoAnn Watson. DBCFSN members indicated the lack of a comprehensive food security policy, and discussed with the committee the benefits of developing such a policy. DBCFSN was appointed to head a task force to develop a food security policy for the City of Detroit. Over the next 18 months, the DBCFSN's Public Policy Committee wrote and revised several drafts of a food security policy for the City of Detroit following comments from members, the public and local experts. The revised document was presented to the Neighborhood and Community Services Standing Committee of the Detroit City Council and subsequently placed on the City Council's agenda for approval. The City Council unanimously passed a resolution adopting the policy on March 25, 2008. The food security policy is available at: http://detroitfoodpolicycouncil.net/Page_2.html.

From April through October 2008 the DBCFSN Public Policy Committee conducted research on Food Policy Councils throughout North America. They examined the mission, number of members, attributes desired in

"We envision a City of Detroit with a healthy, vibrant, hunger-free populace that has easy access to fresh produce and other healthy food choices..."

members, structure, terms of office, relationship to government, and meeting schedule of food policy councils or similar bodies in Toronto, Vancouver, Portland/Multnomah, Washington D.C., Cleveland/Cuyahoga County, New Haven, New Jersey, Chicago, Grand Rapids, and the Native American Tribal Council. Following their presentation of findings to Detroit's City Council in October 7, 2008, the public body unanimously adopted a resolution supporting the creation of the Detroit Food Policy Council.

DBCFSN presented an initial draft of recommendations for establishing and operating the Detroit Food Policy Council, for public comment, at a listening session at Eastern Market on November 14, 2008. More than 75 people attended the session including Councilmember Watson and representatives of Councilmember Kwame Kenyatta and then-Mayor Kenneth Cockrel. Many of the suggestions from that session were incorporated into the final draft. On November 20, 2008, Wayne Roberts, Manager of the Toronto Food Policy Council, addressed the Neighborhood and Community Services Committee of the Detroit City Council and gave a public lecture at Wayne State University later that evening. His comments on the successes and mistakes of the Toronto Food Policy Council also informed the revision of the recommendations. The City Council unanimously passed a resolution adopting DBCFSN's recommendations related to the Detroit Food Policy Council on February 17, 2009.

A convening committee of seven individuals met over the next few months to develop and adopt the Council's bylaws, identify and invite potential members, and craft job descriptions for key personnel. The Detroit Food Policy Council first met in November 2009. Since then, the Council has met almost every month, despite an originally planned schedule of six meetings per year.

Vision, Mission, and Goals

From the recommendations adopted by Detroit's City Council, the vision and mission of Detroit Food Policy Council, respectively, are the following:

> We envision a City of Detroit with a healthy, vibrant, hunger-free populace that has easy access to fresh produce and other healthy food choices; a city in which the residents are educated about healthy food choices, and understand their relationship to the food system; a city in which urban agriculture, composting and other sustainable practices contribute to its economic vitality; and a city in which all of its residents, workers, guests and visitors are treated with respect, justice and dignity by those from whom they obtain food.
>
> The Detroit Food Policy Council is committed to nurturing the development and maintenance of a sustainable, localized food system and a food-secure City of Detroit in which all of its residents are hunger-free, healthy, and benefit economically from the food system that impacts their lives.

Photo: Karni Pothukuchi, SEED Wayne, Wayne State University

The DFPC's Goals are to:

1) Advocate for urban agriculture and composting being included as part of the strategic development of the City of Detroit;
2) Work with various City departments to streamline the processes and approvals required to expand and improve urban agriculture in the City of Detroit, including acquisition of land and access to water;
3) Review the City of Detroit Food Security Policy and develop an implementation and monitoring plan that identifies priorities, timelines, benchmarks, and human, financial and material resources;
4) Produce and disseminate an annual City of Detroit Food System Report that assesses the state of the city's food system, including activities in production, distribution, consumption, waste generation and composting, nutrition and food assistance program participation, and innovative food system programs;
5) Recommend new food-related policy as the need arises;
6) Initiate and coordinate programs that address the food related needs of Detroiters;
7) Convene an annual "Powering Up the Local Food System" conference.

DFPC members are expected to draw on their experience and expertise about the community and its food system.

In the long range, the DFPC will engage in other activities including, but not limited to, producing brief research reports with policy positions on relevant and emerging issues such as land for urban agriculture; convening listening sessions to hear from community members on significant issues; assisting community-based organizations develop programs to meet needs and fill gaps in the food system; and developing collaborative, citywide programs, and raising funds for implementing them.

Structure and Functions

The DFPC has 21 members who have broad familiarity with different aspects of the Detroit community and its food system. Of these, one each are appointees of the City Council and the Mayor and, additionally, the Director of the City of Detroit Department of Health and Wellness Promotion (or her/his designee) holds a seat. Twelve DFPC members are drawn from the following sectors:

- Sustainable Agriculture
- Retail Food Stores
- Wholesale Food Distributors
- Food Processors
- Farmers' Markets
- Environmental Justice
- Nutrition and Well-being (non-governmental)
- Food Industry Workers
- Colleges and Universities
- K-12 Schools
- Emergency Food Providers
- Urban Planning (non-governmental)

Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

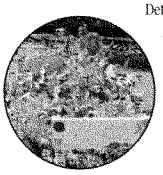
Additionally, six at-large seats represent the general public of Detroit. DFPC members do not represent the organizations or institutions with which they are affiliated but, rather, are expected to draw on their experience and expertise about the community and its food system.

The Convening Committee identified and sought letters of interest from eighty-one nominees representing the different food sectors or groups identified above and, after deliberating on the mix of candidates who responded in the affirmative, the Committee forwarded the names of twenty-one final candidates who were invited to serve as DFPC members to the Detroit City Council. Subsequently, lots were drawn to establish which members would serve terms of two or three years so as to stagger the arrival of new members as the original terms end.

Photos: Kami Pothukuchi, SEED Wayne, Wayne State University

Although formed by action of the City Council, the DFPC has no formal relationship to city government and is, in fact, constituted as a 501(c)(3) nonprofit. The DFPC is an implementation, monitoring, and advisory body that will make recommendations to the Detroit City Council and various other public and private entities about how to improve Detroit's food system. Also, although DFPC members were initially seated by the City Council based on recommendations of the Convening Committee, future members will be identified and recruited by the Council itself.

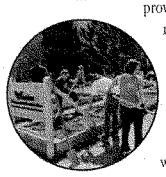
The DFPC's work is organized through committees and work groups—consisting of DFPC members and interested others—such as for hiring the DFPC coordinator, a plan implementation committee, and one planning for the annual "Powering Up the Food System" conference. Initial funding of $30,000 for each of the DFPC's first two years is made possible through an implementation grant to the Detroit Food and Fitness Collaborative by the W. K. Kellogg Foundation. Kellogg Foundation has made a multi-year grant to support the DFPC operations, including funding for the inaugural summit and the annual food report.



Work Groups

Four work groups are defined to implement the goals of the DFPC. Brief descriptions of each follow:

Healthy Food Access Work Group will focus on issues related to increasing access to healthy, fresh, and affordable food in the City of Detroit. This group will produce the Annual Detroit Food System Report and use the information gathered to educate citizens, businesses and public sector leaders on policies and best practices that will improve access within neighborhoods to healthy and affordable food for all Detroiters.



Urban Agriculture Work Group will focus on urban agriculture as an essential component of the community's food system. With vast amounts of vacant land within city limits, and the organizational and network capacity developed over the last decade, Detroit growers have a unique opportunity to provide large quantities of fresh food to the city's residents. This work group will encourage community members to engage local government leaders, urging them to adopt policies and programs that benefit all residents.

Community Food Justice Work Group will focus on creating opportunities for Detroiters to participate in all activities of the local food system as consumers, producers, distributors and business owners. This group will address racial, economic and social justice issues related to the food system by educating and engaging community members to create a food system that is bountiful in multiple ways for all of our residents.

Schools and Institutions Work Group will encourage schools and public institutions to offer fresh, healthy food to their students and customers whenever food is served, including breakfast and lunch programs, and special events. It will work with schools to integrate agriculture, aquaculture, nutrition, and related fields in the curriculum. It will also encourage every school, community organization and house of worship to grow a food garden and share its harvest.

Work to date

Over the 18 months since our first convening, DFPC members made many decisions: we elected officers; took steps to incorporate the organization as a 501(c)(3) nonprofit; entered into an agreement with Eastern Market Corporation to set up our offices at their location; set up a financial services agreement with

The Greening of Detroit as we await nonprofit status; opened a bank account, developed financial procedures, and entered into related agreements with funders; hired a coordinator; got the organization functioning in basic ways; contributed to this report; and planned our inaugural summit, "Powering Up the Local Food System." Over this period, DFPC members also wrote articles and commentary for *The Michigan Citizen* community newspaper. These are listed in Appendix D. With the help of DFPC members, coordinator Cheryl Simon is also in the process of hiring a program manager. She also is in the process of developing proposals for future funding.

DFPC offices are housed at the Eastern Market Corporation office
2934 Russell St., Detroit, MI 48207
313-833-0396
The Council's bylaws are available at: www.detroitfoodpolicycouncil.net

"We envision... a city in which urban agriculture, composting and other sustainable practices contribute to its economic vitality ..."

Community Food Security

The DFPC defines Community Food Security as a "condition which exists when all of the members of a community have access, in close proximity, to adequate amounts of nutritious, culturally appropriate food at all times, from sources that are environmentally sound and just."

Although the above definition suggests an end-state to be achieved once and for all, we also believe that community food security embodies a dynamic process in which ordinary people, leaders at various levels and in diverse sectors, and institutions work to intentionally create the conditions for community food security, and struggle against forces that treat food purely as a commodity or seek to concentrate power in the food system. We believe that the prospects for community food security are improved when ordinary people:

Photo: Eastern Market Corporation

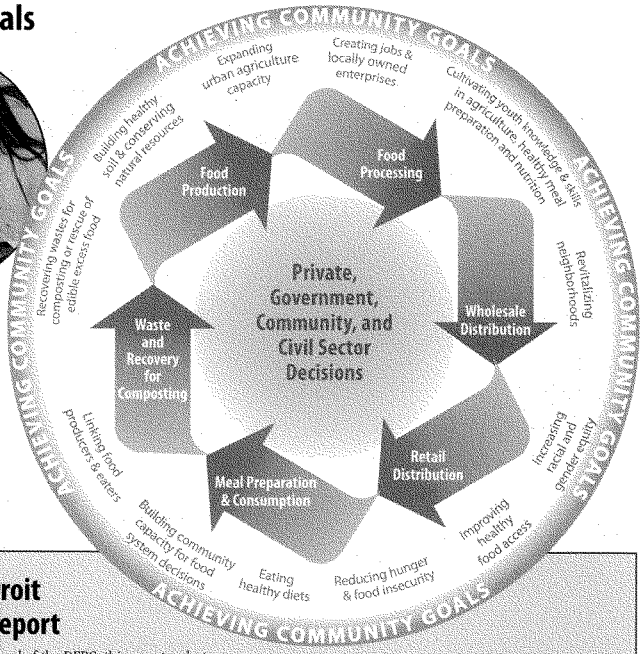
Detroit's Eastern Market.

- have ready access—economic and geographic—to healthy and culturally appropriate food at all times;
- know more—and are able to obtain the information they need—about where their food comes from and the conditions whereby it gets to them;
- increase their capacity to grow food, cook healthy meals for their families, preserve food, and become as self-reliant as they wish to be in their food;
- work to build the region's capacity for meeting as much of its food needs as possible;
- work to improve conditions for and build ownership among all whose livelihoods depend on the food system, with particular emphasis on communities of color and low-income communities;
- help regenerate the soil and ecosystem upon which the food system and all of us ultimately depend; and,
- become engaged in shaping the community's and region's food system in an ongoing way.

The DFPC affirms the City of Detroit's commitment to nurturing the development of a food-secure city in which all of its citizens are hunger-free, healthy, and benefit from the food systems that impact their lives. We affirm the City of Detroit's commitment to supporting just and sustainable food systems that provide residents with high quality food, employment and opportunities for entrepreneurship, and that contribute to the long-term health of the natural environment.

"We envision... a city in which all of its residents, workers, guests and visitors are treated with respect, justice and dignity by those from whom they obtain food."

The Food System and Its Links to Community Goals



The City of Detroit Food System Report

To help realize a stated goal of the DFPC, this report seeks to raise public awareness of key food system issues in Detroit; clarify relevant policies and programs offered by the federal, state and local governments and community-based organizations; and help track progress and provide feedback on policies, programs and activities. We expect that as information and analysis contained in this and future annual reports are disseminated by the DFPC, greater collective understanding of the food system, recommendations for better policies and programs, and sharper questions for future reports will result.

The rest of the report is organized thus: Section 2 contains an overview of basic community indicators for Detroit's people and households, and includes data in socio-economic, demographic, and health-related categories, data on obesity and food insecurity, and recently adopted (or currently proposed) local policies with implications for DFPC's goals.

Section 3 contains data about the city's conventional food economy, including data on production, manufacturing, wholesale, and retail activities; government nutrition programs, including the Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps) and free and reduced-price school meals; and the charitable food assistance sector. It also discusses state and federal policies—recently adopted or proposed—that affect Detroit's food system.

Finally, Section 4 summarizes activities by community-based organizations to address gaps in the conventional food economy and build an alternative, more sustainable and just food system. Listed activities include urban agriculture, innovative food retail models, farm to school, and food system workforce development. All Sections include needed actions to be considered in the near future by the Detroit Food Policy Council.

Section 2:
Detroit Background and Context

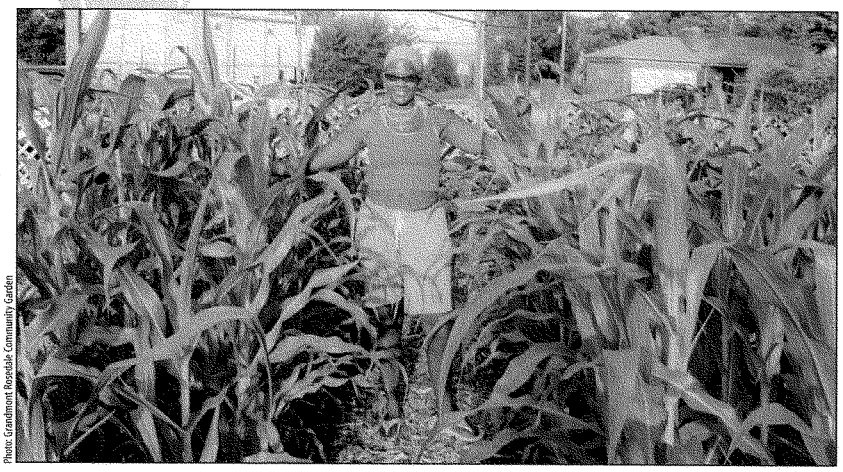


Photo: Grandmont Rosedale Community Garden

THIS SECTION REPORTS ON BASIC POPULATION, HOUSEHOLD, ECONOMIC, AND HEALTH INDICATORS in Detroit as of 2009 or the latest year that data are available. Because details of the 2010 US Census are unavailable as the report goes to print, most estimates calculated specifically for the report are based on the 2009 American Community Survey (ACS). This suggests the need for caution in interpretation of some estimates because of the great difference that exists between the 2009 ACS for Detroit's population and the corresponding 2010 Census figure. In 2009, the ACS estimated Detroit's population at 910,848, suggesting a four percent decadal loss, while the 2010 Census puts Detroit's population at 713,777, showing a loss of 25 percent since 2000.

In 2009, more than one in three individuals in Detroit (36 percent) and more than three out of ten families (31 percent) lived in poverty.

Population and Household Changes in Detroit, 2000-2009

The city experienced declines in many population and household indicators over the decade ending 2009. Categories that registered growth included the proportion of people belonging to races other than Black (or African-American) or Native American, as well as those with an associate or college degree. These are summarized in the accompanying table.[1]

Population: Over the last decade, Detroit lost about four percent of its population, going from 951,000 in the 2000 Census to about 911,000 according to the 2009 American Community Survey. This loss is especially dramatic among people in their childbearing years of 25 to 34 years, and among children 14 years and younger. Despite having lost about 10 percent of its Black population since 2000, the city continues to be predominantly African-American. The number of people identifying themselves as Hispanic or Latino grew by more than 40 percent in 2009 while those identifying themselves as Caucasian grew by nearly 30 percent.

The unemployment rate among labor force participants 16 years or older in Detroit nearly doubled to 28 percent between 2000 and 2009. This is nearly three times the current national average.

Households: The number of households with children under age 18 shrank by almost 14 percent, while households consisting of persons living solo increased by about the same rate.[2] The average household size in 2009 was about 2.8, relatively unchanged over the last decade while the average family size is 3.8, up from 3.4 in 2000. The number of grandparents living with grandchildren under the age of 18 years shrank by almost 9 percent. The number of Detroiters over the age of five who speak a language other than English at home grew by about 18 percent.

Education: Between 2000 and 2009 enrollment of children in school at all levels—from pre-school and kindergarten through grade 12—dropped at the rate of nearly 11 percent overall, with high school enrollment (grades 9-12) seeing the smallest decrease. By contrast, enrollment in college or graduate school increased by 47 percent. As a result, the fraction of population age 25 or over without a high school diploma decreased from 30 percent in 2000 to 23 percent in 2009, while the fraction of those with an associate's or higher degree went up from 16 percent to 18 percent.

Economic Status: The unemployment rate among labor force participants 16 years or older in Detroit nearly doubled to 28 percent between 2000 and 2009. This is nearly three times the current national average. Households' economic status also suffered over this period: after adjusting for inflation, the number of households earning $15,000 or more declined over the decade. Adjusting for inflation, the median household income in Detroit ($26,000 in 2009) also declined by almost a third since 2000; similarly, per capita income ($14,000 in 2009) declined by a quarter. The mean household income in Detroit in 2009 was nearly $37,000, down from $41,000 in 2000.

Poverty: In 2009, more than one in three persons in Detroit (36 percent) and more than three out of ten families (31 percent) lived in poverty. Between 2000 and 2009, there was a 40 percent increase in the number of people with incomes below the poverty level. Among families with children under 18 years, the rate of increase was nearly 49 percent, with the greatest increase registered among families consisting of a married couple with children (127 percent).

Housing: More housing units were available—nearly 420,000 in 2009 compared to 375,000 in 2000—with most new construction taking the form of either single family detached homes or developments of five units or more (apartments or condominiums). The number of vacant housing units, however, also increased 164 percent from nearly 39,000 in 2000 to 102,000 in 2009. Both owner-occupied and renter-occupied units decreased in number, with the former registering a decrease of nearly 8 percent over the decade.

Of all occupied housing units, those that lack complete plumbing facilities declined nearly 60 percent between 2000 and 2009 while those that lack complete kitchen facilities declined nearly 42 percent. This suggests that residents today experience better housing conditions than in the past. Households that reported no available telephone service also declined by almost 60 percent between 2000 and 2009.

Housing payments: In 2009, the median monthly rent was $749, showing a decadal increase of nearly 20 percent after adjusting for inflation. The 2009 median monthly mortgage and other owner costs amounted to $1,169, showing an inflation-adjusted increase of 18 percent. On the whole, more households are spending a significant portion of their incomes for housing, leaving budgets pinched for other important household needs such as food, transportation, and health. In 2000, 34 percent—or one-third—of renting households paid 35 percent or more of their income in rent, while in 2009, this number shot up to nearly six out of ten renting households.

Transportation: While the proportion of occupied units with just one vehicle available (46 percent in 2009) has nearly doubled over the decade; the proportion of those with no vehicle available has remained the same at over one in five (22 percent in 2009). During that period, however, housing units with two or more vehicles available declined a bit from 34 percent of all occupied units to less than 32 percent.

[1] Select indicators are adapted from Data Driven Detroit, Detroit Profile http://datadrivendetroit.org/wp-content/uploads/2011/01/Detroit-Profile.pdf. For more information on categories reported here and related margins of error, or for other typical social, economic, or demographic categories not reported here, please browse the source document identified in this footnote.

[2] A household consists of all the people who occupy a housing unit. There are two major categories of households, "family" and "nonfamily." A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

Source: Detroit Profile, Data Driven Detroit Data sources: 2000 Census, 2009 American Community Survey	2000	2009	Percent Change (See Note 1, p 28)
Total Population	**951,270**	**910,848**	**- 4.25**
Male	448,215	422,313	-5.78
Female	503,055	488,535	-2.89
19 years and under	321,566	277,415	-13.73
20-34 years	208,559	181,572	-12.94
35-64 years	321,487	353,233	9.87
65 years and older	99,658	98,628	-1.00
RACE			
(Number of persons claiming) One race	**929,456**	**894,235**	**-3.79**
Caucasian	117,658	151,984	29.17
Black or African American	774,175	695,092	-10.22
American Indian and Alaska Native	3,273	3,046	-6.94
Asian	9,528	15,184	59.36
Some other race (including Native Hawaiian and Other Pacific Islander)	24,822	28,929	16.55
(Number of persons claiming) Two or more races	**21,814**	**16,613**	**-23.84**
Hispanic or Latino	**47,257**	**67,361**	**42.54**
Total households	**336,428**	**317,357**	**-5.67**
Married-couple family	89,660	76,498	-14.68
With own children under 18 years	42,085	29,711	-29.40
Male householder, no wife present, family	22,437	20,360	-9.26
With own children under 18 years	9,343	9,729	4.13
Female householder, no husband present, family	106,386	91,729	-14.05
With own children under 18 years	62,533	53,404	-14.60
Nonfamily households	116,064	129,060	11.20
Householder living alone	99,745	114,096	14.39
65 years and over	31,083	31,717	2.04
Households with one or more people under 18 yrs	139,663	112,929	-19.14
Households with one or more people 65 and over	76,862	74,009	-3.71
Average household size	2.77	2.83	2.17
Average family size	3.45	3.80	10.14
Number of grandparents living with own grandchildren under 18 years	38,775	35,364	-8.80

Source: Detroit Profile, Data Driven Detroit Data sources: 2000 Census, 2009 American Community Survey	2000	2009	Percent Change (See Note 1, p 28)
SCHOOL ENROLLMENT			
Population 3 years and over enrolled in school	**295,623**	**264,557**	**- 10.51**
Nursery school, preschool and kindergarten	34,946	25,501	- 27.03
Elementary school (grades 1-8)	148,610	104,736	- 29.52
High school (grades 9-12)	63,141	62,191	- 1.50
College or graduate school	48,926	72,129	47.42
EDUCATIONAL ATTAINMENT			
Population 25 years and older	563,979	572,587	1.53
Percent high school graduate or higher	69.63 %	77.0%	10.58
Percent bachelor's degree or higher	10.96 %	12.4%	13.09
SELECTED ECONOMIC CHARACTERISTICS			
Employment Status, Population 16 years and over	**683,613**	**698,031**	**2.11**
Civilian labor force	359,782	378,037	5.07
Employed	331,441	271,074	-18.21
Unemployed	53,259	106,963	100.84
Percent of civilian labor force unemployed	14.8 %	28.2 %	104.42
Commuting to Work, Workers 16 years and over	**319,449**	**262,217**	**- 17.92**
Car, truck, or van – drove alone	219,118	187,256	- 14.54
Car, truck, or van – carpooled	54,537	29,958	- 45.07
Public transportation (excluding taxicab)	27,634	19,960	- 27.77
Walked or used other means	12,353	17,497	102.60
Worked at home	5,807	7,546	29.95
INCOME AND BENEFITS (2000 Data in 1999 inflation-adjusted dollars; 2009 Data in 2009 inflation-adjusted dollars)			
Total households	**336,482**	**317,357**	**-5.68**
Less than $10,000	64,304	70,821	10.13
$10,000 to $14,999	27,914	30,510	9.30
$15,000 to 24,999	54,133	52,550	- 2.92
$25,000 to $34,999	45,063	41,396	- 8.14
$35,000 to $49,999	49,930	44,266	- 11.34
$50,000 to $74,999	50,432	42,867	- 15.00
$75,000 or more	44,706	34,947	- 21.83
Median household income (percent change in 2009 inflation-adjusted dollars)	$29,526	$26,098	- 31.34
Mean household income (percent change in 2009 inflation-adjusted dollars)	$40,837	$36,699	- 30.19
Households with earnings	251,670	209,684	- 16.68
Mean earnings (percent change in 2009 inflation-adjusted dollars)	$42,542	$37,936	- 30.73

Source: Detroit Profile, Data Driven Detroit Data sources: 2000 Census, 2009 American Community Survey	2000	2009	Percent Change (See Note 1, p 28)
Households with Social Security	89,798	97,247	8.30
Mean Social Security income (percent change in 2009 inflation-adjusted dollars)	$10,113	$13,964	7.26
Households with retirement income	60,749	67,040	10.36
Mean retirement income (percent change in 2009 inflation-adjusted dollars)	$17,321	$18,138	-18.65
Households with Supplemental Security Income	36,382	30,625	-15.82
Mean Supplemental Security Income (percent change in 2009 inflation-adjusted dollars)	$6,282	$7,400	-8.49
Households with cash public assistance income	38,268	28,602	-25.26
Mean cash public assistance income (percent change in 2009 inflation-adjusted dollars)	$3,024	$3,144	-19.24
Families	**220,418**	**188,297**	**-14.57**
Less than $10,000	31,684	31,311	-1.18
$10,000 to $14,999	16,363	15,563	-4.89
$15,000 to 24,999	34,215	31,270	-8.61
$25,000 to $34,999	30,668	25,543	-16.71
$35,000 to $49,999	34,816	28,102	-19.28
$50,000 to $74,999	37,022	29,467	-20.41
$75,000 or more	35,650	40,241	12.88
Median family income (percent change in 2009 inflation-adjusted dollars)	$33,853	$31,017	-28.83
Mean family income (percent change in 2009 inflation-adjusted dollars)	$45,515	$41,444	-29.26
Per capita income (percent change in 2009 inflation-adjusted dollars)	$14,717	$14,213	-24.98
PERCENTAGE OF FAMILIES AND PEOPLE WHOSE INCOME IN THE PAST 12 MONTHS IS BELOW THE POVERTY LEVEL			
All families	**21.74**	**31.30**	**43.97**
With related children under 18 years	28.55	42.50	48.84
With related children under 5 years only	27.25	41.60	52.65
Married couple families	9.61	17.20	79.07
With related children under 18 years	12.31	27.90	126.65
With related children under 5 years only	11.44	25.40	122.06
Families with female householder, no husband present	32.77	42.70	30.29
With related children under 18 years	39.45	50.80	24.77
With related children under 5 years only	39.75	51.80	30.30
All people	26.08	36.40	39.60
Under 18 years	34.81	50.80	45.94
18 to 64 years	22.80	33.20	45.60
65 years and over	18.56	18.70	0.75

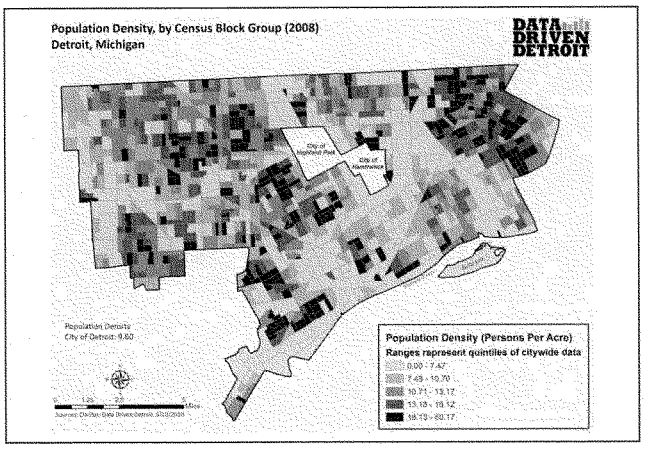
Source: Detroit Profile, Data Driven Detroit Data sources: 2000 Census, 2009 American Community Survey	2000	2009	Percent Change (See Note 1, p 28)
HOUSING OCCUPANCY			
Total housing units and tenure	**375,096**	**419,534**	**11.85**
Occupied units	336,428	317,357	- 5.67
Vacant housing units	38,668	102,177	164.24
Owner-occupied	184,672	170,584	- 7.63
Renter-occupied	151,756	146,773	- 3.28
VEHICLES AVAILABLE AND OTHER SELECTED CHARACTERISTICS			
No vehicles available	73,682	69,453	- 5.74
1 vehicle available	75,812	146,351	93.04
2 vehicles available	84,405	78,673	- 6.79
3 or more vehicles available	30,074	22,880	- 23.92
Lacking complete plumbing facilities	7,934	3,187	- 59.83
Lacking complete kitchen facilities	10,177	5,872	- 42.30
GROSS RENT			
Occupied units paying rent	**150,814**	**138,868**	**- 7.92**
Less than $200	9,178	3,498	- 61.89
$200 to $299	11,151	6,224	- 44.18
$300 to $499	56,337	16,732	- 70.30
$500 or more	67,882	112,414	65.60
Median rent (percent change in 2009 inflation-adjusted dollars)	$486	$749	19.72
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)			
Occupied units paying rent (excluding units where GRAPI cannot be computed)	**150,814**	**133,794**	**-11.29**
less than 15.0 percent	31,844	10,985	- 65.50
15.0 to 24.9 percent	31,971	19,711	- 38.35
25.0 to 34.9 percent	22,378	23,414	4.63
35.0 percent or more	51,112	79,684	55.90

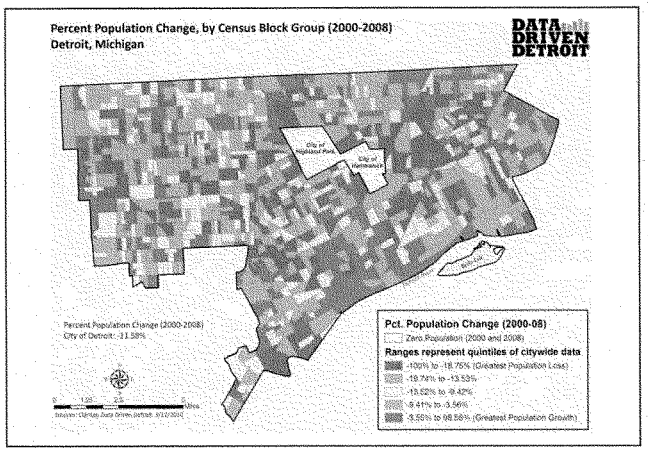
Note 1: The table's "percent change" figures need to be read with caution given wide margins of error for smaller sub-categories. Please refer to the Detroit Profile by Data Driven Detroit to obtain margins of error for each category.

Community Maps: Geographic Distribution of Resources, Challenges

Photo: Growtown.org

Detroit's population and households and community conditions are unevenly distributed through the city, as are changes experienced in these characteristics over the last decade. The accompanying maps show the distribution of population and income, for example, as well as the distribution of vacant lots and the investment of community development resources by public and private entities.[3]





[3] Source: Data Driven Detroit. These and other maps are available at: http://datadrivendetroit.org/data-mapping

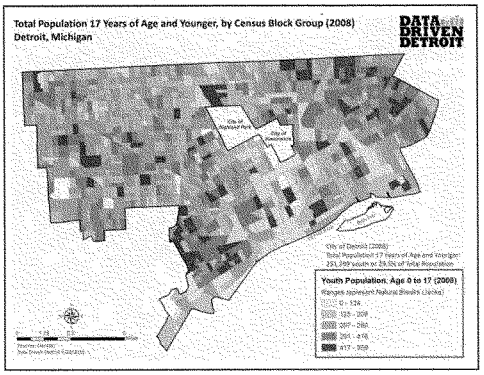
Health, Obesity, and Food Insecurity

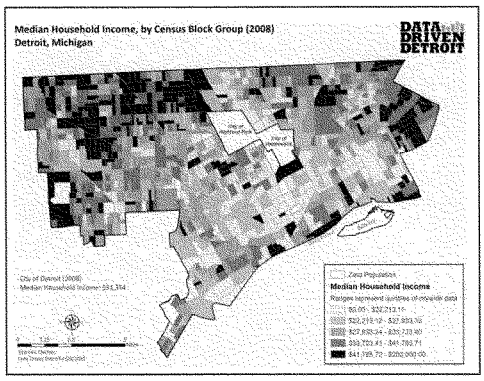
... only 23 percent of high school students in Detroit reported eating fruits and vegetables five or more times a day.

Detroit and Wayne County show higher rates of disease and related factors than the state or the nation as a whole. For example, one out of ten babies born in Wayne County is of low birth weight, one out of three adults is obese, one out of four adults smokes, and one out of ten adults is uninsured.[4] Two out of three Detroiters are overweight or obese.

The two leading causes of death in Detroit in 2007 were heart disease and cancer, with stroke, chronic lower respiratory disease,* unintentional injuries,** and type 2 diabetes trailing behind as the next four causes. Although heart disease and cancer have many causes, poor diets, overweight and obesity, and lack of physical activity are risk factors in both diseases. Additionally, high cholesterol, high blood pressure, and diabetes—all related to diets—increase risk of heart disease. Although deaths attributed to diabetes ranked sixth for Detroit, the city's mortality rate due to the disease is higher than that for the nation as a whole.[5]

Nationally, obesity is a leading cause of preventable death, second only to smoking. Obesity accounts for more than nine percent of all healthcare expenditures.[6] The lifetime medical costs related to diabetes, heart disease, high cholesterol, hypertension, and stroke among obese people are estimated to be $10,000 higher than among their non-obese counterparts.[7] Besides heart disease and stroke, obesity also raises the risk for diabetes, cancer, musculo-skeletal disorders such as osteoarthritis and back pain, and respiratory disorders such as shortness of breath and sleep apnea. In addition to the direct health costs borne by obese people, the widespread prevalence of obesity also imposes costs on the rest of society related to higher rates of mortality, health insurance premium costs, and taxpayer-subsidized health care costs.





In Michigan alone, the medical costs associated with adult obesity were $2.9 billion in 2003 dollars.[8] People of color suffer from obesity at higher rates than the state as a whole.[9] Rates for African-American and Hispanic residents of Michigan were 37 and 31 percent, respectively, compared with 26 percent for their white, non-Hispanic counterparts.

Healthy diets and adequate amounts of physical activity are key to maintaining healthy weight. National studies show that people in low-income families eat fewer servings of vegetables and whole grains than do people in wealthier families.[10] In our own neighborhood of Wayne County, fewer than one quarter of residents report consuming fruits and vegetables five or more times a day; 28 percent reported that they did not participate in any physical activities in the past month.[11] In another survey, only 23 percent of high school students in Detroit reported eating fruits and vegetables five or more times a day.[12] Household food consumption patterns and related expenditures are also discussed in Section 3.

* A group of illnesses including asthma, emphysema and chronic bronchitis. ** Falls, vehicle accidents, fires, poisoning, drowning and choking.

Obesity among Detroit's youth

The 2009 Detroit Youth Risk Behavior Survey[13] reports the following for high school students:

Obesity

- 21 percent were obese (students who were >95th percentile for body mass index, by age and sex, based on reference data).

Unhealthy Dietary Behaviors

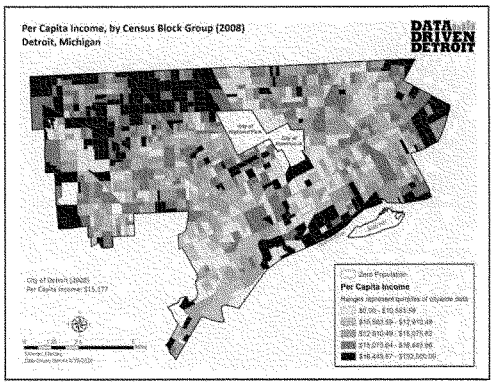
- 77 percent ate fruits and vegetables fewer than five times per day during the 7 days before the survey.
- 67 percent ate fruit or drank 100 percent fruit juices fewer than two times per day during the 7 days before the survey.
- 90 percent ate vegetables fewer than three times per day during the 7 days before the survey.
- 29 percent drank a can, bottle, or glass of soda or pop at least once per day during the 7 days before the survey.

Physical Inactivity

- 27 percent did not participate in at least 60 minutes of physical activity on any day during the 7 days before the survey.
- 84 percent were not physically active at least 60 minutes on one or more of the 7 days before the survey.
- 55 percent did not attend physical education (PE) classes in an average week when they were in school.
- 74 percent did not attend PE classes daily when they were in school.
- 48 percent watched television 3 or more hours per day on an average school day.
- 28 percent used computers 3 or more hours per day on an average school day.

The survey also indicates that while many schools pay attention to the school food environment and health and physical education—for example, three out of five high schools prohibited all forms of advertising and promotion of candy, fast food restaurants, or soft drinks in all locations, and four out of five taught 14 key nutrition and dietary behavior topics in a required course and had a required PE course in all grades in the school—more needs to be done. More than two out of five schools still sell less nutritious foods and beverages outside the school food service program.

The 2009 Detroit Youth Risk Behavior Survey reports the following for high school students: 21 percent were obese.



[4] For comparative figures, see 2010 County Health Ranking, Michigan data, www.countyhealthrankings.org/michigan/data

[5] Source: City of Detroit Department of Health and Wellness Promotion.

[6] Source: www.americashealthrankings.org/2010/disparity/obesity.aspx

[7] Bhattacharya and Sood, 2004. www.ers.usda.gov/publications/efan04004/efan04004g.pdf

[8] www.cdc.gov/obesity/stateprograms/fundedstates/michigan.html)

[9] Differences in Prevalence of Obesity Among Black, White, and Hispanic Adults – United States, 2006-2008. www.cdc.gov/mmwr/preview/mmwrhtml/ mm5827a2.htm#tab2

[10] USDA, Center for Nutrition Policy and Promotion, 2008, www.cnpp.usda.gov/Publications/NutritionInsights/Insight42.pdf

[11] Centers for Disease Control and Prevention, 2009, BRFSS City and County Data, Select City and County Data, Detroit-Livonia-Dearborn (Wayne County, MI). http://apps.nccd.cdc.gov/BRFSS-SMART/SelQuestion.asp?MMSA=26&yr2=2009&VarRepost=&cat=FV#FV.

[12] www.cdc.gov/healthyyouth/yrbs/pdf/obesity/detroit_obesity_combo.pdf

[13] www.cdc.gov/healthyyouth/yrbs/pdf/obesity/detroit_obesity_combo.pdf

The Food Economy, Environment, and Diets

Within Detroit, the majority of retailers that accept food stamps are gas stations, liquor stores, convenience stores, dollar marts, and other locations where little to no fresh or healthy food is sold.

The quality of diets cannot be separated from the broader neighborhood food environment from where food is acquired. While scant research exists on Detroiters' diets, there is reason to believe that our diets, like much of the rest of the country, typically contain high levels of refined carbohydrates and added fats and sugars, reflecting a greater reliance on packaged, processed foods, fast-food outlets, and ready-to-eat meals obtained from food stores.

Racial and income disparities permeate access to healthy foods in metropolitan areas nationwide. People living in predominantly low-income and non-white neighborhoods tend to have poorer access to healthy food. These inequalities in the food retail environment further disadvantage low-income communities and communities of color, whose members are already limited in their ability to purchase healthy food. Nearly 70,000 Detroit households lacked a private automobile in 2009, suggesting their greater dependence on stores in close proximity with fewer healthy choices and higher prices. In the United States, increased access to supermarkets is associated with lower prevalence of overweight and obesity, improved fruit and vegetable consumption, and better diet quality among African Americans, low-income households, and pregnant women.[14] By contrast, increased reliance on convenience stores is associated with increased risk of obesity; such stores are more prevalent in low-income and African-American neighborhoods such as those in Detroit.

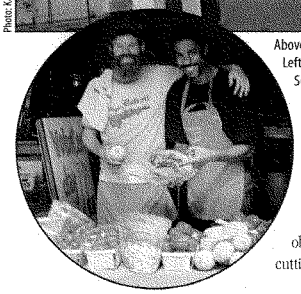


Photo: Kami Pothukuchi, SEED Wayne, Wayne State University | Inset: Earthworks Urban Farm

Above: Detroit convenience store.
Left: Meldrum Fresh Market at the Capuchin Soup Kitchen expands access to organic, fresh and healthy food.

According to a study conducted by Mari Gallagher (2007), roughly 550,000 Detroit residents live in areas in which they are at least twice as far from a mainstream grocer as from a "fringe food location." Within Detroit, the majority of retailers that accept food stamps are gas stations, liquor stores, convenience stores, dollar marts, and other locations where little to no fresh or healthy food is sold. Instead, most of the retailers where food stamps are accepted specialize in the sale of alcohol, tobacco, lottery tickets, and "a comparatively small selection of prepackaged and canned food products high in salt, fat, and sugar."[15]

Healthy foods need to be both accessible and affordable before people will consume more of them and fewer unhealthy kinds. Because energy-dense foods (highly refined foods high in added fat and sugar) cost less than healthier diets, people with limited budgets are especially challenged to eat healthfully.[16] Other factors implicated in poor diets include high-pressure marketing and other strategies by food manufacturers to persuade people—especially youth—to consume unhealthy foods; the greater palatability of foods high in fat, sugar and salt; more sedentary patterns of work and travel; and the emphasis on convenience in today's hectic lifestyles. All these factors suggest that structural and policy changes that make healthy diets more economical and accessible are needed to combat obesity in addition to changes in consumption patterns such as reducing portion sizes and cutting back on pop, and becoming more physically active.

[14] Morland K, Diez Roux A, Wing S. "Supermarkets, other food stores, and obesity." The Atherosclerosis Risk in Communities Study. *American Journal of Preventive Medicine*, 2006;30(4):333-9. Zenk SN, Schulz AJ, Hollis-Neely T, Campbell RT, Holmes N, Watkins G, et al. "Fruit and vegetable intake in African Americans: income and store characteristics." *American Journal of Preventive Medicine*, 2005; 29(1):1-9. Rose D, Richards R. "Food store access and household fruit and vegetable use among participants in the US Food Stamp Program." *Public Health Nutrition*, 2004;7(8):1081-8.

[15] "Examining the impact of 'Food Deserts' on public health in Detroit," www.marigallagher.com/projects/2

[16] Drewnowski A, Darmon N. "Food choices and diet costs: an economic analysis." *Journal of Nutrition* 2005;135(4);900-4.

Photo: Growtown.org

Detroit's food insecurity rate is estimated at more than 30 percent.

Photo: Grandmont Rosedale Community Garden

Hunger and Food Insecurity

Every year, the US Department of Agriculture (USDA) tracks the incidence of food insecurity in the country. Food insecurity is defined by the agency as a lack of consistent, dependable access to enough food for active, healthy living. In 2009, 14.7 percent of households (or 17.4 million households) were food insecure at least some time during that year nationally. This is the highest recorded prevalence of food insecurity since 1995 when the first national food security survey was conducted. About a third of food-insecure households (6.8 million households, or 5.7 percent of all U.S. households) had very low food security, a severe range of food insecurity in which the food intake of some household members was reduced and normal eating patterns were disrupted due to limited resources.[17] Nearly 11 percent of households with children, or 4.2 million households, were food insecure.

Although specific city data are unavailable, the report makes other points to suggest that prevalence of food insecurity in Detroit is much higher than the national average. For example:

- Rates of food insecurity were substantially higher than the national average among households with incomes near or below the federal poverty line, among households with children headed by single parents, and among Black and Hispanic households.
- Food insecurity was more common in large cities than in rural areas.
- Fifty-seven percent of food-insecure households in the survey reported that in the previous month they had participated in one or more of the three largest federal food and nutrition assistance programs.

Given the above and the high rate of poverty in Detroit in 2009, this report estimates Detroit's food insecurity rate to be more than 30 percent.

In a 2009 survey of 27 cities on emergency food assistance and homeless services, the US Conference of Mayors reported that requests for food assistance in Detroit increased by 30 percent over the previous year, and 75 percent of those requesting food assistance were members of families.[18] They also reported an increase in requests from middle-class households that used to donate to food pantries, as well as increases in requests from families and from the uninsured, elderly, working poor, and homeless. People also were visiting food pantries and emergency kitchens more often.

A 2009 survey... reported that requests for food assistance in Detroit increased by 30 percent over the previous year, and...an increase in requests from middle class households that used to donate to food pantries.

[17] USDA, Economic Research Service, 2010, www.ers.usda.gov/Publications/Err108

[18] US Conference of Mayors, 2009, Hunger and Homelessness Survey, www.usmayors.org/pressreleases/uploads/USCMHungercompleteWEB2009.pdf

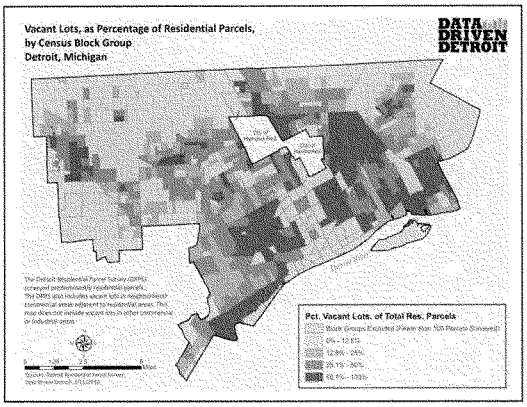
Detroit Works Project...will help guide decisions related to the physical location and form of urban agriculture in the city.

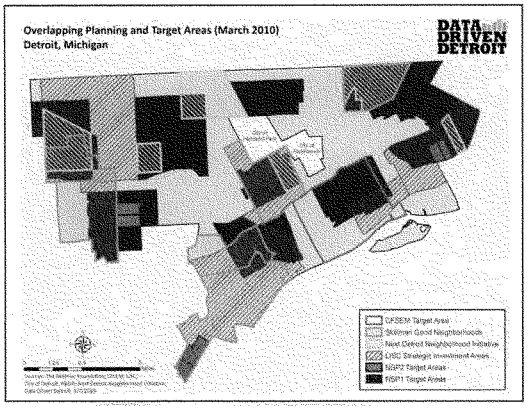
Local Policy Issues with Implications for Food Security

This section discusses recent and emerging policy decisions or frameworks in Detroit from the perspective of DFPC goals related to healthy food access, urban agriculture, and composting, and outlines broad actions DFPC may wish to take. For a discussion of urban agriculture policy, see Section 3.

Detroit Works–Strategic Planning Framework

In July 2010 Mayor Dave Bing announced the Detroit Works Project, a 12-18 month process to create a collective vision for Detroit's future at the neighborhood, city and metropolitan scale. This process will serve as a roadmap for investment and action by government, community and faith-based groups, businesses, and philanthropic and nonprofit organizations. Aimed at adopting a shared vision for the City of Detroit in the short and long term, the Detroit Works roadmap will be based on evidence; involve the community in the planning process; provide a bold and visionary plan for moving forward; and prioritize implementation strategies.





The Technical Team is analyzing a myriad of baseline data, best practices and other information that will inform the plan over a broad range of topics, including: economic recovery; landscape and ecology; environmental sustainability; historical and cultural resources; green and gray infrastructure; land use, zoning and land development; neighborhood, housing and amenities; services, operations and fiscal reform; and transportation and transit. In addition to five citywide community forums attracting over 4,500 residents, the Community Engagement team is currently engaged in a round of 40 smaller community forums throughout the city. Based on all data and input collected to date, strategic alternatives will be developed and shared with the community for input and feedback, and the "plan adoption process" will take place starting in September 2011 (means of adoption still to be determined).

This process will impact food systems in a few ways. First, it will help describe a variety of interventions for neighborhoods, including the support for a system of food retail that responds to Detroiters' needs and the conditions in neighborhoods. Second, it will help guide short-term and long-term decisions related to the physical location and form of urban agriculture in the city. The Detroit Food Policy Council should actively participate in the community engagement process and provide relevant information related to food system policy for consideration within the process.

Detroit Public Schools Consolidation

Due to steep declines in student enrollments over the last decade and related budget woes, the Detroit Public School system has experienced sweeping changes. During the 2009-2010 school year, 25 schools were closed. Vocal community groups were able to save schools with greenhouses and farms from closure, but some of these may be threatened once again in a proposed plan to close another 40 schools over the next two years.[19]

There are several implications of school closures from the perspective of Detroit's food security. These and others that are only just emerging need to be closely monitored and documented to inform future decisions. One, the efforts by DPS schools over the last few years to implement schoolyard gardening, farm-to-school programs, and the integration of urban agriculture into biology classes will be set back as such schools are shut down. Two, as schools that are open become more distant from neighborhoods, students have to travel longer distances, and run the risk of missing breakfasts that are offered before classes begin. Participation rates are already below fifty percent in the breakfast programs; delays in getting to school may jeopardize participation even further. Three, the land with closed schools may now become available to urban agriculture interests in the community. Indeed, one such property on Detroit's east side was closely studied for just such a purpose.

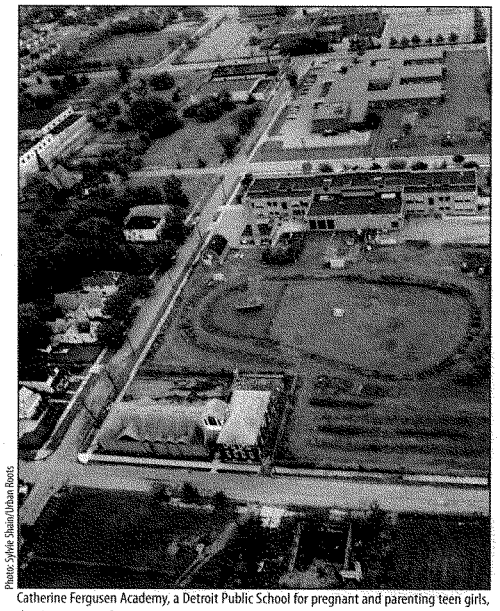


Photo: Sylvie Shain/Urban Roots

Catherine Fergusen Academy, a Detroit Public School for pregnant and parenting teen girls, that incorporates farming into its innovative programming.

The DFPC should inform itself systematically about these and other implications and take needed actions, including to ensure that the participation rate by students in child nutrition programs in schools is increased; school infrastructure that builds urban agriculture capacity is preserved and harnessed into the future; and the transfer of land with closed schools to community-oriented urban agriculture uses is enabled.

During the 2009-2010 school year, 25 schools were closed. Vocal community groups were able to save schools with greenhouses and farms from closure, but some of these may be threatened once again in a proposed plan to close another 40 schools over the next two years.

New contract on incineration of solid waste in Detroit in 2010

Since 1989, Detroit has incinerated solid waste from residential, commercial, and other sources. The consequences of this approach to solid waste disposal are significant: a lack of support for recycling (and composting of organic material) and associated public expenditures and loss of revenue, and the health impacts caused by the incinerator in nearby neighborhoods and associated expenses to households and the public.

The City built the incinerator, sold it in 1991 for cash flow, but retained the debt obligation of the 20-year bond, which was paid off in July 2009. The service agreement with the Greater Detroit Resource Recovery Authority (GDRRA) obligates the City to deliver trash to GDRRA. In December 2010, the incinerator was purchased by Detroit Renewable Energy, part of Atlas Holdings based in Connecticut. Also in December 2010, GDRRA approved an 11-year contract with the incinerator, at a price of $25/ton.

One upside of the contract is that there is no tonnage requirement, i.e., the city can divert unlimited tonnage of solid waste away from the incinerator by recycling. A downside, however, is that the incinerator will continue to operate and contribute to the pollution burden of a community already "high priority" according to the EPA's environmental justice criteria.

[19] Detroit Public Schools, press release, March 30, 2011, http://detroitk12.org/news/article/2288/ (accessed April 4, 2011)

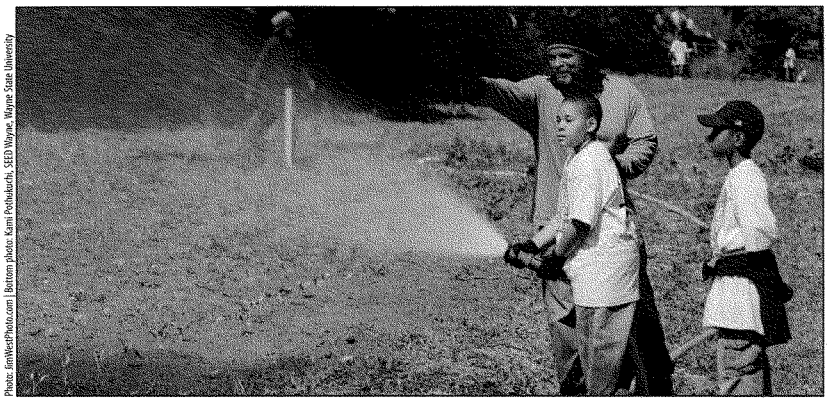


Photo: FirstNewsPhoto.com | Bottom photo: Kami Pothukuchi, SEED Wayne, Wayne State University

Watering part of the two-acre D-Town Farm, an urban farm in a city park. The farm is operated by the nonprofit Detroit Black Community Food Security Network.

Since 1989, Detroit has incinerated solid waste…The consequences…are significant: a lack of support for recycling (and composting of organic material) and associated public expenditures and loss of revenue, and the health impacts caused by the incinerator in nearby neighborhoods and associated expenses to households and the public.

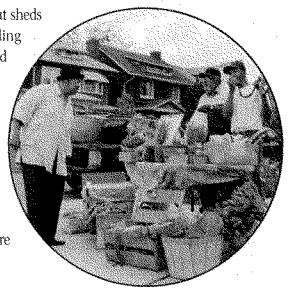
As of this writing, the new owners of the incinerator are seeking a 12-year tax abatement from the City as well as approval from the State of Michigan to float a $75 million bond. At a time of steep loss of revenues and threats to basic programs serving low-income households, it is important to ask if these subsidies reflect the priorities of the residents of the state and the city.

The city should create a strong solid waste policy which gives top priority to reduce wastes and encourage recovery of materials from the waste stream. The DFPC should examine this issue closely and prepare a position to bring to the city. Specifically, the DFPC should undertake a study of the amount of compostable food waste currently being incinerated, the feasibility of diverse approaches to collecting and composting such wastes, and an assessment of strategies to encourage the reduction of food system wastes of all forms, including packaging.

Actions Needed

The DFPC should consider and take several actions as they relate to content in this section, including to:

- Track and analyze, on an ongoing basis, data related to Detroit's population, households and community indicators. Categories should include both challenges such as poverty and food insecurity, but also resources such as vacant land, schools, existing investment, etc., that can positively affect food security and advance the development of a just and sustainable food system.
- Advocate for and support research specific to Detroit that sheds light on dietary health factors and outcomes, including those related to food costs, and the neighborhood and school food environments.
- Flesh out the implications of policy changes occurring in Detroit and develop brief position papers to share with community leaders, and develop related community education and outreach campaigns.
- Consider for future DFPC reports additional community indicators than were possible in this report. Examples may include indicators related to arts, culture and literacy on key community food system issues.



Section 3:

Overview of Detroit's Food System

Photo: JimWestPhoto.com

A girl holds a box of organic tomatoes she and other children have grown on vacant lots in Detroit. The city has many vacant lots that could be used to grow food to sell at neighborhood markets.

THIS SECTION DISCUSSES ACTIVITIES IN THE CONVENTIONAL FOOD SYSTEM IN DETROIT, including food production, manufacturing, wholesale and retail distribution, food consumption, and waste generation. It also contains data and analysis related to federal nutrition programs, including Supplemental Nutrition Assistance Program (or SNAP, formerly referred to as food stamps), Special Supplemental Nutrition Assistance to Women, Infants, and Children (WIC), free and reduced-price school lunch and breakfast programs, Summer Food Service Program, and Child and Adult Care Food Service Program. Finally, it includes information on the charitable food assistance sector. Sources of data are identified for each category. The section concludes with recommendations for related actions that the DFPC should consider in the near future.

Because many food system economic activities are related to the broader region's economic health, data are provided for the city, county, region, and state as applicable. Data from 2007 censuses of agriculture, manufacturing, wholesale, and retail are used as these are the most recent available.

...the portion of Wayne County's total acreage dedicated to fruit and vegetable production is higher than that for the state as a whole...

The Conventional Food Sector

Photo: Sylvie Shain, Urban Roots

Agriculture

The 2007 Census of Agriculture shows no entries specifically for Detroit; however, Wayne County showed a total of 313 farms with a total acreage of 17,443, and average size of 56 acres. Wayne County farms sold nearly $29 million worth of agricultural products (food and non-food), and received $93,000 in government payments of different kinds. Forty-seven percent of farms in Wayne County, or 146 farms, listed farming as a primary occupation for the principal farm operator; for the state as a whole, this ratio is slightly lower, at 44 percent.

As the accompanying table shows, fruit and vegetable production is a miniscule portion of all agriculture in the state as well as the region. Nonetheless, it is noteworthy that the portion of Wayne County's total acreage dedicated to fruit and vegetable production is higher than the state as a whole and more than twice that for the rest of the region.

The economic potential of agriculture in southeastern Michigan region is great. According to noted author Michael Shuman, a twenty percent shift in spending toward regionally produced food in the five counties surrounding Detroit—Oakland, Macomb, Monroe, Washtenaw, and Wayne—would result in an annual increase in economic output of roughly $3.5 billion, creating an estimated 36,000 jobs, and an additional $155 million in tax revenues available for government entities.[1] It is of interest to DFPC that small-scale farming of the kind occurring in the metro area be preserved and encouraged.

For the many urban agricultural activities ongoing in Detroit, refer to Section 4. As readers may know, Detroit's potential for urban agriculture is enormous given the large amount of vacant land and the number of skilled leaders and organizations to support urban agriculture. More recently, Kathryn Colasanti, MSU graduate student, studied the potential for fruit and vegetable production on publicly owned vacant land and the portion of the city's needs that this could supply. See accompanying sidebar on page 39 for findings from her study.

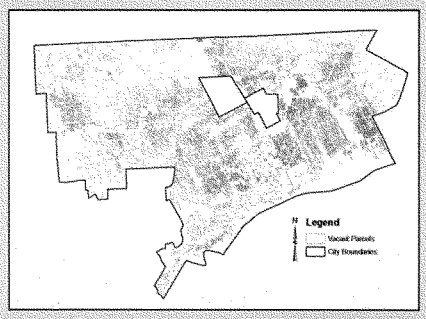
Farms and Vegetable and Fruit Production (2007 Census of Agriculture)	Michigan	9- County Southeastern Michigan Region [2]	Wayne County
Farms (number)	56,014	7,967	313
Farms (acres)	10,031,807	1,049,140	17,443
Average size of farm (acres)	179	121	56
Vegetables harvested for sale (farms)	2,878	555	65
Vegetables harvested for sale (acres)	174,685	20,696	728
Orchards (number)	2,712	264	16
Orchards (acres)	115,284	2,883	63
Percentage of total acreage in vegetable and fruit production	2.89%	2.25%	4.53%

[1] Source: www.fairfoodnetwork.org/resources/economic-impact-localizing-detroits-food-system
[2] The counties included are Genesee, Lapeer, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne.

Agricultural Capacity in Detroit

A Study by Kathryn Colasanti, Michigan State University

Research Purpose: Detroit has emerged as a major locus in the movement to bring agriculture back to the city. This research sought to estimate the quantity of publicly owned vacant land within Detroit city limits and the portion of fruits and vegetables consumed annually in the city that cultivating this land could supply.



Methods: We obtained a database of all land parcels in Detroit from the City of Detroit GIS Sales and Service Center. From this database, we identified all parcels that were both publicly owned and did not have any buildings present. Parcels owned by the City of Detroit Recreation Department were excluded. We performed a visual cross-reference using aerial imagery to ensure validity of our findings. In order to estimate the maximum quantity of fruits and vegetables that could be grown in Detroit's seasonal conditions in comparison to the quantity of fruits and vegetables Detroiters eat each year and the land that would be needed to grow this quantity, we compiled consumption data by gender and age range (available nationally), the seasonal availability of specific fruits and vegetables, and crop yield levels. We also looked at different production scenarios, including using unheated hoop houses to extend the growing season and storage facilities to store crops like potatoes and onions through the winter.

The Amount of Land Needed to Supply the Maximum Quantity of Fresh Fruits and Vegetables Possible to Grow Seasonally

		Acreage Needed	% Annual Consumption Supplied
Field only	High Biointensive	263	31% Veg 17% Fruit
	Low Biointensive	894	
	Commercial Yields	1,660	
Field + Storage	High Biointensive	511	65% Veg 39% Fruit
	Low Biointensive	1,839	
	Commercial Yields	3,063	
Field + Storage + Season extension	High Biointensive	568	76% Veg 42% Fruit
	Low Biointensive	2,086	
	Commercial Yields	3,602	

Findings: The land inventory resulted in a tally of over 4,800 acres of vacant, publicly owned parcels, the majority of which were residential and owned by the city. The vacant land was most heavily concentrated on the east side of the city (see accompanying map).

Findings show that cultivating between 570 and 3,600 acres (depending on the yield levels used in the analysis) could provide roughly three-quarters of the current fresh vegetable consumption and just under half of the current fresh fruit consumption (excluding tropical fruits) of Detroiters annually (see accompanying table). Based on low-yield biointensive growing methods—the most reasonable form of agriculture to expect in an urban setting—about 2,000 acres (less than half of the available land catalogued) would suffice to grow the aforementioned quantities of fruits and vegetables.

Our research shows that by harnessing the city's resources in land, people and organizational leadership, it is possible for Detroit's urban agriculture to meet a significant portion of the city's food needs.

For more information on this research, see: Colasanti, K., & Hamm, M. W. (2010). "The Local Food Supply Capacity of Detroit, MI." *Journal of Agriculture, Food Systems and Community Development, 1*(2), 1-18. (The original report on which this paper is based, "Growing Food in the City: The Production Potential of Detroit's Vacant Land," can be downloaded from www.mottgroup.msu.edu).

Food Manufacturing

In Detroit, as in the rest of the region and the state, food manufacturing (NAICS Code 311) is a relatively small part of the overall manufacturing scene. About 13 percent of all manufacturing establishments in Detroit (compared with less than six percent for the state) relate to food, and food represents about two percent of manufacturing sales and five percent of employees in manufacturing.

By all measures, food manufacturing in Detroit declined over the last decade. According to the 2007 Census of Manufacturing, the City of Detroit had 59 establishments that did $247 million in business, and had 1,057 employees drawing an annual payroll of more than $35 million. By comparison, the 1997 Census showed 92 establishments that did business worth $549 million dollars (not adjusted for inflation), and employed approximately 4,000 persons.

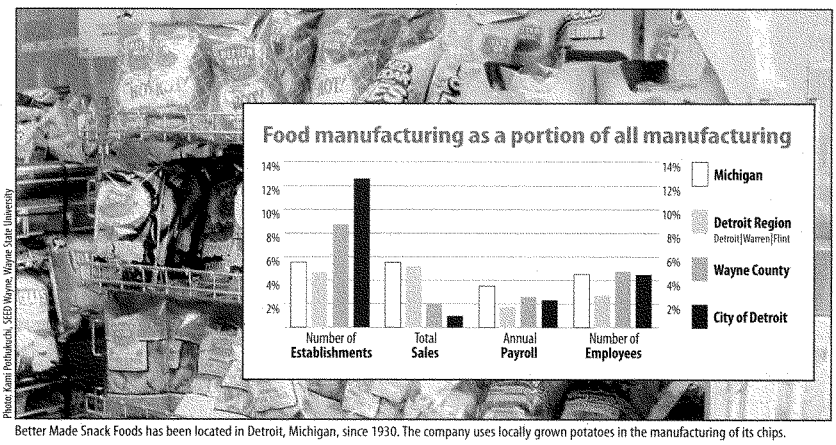


Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

Better Made Snack Foods has been located in Detroit, Michigan, since 1930. The company uses locally grown potatoes in the manufacturing of its chips.

Wholesale Food Distribution

Food wholesale distribution (NAICS code 4224) is an important contributor to the wholesale sector in the City of Detroit. More than a fifth of all wholesale establishments in Detroit are food-related; more than a quarter of all employees in the wholesale sector are employed by food wholesalers, and more than one-third of all wholesale business in the city is in food. Food wholesale as a proportion of all wholesale is higher for the city and Wayne County than the state as a whole (see accompanying chart).

However, as with manufacturing, food wholesale employment in Detroit declined over the last decade even though sales, after adjusting for inflation, increased in that time period. According to the 2007 Census of Wholesale Trade, Detroit had 101 wholesale establishments that did nearly $2.63 billion in business and employed just over 2,000 employees who drew a collective payroll of $105 million. By contrast, the 1997 Census of Wholesale Trade showed 163 food wholesale establishments that employed more than 3,000 individuals and did nearly $1.5 billion in business in unadjusted dollars (or $1.92 billion translating 1996 dollars to 2006 dollars).

Retail Distribution

Food retail is where practically all urban residents encounter the food system; grocery and prepared food purchases are, of course, critical to households' survival and wellbeing. Food retail is critical also to the sur-

vival and performance of the retail economy in the city. Food and beverage stores constitute a third of all retail establishments in Detroit and account for more than a quarter of all retail business; they also hire more than a third of all workers in the retail sector. The strength of food retail demonstrates the importance of food to the city's overall retail sector.

Given the decline in the city's population and economy over the last decade, it is unsurprising that the food retail sector also declined. The 2007 Census of Retail Trade shows 709 food and beverage stores doing nearly a billion dollars in sales ($930 million), and employing more than four thousand employees (4,424) whose collective payroll was $69 million. By contrast, the data for the 1997 Census show 869 stores doing $963 million (or $1.24 billion after adjusting for inflation) in sales and employing 6,265 workers.

Additionally, food service and drinking places are also an important part of a city's economy. In 2007, 909 establishments did $633 million in sales and employed nearly 13,000 individuals, who drew a payroll of $166 million.

Approximately eighty food stores were identified in 2010 by a Social Compact study sponsored by the Detroit Economic Growth Corporation as "full-service" grocery stores, i.e., those that carried a complete range of grocery products, including fruits, vegetables, dairy, meat, baked goods, and dry groceries. The accompanying sidebar includes maps of these stores as well as neighborhoods that are underserved, the consequent "leakage" of grocery dollars from these neighborhoods, and the average distance to the nearest grocery store. Appendix A includes a list of all these stores and their addresses as well as a map.

Food and beverage stores constitute a third of all retail esablishments in Detroit and account for more than a quarter of all retail business; they also hire more than a third of all workers in the retail sector.

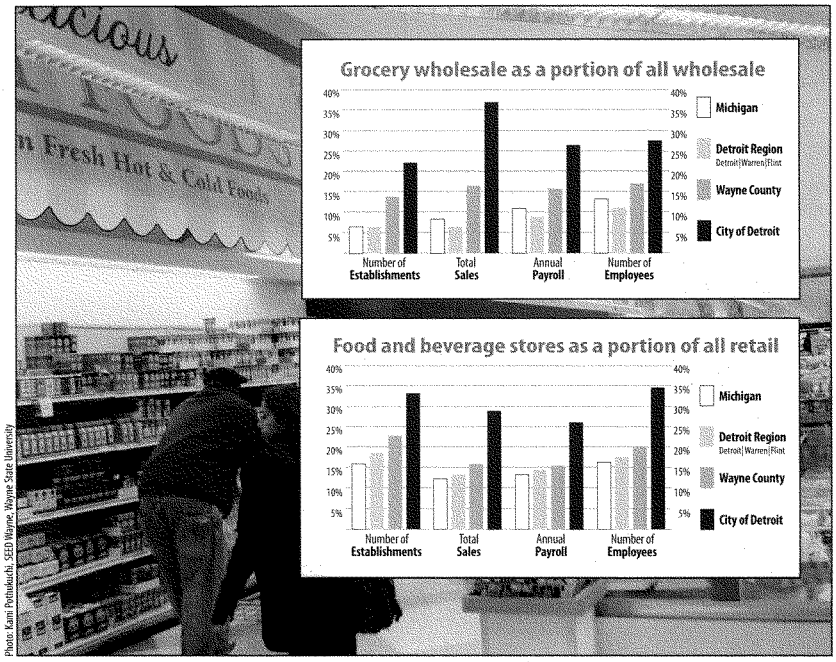
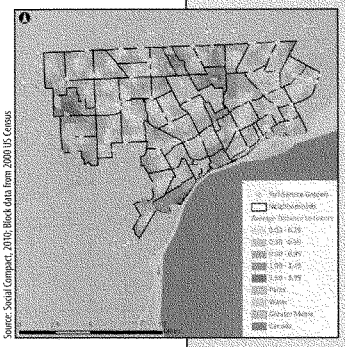
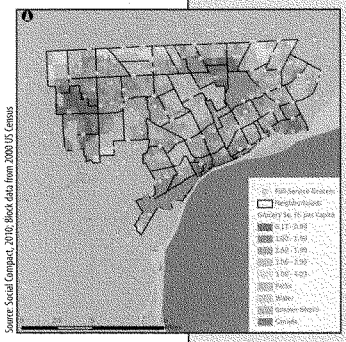


Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

The Detroit Grocery Gap and the Green Grocer Project



Source: Social Compact, 2010; Block data from 2000 US Census



Source: Social Compact, 2010; Block data from 2000 US Census

The problems Detroiters face related to access to supermarkets is a much researched topic. Among the latest is Mari Gallagher's 2007 study, "Examining the Impact of 'Food Deserts' on Public Health in Detroit." The study notes that fast food and so-called "fringe food outlets" such as gas stations and liquor stores are ubiquitous throughout the city, adding that not a single outlet of a major supermarket chain exists within Detroit's borders. Gallagher found that about 550,000 Detroit residents live in areas in which they experience "an imbalance of healthy food options," that is, they are at least twice as far from a mainstream grocer as from a fringe food location. She also found that the majority of retailers that accept food stamps are gas stations, liquor stores, convenience stores, dollar marts, and other locations where little to no fresh or healthy food is sold. Several initiatives have been put in place since the study, including those related to encouraging new store development as well as expansions of existing stores, healthy corner stores, and neighborhood farm stands (see Section 4 for details).

While clearly much more needs to be done to improve access to fresh and healthy foods in the city, the continuing use of the "food desert" concept is less than helpful. In reality, there exists both a "grocery gap" in Detroit, that is, neighborhoods that are currently underserved relative to demand, as well as a "household budget gap," or the reality that a monthly diet consistently high in fresh vegetables and fruits and whole grains may be out of economic reach of a large number of Detroit households. Thus, we need to identify opportunities to develop new and strengthen existing businesses *as well as* to find ways to supplement household budgets to support the purchase of fresh and healthy foods (See sidebar on Double Up Food Bucks on page 47 for a discussion of this latter option).

In 2008, the Detroit Economic Growth Corporation released a report on their Fresh Food Access Initiative,[3] which included findings and recommendations from deliberations of a task force comprised of community and grocery industry stakeholders that met over a period of eighteen months. The report included an industry and market analysis conducted by Social Compact, a Washington, D.C.-based firm. Among the report's recommendations were calls to improve the business climate in Detroit, create a grocery store business expansion and retention program, attend to grocer capacity and workforce development needs, and cre-

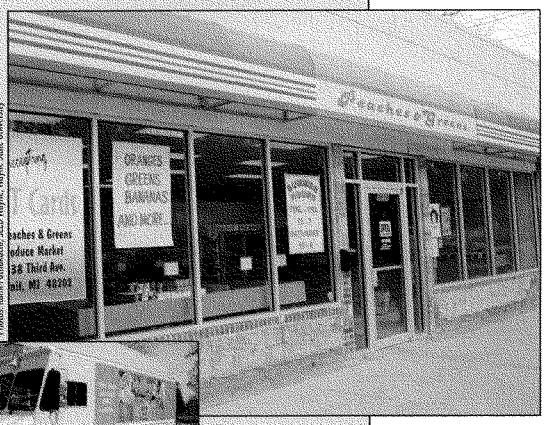
Detroit Food System Ownership and Workforce: Social Profile

The ownership patterns of local food system enterprises, wages of workers, and career advancement opportunities, and race and gender disparities among them are relevant to assessing a community's food security. Unfortunately, we know of no source that systematically documents patterns of ownership of operations—large and small—in Detroit's food system and other categories of interest. An excellent report that addresses issues of wages and working conditions in metro Detroit's restaurant industry is "Behind the Kitchen Door," (2010), commissioned by the Restaurant Opportunities Center of Michigan, Restaurant Opportunities Centers United, and the Southeast Michigan Restaurant Industry Coalition.[4]

As of December 2010, there was only one Black-owned grocery supermarket in Detroit—a city in which four

ate innovations in retailing and community relations. In 2010 the DEGC launched "The Green Grocer Project," which offers grants, loans and technical assistance to selected grocery stores in underserved areas that are seeking to start or strengthen their business (see Section 4, page 60).

In 2010 Social Compact was commissioned to develop another report updating information on Detroit's retail grocery market and industry dynamics.[3] Abstracted here are snippets and maps from the Social Compact report.



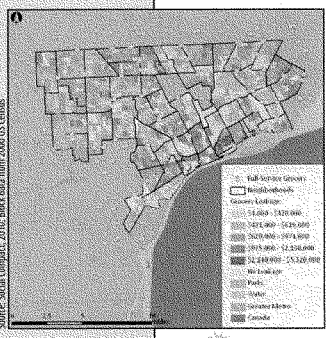
Photos: Kami Pothukuchi, SEED Wayne, Wayne State University

The Grocery Gap in Detroit: Excerpt from Social Compact Report, 2010

Demand for retail grocery continues to go unmet in Detroit. Although there are approximately 80 full-service grocers in the Detroit study area, these grocers provide an average of only 1.59 square feet of grocery retail space per capita, compared to an industry standard of 3.0 square feet per capita. On average, residents in the Detroit study area travel a distance of 0.59 miles to reach a full-service grocer, yet in some neighborhoods residents travel a greater distance, nearly double the city average.

Findings suggest unmet demand for retail grocery totaling $200 million in Detroit, and existing full-service grocers capture only 69 percent of residents' expenditures. The estimated $200 million in grocery leakage could potentially support an additional 583,000 square feet of grocery retail space in Detroit.

Neighborhood grocery availability can be expanded through a variety of initiatives, including attracting full-service grocers as well as small-format stores to opportunity areas and improving upon the quality and diversity of product selection at existing stores.



Source: Social Compact, 2010; Block data from 2000 US Census

out of five residents are African-American. Although a handful of locally owned food businesses and those owned by African-American residents have a higher profile in the community, we urge future research on ownership patterns of food system businesses in the area to learn more about those that are owned by Detroit residents, particularly African Americans, and those that have such residents in leadership or management positions. Such studies could also contain a qualitative assessment of the nature of jobs in the city's food system and the opportunities and challenges they offer for ownership, advancement and higher wages.

As of December 2010, there was only one Black-owned grocery supermarket in Detroit—a city in which four out five residents are African-American.

[3] www.degc.org/images/gallery/DetroitFreshFoodAccessInitiativeReport.pdf

[4] This report can be downloaded from www.rocunited.org/files/Michigan_BKD_lores_edit0120.pdf

[5] www.degc.org/images/gallery/2009%20Detroit%20rillDown%20Report%20110209.pdf

Food Expenditures

At 13 percent, metro Detroit has the third highest average annual household expenditure for food of 18 metropolitan areas studied in 2008-09, below only Boston and Los Angeles.

How much money do Detroiters spend on food, including that consumed at home and consumed outside the home? Data specific to the city on this question are unavailable. The closest we come, unfortunately, are data for the entire metro area. This is less than satisfactory as food expenditure patterns for the inner city expectedly differ from the region as a whole for several reasons, including the paucity of larger supermarkets and the greater density of fast food outlets in the inner city, and lack of affordable transportation options to access more distant supermarkets.

In 2008-09, households in the Detroit metropolitan area (Detroit-Ann Arbor-Flint) spent an average of $6,412 or 10 percent of their pre-tax income (or 13 percent after taxes) on food annually.[6] Just over three out of five of these dollars were spent on food purchased to be eaten at home. Of the $3,944 spent on food at home, $670 (17 percent) was spent on fruits and vegetables, $849 (22 percent) on meats, poultry, dairy, and eggs, and $540 (14 percent) on cereals and bakery products. Readers are reminded of the findings of the Behavioral Risk Factor Surveillance Survey (reported in Section 2), which shows that fewer than one quarter of Wayne County residents are consuming fruits and vegetables five or more times a day.[7]

At 13 percent, metro Detroit has the third highest average annual household expenditure for food of 18 metropolitan areas studied in 2008-09, below only Boston and Los Angeles. However, it has by far the highest rate for transportation at 19.2 percent, a statistically significant difference from the US as a whole at 16.3 percent. At 33.1 percent for housing, metro Detroit is among the most affordable, second only to Houston (31.9%) in a study of 18 metro areas.[8]

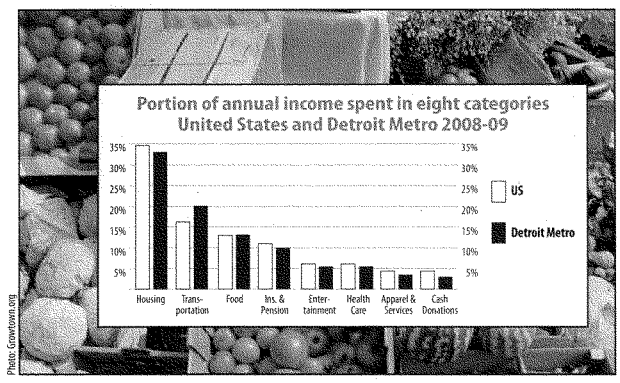


Photo: Growtown.org

Food System Wastes

Food system wastes are important to track for a variety of reasons. First, these wastes constitute a large portion of all wastes that end up in landfills or, in the case of Detroit, the incinerator. The Detroit incinerator is a significant source of pollutants that cause asthma, among other direct and indirect costs it imposes on the community (see related discussion in Section 2). Second, some food system operations create more packaging and food wastes than others; an analysis of the largest sources of waste would help in prioritizing actions with the greatest potential impact. Finally, food security and urban agriculture practitioners are interested in the development of citywide or neighborhood-scale composting solutions to integrate appropriate kitchen and plate wastes (and other safe outputs of the municipal waste disposal system) into the soil of urban agriculture sites. There is also great interest in the community in rescuing edible foods for distribution to food assistance sites.

Food system wastes come from all activities in the food system, including those from food processing or preparation, plate wastes generated after consumption, wastes from spoilage at all points in the system, and paper and other packaging wastes, such as wrapping and containers from fast food restaurants and delis, and plastic and paper packaging from foods purchased for home consumption.

[6] Source: Bureau of Labor Statistics, Consumer Expenditures for the Detroit Area, 2008-09. http://www.bls.gov/ro5/cexdet.pdf

[7] Centers for Disease Control and Prevention, 2009, BRFSS City and County Data, Select City and County Data, Detroit-Livonia-Dearborn (Wayne County, MI). apps.nccd.cdc.gov/BRFSS-SMART/SelQuestion.asp?MMSA=26&yr2=2009&VarRepost=&cat=FV#FV

[8] Source: Bureau of Labor Statistics, www.bls.gov/ro5/cexdet.pdf

An estimated 80,000 to 100,000 tons of food scrap wastes were created in 2010 in Detroit from various sources. Additionally, a similar amount of yard waste was generated in the city. These estimates are derived from the US Environmental Protection Agency's calculations of municipal solid waste (MSW) and its components. The agency notes that each person created 4.34 pounds of MSW per day in 2009, and 14 percent of this stream consisted of food scraps and another 14 percent consisted of yard wastes.[9]

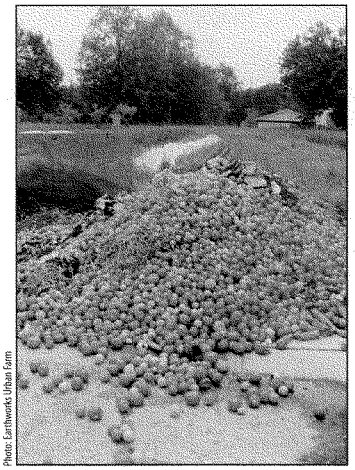


Photo: Earthworks Urban Farm

Compost.

Given the operational and packaging practices used, especially by fast-food outlets, wastes from these sources are of special concern. Applying to Detroit 2006 data from a California study in which an average of 6,528 pounds of waste were noted per employee per year in fast food outlets and 6,437 pounds per employee per year in other restaurants, conservative estimates suggest nearly 42,000 tons per year from eating places in Detroit, with more than half this waste stream consisting of food.[10, 11] Related metrics are unavailable to estimate food and other wastes from grocery stores and other food retail or wholesale outlets.

According to the US EPA, about nine percent of the waste that each person generates each day could be recovered for composting.... At the rate approved by GDRRA of $25/ton, diverting 50,000 tons of waste would result in savings of $1.25 million annually.

According to the US EPA, about nine percent of the waste that each person generates each day could be recovered for composting. This works out to 140 pounds per person per year, and between 50,000 to 64,000 tons for the City of Detroit depending on the population figures used for the calculation.[12] At the rate approved by the Greater Detroit Resource Recovery Authority (GDRRA) of $25/ton, diverting 50,000 tons of waste would result in savings of $1.25 million annually.

Government food and nutrition assistance programs

Supplemental Nutrition Assistance Program

The Supplemental Nutrition Assistance Program, or SNAP, is one of the largest government nutrition assistance programs nationally as well as in Detroit. According to the 2009 American Community Survey, more than one in three Detroit households depend on SNAP to put food on the table.

See the accompanying table for SNAP data for Wayne County and the State of Michigan as a whole. In 2009, Wayne County had a monthly average of about 402,000 participants, who collectively drew about $52.1

[9] Source: www.epa.gov/osw/facts-text.htm#chart1. For Detroit: 910,848 persons x 4.34 pounds x 0.14 x 365 days= 202,036,114 lbs. or 101,018 tons of food scraps per year. At the 2010 US Census population level, the food scrap tonnage works out to 79,149. Another source, Jones 2006, suggests estimates that are much lower. According to this source, a household contributes nearly 470 lbs. of food to the waste stream annually leading to 470 lbs. x 317,000 = 148,990,000 lbs. or 74,495 tons.
www.redorbit.com/news/science/456435/food_loss_and_the_american_household/index.html

[10] www.cawrecycles.org/files/ciwmb...restaurant...composition.pdf (pages 2 and 6). Combining both fast food and other restaurants, say, at a conservative 6,440 pounds per employee, for 13,000 employees for 2007: 13,000 x 6440=83,720,000 lbs, or 41,862 tons per year.

[11] A 2006 study by the California Integrated Waste Management Board showed that food makes up 51.4 percent of waste disposed of by fast food restaurants and 66.1 percent of waste disposed of by full-service restaurants. Source: californiawatch.org/health-and-welfare/food-waste-remains-persistent-problem-farms-grocery-stores-and-restaurants

[12] www.epa.gov/reg5rcra/wptdiv/solidwaste/recycle/compost/index.htm. 910,848 x 140 = 127,518,720 lbs. or 63,759 tons could be composted from Detroit households. Calculating these levels based on the 2010 Census data, the equivalent tonnage would be nearly 50,000.

Supplemental Nutrition Assistance Program (SNAP)

Area and Month	Participants	Households	Total SNAP Benefits	Monthly Benefit Per Person
Detroit 2009 [13]	NA	109,270	NA	NA
Wayne County, May 2004 [14]	309,150	NA	NA	NA
Wayne County, January 2009 [15]	344,071	188,240	$45,882,167	$133.35
Wayne County, July 2009	434,323	209,212	$58,264,324	$134.15
Wayne County, January 2010	485,021	234,303	$65,024,573	$134.07
Wayne County, July 2010	515,740	254,314	$72,766,718	$141.09
Michigan 2009, monthly average	1,450,272	694,341	$175,572,590	$121.06
Michigan 2010, monthly average	1,776,368	865,508	$234,063,603	$131.77

More than one in three Detroit households depend on SNAP to put food on the table.

million in SNAP benefits or nearly $134 per month per participant. In 2010, these numbers grew to more than half a million participants per month, whose benefits were approximately $69 million or about $138 per participant per month.

The increment in 2010 and part of 2009 over 2008 was due to additional funding made available for SNAP in the Stimulus Bill (American Recovery and Reinvestment Act of 2009). This increment also benefited area grocery stores (and farmers' markets) at which SNAP benefits were redeemed.

A couple of years ago, when the full effects of the current recession were yet to be felt, Wayne County displayed high rates of participation by those qualifying for SNAP benefits. In 2007, the Food Research and Action Center put Wayne County's Local Access Indicator (LAI) at 92 percent.[16] LAI for November 2009 declined to 88 percent of eligible people participating in SNAP.[17] Although even this lower rate is higher than that for the country as a whole, it represents a loss of benefits to Wayne County of nearly $10 million at a time of extraordinary need. It is feared that LAI has declined further still since 2009, and many questions remain about the fate of newly impoverished families with little previous experience with food assistance programs and eligible non-participants.

Are SNAP benefits enough for families to buy a healthy market basket of foods? This is a special concern for Detroiters given the higher share of household budgets taken by food expenditures in the region relative to national averages. The USDA annually puts together budgets for four meal plans for different family sizes and age groups of members. For July 2010, the USDA calculated the cost for an adult male (19-50 years) of a "thrifty food plan" at $167 and for an adult female in the same age bracket at $148.[18] For the same month, the average monthly SNAP benefit per person in Wayne County was $141.09. The thrifty food plan is the lowest cost plan in USDA's estimated budgets for nutritious meals of varying costs. By contrast, a "liberal food plan," the most expensive, for a grown man and woman would cost, respectively, $331 and $270 a month.

Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

Despite these inadequacies, SNAP provided more than 1.5 million meals daily in July 2010 to participating Wayne County residents. It is important for the region's food security that all eligible families participate in SNAP and are enabled to do so by organizations and agencies responsible for SNAP outreach and education.

Double Up Food Bucks Leverage SNAP Benefits

Photo: Northwest Detroit Farmers Market

As critical as federal food programs such as SNAP are to enabling impoverished families to buy food, program benefit levels often are inadequate to purchase a range of healthy and fresh foods on a consistent basis. Programs like Fair Food Network's Double Up Food Bucks help fill the benefit gap while also creating other benefits for local communities. DUFB draws on a pool of funds raised from foundations and corporations to match purchases at farmers' markets made using SNAP benefits. When customers use their SNAP benefits at area farmers' markets, they receive an equal amount of tokens, up to $20 per visit, to use at the market to purchase fresh Michigan-grown produce.

Piloted in Detroit in 2009 as Mo'Bucks, in 2010 DUFB provided nearly $92,000 to match $112,000 worth of SNAP spending for the same period at 13 farmers' markets in metro Detroit and Toledo. Thus, for households, DUFB provides additional resources with which to buy healthy and fresh foods. It also allows local shoppers to try other healthy foods that may be unfamiliar to them—experimentation that most low-income families can ill afford. DUFB spending also benefits local farmers and builds their capacity to participate in farmers' markets. In addition to these goals, Fair Food Network also aims to contribute to public policy that integrates concerns related to health, hunger and nutrition, with the imperatives of building a sustainable food system (see also Section 4).

WIC (Special Supplemental Nutrition Program for Women, Infants, and Children)

The WIC Program provides supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding and non-breastfeeding women, infants and children up to age five.

Approximately 35,000 eligible women, infants, and children participated monthly in FY 2010, according to the City of Detroit's Department of Health and Wellness Promotion.[19] It is important that DFPC collect information annually on participation, participation rates of eligible populations, and dollar amounts distributed to households.

Regarding WIC, it is noteworthy also that several neighborhood stores with state contracts to accept WIC are not fully complying with state rules that require them to offer fresh fruits and vegetables (according to new federal rules that went into effect October 1, 2009).[20] Within neighborhoods WIC contracts should be signed preferentially with stores that carry a wider range of food products including fresh fruits and vegetables. A review of WIC-accepting stores in Detroit is necessary to ensure that stores that gain revenues from WIC spending carry all the products required by the program and comply with other rules. It may also be useful to review all other licenses (such as for liquor and lottery) that benefit stores, and the feasibility of linking license approvals with a requirement to offer a range of healthy foods.

Within neighborhoods, WIC contracts should be signed preferentially with stores that carry a wider range of food products including fresh fruits and vegetables.

[13] American Community Survey, 2009

[14] Source for 2004 data: www.frac.org/pdf/urbanfoodstamps09.pdf. ("SNAP access in urban America: A city-by-city snapshot," September 2009).

[15] Source for 2009 and 2010 data for Wayne County: Jenny Genser of Food and Nutrition Service, US Department of Agriculture, email communication, March 17, 2011. Source for 2009 and 2010 data for Michigan: obtained from several reports obtained from the main SNAP website: www.fns.usda.gov/pd/snapmain.htm

[16] LAI is calculated by dividing the actual SNAP enrollment by the number of people who might qualify for SNAP estimated from an area's poverty statistics. www.frac.org/pdf/urbanfoodstamps09.pdf.

[17] http://frac.org/wp-content/uploads/2010/07/ny_times_snap_poverty_formatted.pdf

[18] Source: www.cnpp.usda.gov/Publications/FoodPlans/2010/CostofFoodJul10.pdf for more details of how the plans are assembled. The Stimulus Bill increment to SNAP benefits brought monthly allocations closer to the Thrifty Food Plan for all categories of households.

Child Nutrition Programs in the Detroit Public School System

In addition to SNAP and WIC, school meals are a significant nutrition program benefiting children from impoverished households. What follows is a summary of nutrition programs in DPS, the largest school system in the city. We were unable to obtain information on nutrition programs offered in Detroit's charter schools and urge DFPC to address this information gap in future years.

Free and Reduced-Price School Meals

Food Services in 2009-10[21]

During FY 2010, nearly 8.5 million total lunch meals, nearly 7.5 million of them free lunches, were served to students. Nearly 7.6 million breakfast meals were served through the academic year.

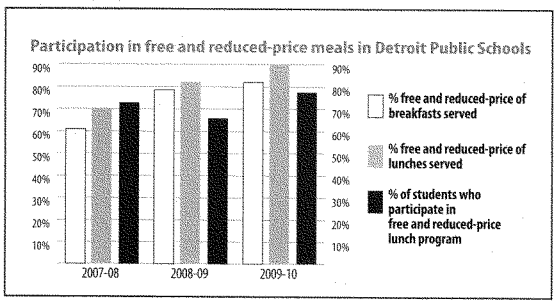
The Office of Food Services in 2009-10 began Breakfast in the Classroom (BIC) for all kindergarten through 8th grade students at no charge to students. Additionally, the Office also provided fresh fruit and vegetables to 11 schools that received a Fresh Fruit and Vegetable Grant, a federal program that provides additional quantities of fruits and vegetables to be distributed at no cost to students at qualifying schools. The office also provided fresh fruit and vegetables to 22 schools that participated in the MI Farm to School program.[22]

The Office also served more than 300,000 snacks and a similar number of after-school dinner meals to students participating in district-sponsored programs, in pre-kindergarten and after-school educational programs.

Here are some details that help understand participation rates in DPS-sponsored nutrition programs. In the month of October 2009, a total of 1,049,092 lunches were served in Detroit Public School cafeterias, nearly 90 percent of which were free and reduced-price, benefiting more than three quarters of the nearly 86,000 students enrolled in the school system. For the same period, a total of 937,695 breakfasts were served, 82 percent of which were free and reduced-price.

That free and reduced-price meals are such a large portion of meals served in Detroit Public Schools demonstrates that the majority of DPS students who eat a school lunch come from families that struggle to put food on the table. As such, these school meals are crucial for students' ability to learn as well as to support families with smaller food budgets.

Nonetheless, on any given day, fewer than half the number of students who signed up to participate in the free and reduced-price lunch actually ask for and get the lunch for which they qualify.[23] And only about 44 percent who signed up for the free and reduced breakfast actually participate on any given day. High school students who are enrolled in the free and reduced-price meal program participate at much lower rates. Betti Wiggins, executive director of the Detroit Public School district's Office of Food Services, attributes this to the "lack of coolness" of subsidized meals among high school students as well as curricular schedules that disallow a dedicated lunch period at high schools.



[19] Personal communication, Sharon Quincy, City of Detroit Department of Health and Wellness Promotion, January 7, 2011.

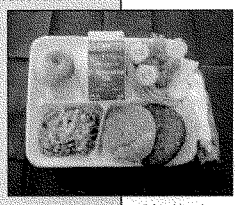
[20] For example, Detroit FRESH staff discovered several WIC-accepting stores with no fresh fruits and vegetables available. Detroit FRESH—the healthy corner store program—seeks to increase access to fresh fruits and vegetables by working with corner stores located in underserved neighborhoods. Although the effort did not systematically assess all WIC-accepting stores, operators accepting WIC benefits typically claimed that shoppers shunned fruits and vegetables resulting in unnecessary costs and waste for the store. WIC licenses are granted by zip code in order to ensure that all neighborhoods have access to WIC-authorized products such as powdered milk, canned beans, fruits and vegetables, cereal, etc. However, Detroit FRESH found liquor stores within short walking distances (say, one block) of another store with better food options.

[21] Source: DPS 2010 Annual Comprehensive Report, page xv, http://detroitk12.org/data/finance/docs/2010_Comprehensive_Annual_Financial_Report.pdf

[22] Since then, a few schools that participated in Farm to School were closed down as part of the citywide school consolidation and closures.

Betti Wiggins Knows it Takes More Than Books for Detroit Public Schools Students to Learn

Excerpted from a profile that appeared on March 7, 2011 by Meredith Modzelewski at School Food Focus.[24]



School lunch: Veggie burger served with regionally sourced produce.

"Kids will know better if we show them better." This simple philosophy directs how Betti Wiggins, Executive Director, Office of Food Services at Detroit Public Schools (DPS), approaches her work every day. How does she show them better? Through school gardens for students, farm-to-school programs that feature fresh produce from the region, improving nutritional standards across the board, the Fresh Fruit and Vegetable Program (FFVP), and lots more.

She and her colleagues spearheaded DPS implementation of the Institute of Medicine (IOM) standards long before they became what are now the proposed federal regulations. All breads are whole grain; vegetables are fresh or frozen, not canned; three fresh vegetables and one non-meat entree are served every week. DPS serves no fried food whatsoever and has reduced the size of desserts in the a la carte line. It has removed artificially flavored sweet drinks and serves only 12 oz. portions of 100% juice; lunchrooms offer 8 oz. bottles of water, which have proven popular with kids. The list goes on.

"Though we haven't yet completely transformed school meals, we are making lots of changes. We're working hard on it," explains Wiggins. "Since we're self-operated, the money we might pay in management fees to outside contractors we actually get to save and put it into our food. We want to ensure DPS is doing everything we can to impact the health of our children in a positive way and support academic achievement."

It wasn't always this way, however. For eight years, DPS used a contract food service management company. Employees made a counter-proposal to the Board of Education, making a commitment to feed kids better. The Board awarded employees self-operator status after reviewing their plan. Wiggins stresses, "We have to be involved in actions that improve the health and well-being of the community—that's the commitment we made."

The DPS farm-to-school program is also well underway. On March 17, 43 schools in DPS served Michigan-grown potatoes on the same day. In April, delicious Michigan apples were served, and in May fresh green asparagus from Michigan farms will grace the trays of DPS students.[25]

Wiggins is also delighted about the success of the DPS breakfast program. High schools across the district serve this all-important first meal of the day, incorporating at least two fresh fruits each week and sticking to whole grain and oat bran cereals at breakfast time, rather than sugary cereals that are high in sweeteners and low in nutrition. Some of the schools even serve universal free breakfasts: one school serves 750 each morning, putting meals directly into the hands of students in their homerooms every day and setting them up for a productive day of learning.

The Fresh Fruit & Vegetable Program has also made big strides in getting more kids in Detroit to eat (fresh foods of diverse) colors. Served in the classroom, this free snack in 16 DPS schools features delicious whole foods like apples, oranges, cantaloupe, grapes, carrots, and zucchini. Kids look forward to their fruit or vegetable snack immensely, says Wiggins.

Photo: Cheryl Simon

One third of Detroit schools have greenhouses, and some DPS schools have their own urban gardens, so there's plenty of room for student gardening activities that foster both nutritional education and STEM (science, technology, engineering, and math). The G2 Good Gardens program is designed to advance all of these through greenhouses and gardens.[26]

[23] October 2009 had 22 school days. While 85,895 students were enrolled in the DPS system, the number of those who had free and reduced meal applications filed was 66,315, or 77 percent of the overall student body. Assuming that the month of October is a representative month of the school year, participation rates per day amount to 55 percent for all types of meals, and 49 percent for the free and reduced-price meals.

[24] Source: www.schoolfoodfocus.org/?p=1143

[25] To learn more, read blog by Michaelle Rehmann at the Detroit Food and Fitness Collaborative website: http://detroitfoodandfitness.com/dffc/farm-to-school-benefits-all-involved/

[26] Click here for more information: http://detroitfoodandfitness.com/dffc/detroit-public-schools-go-green-with-g2-good-gardens/

Summer Food Service Program, Wayne County, 2010

The Summer Food Service Program (SFSP) provides free snacks and meals to children during school vacations. It uses income eligibility standards and meal patterns similar to those used in other federal child nutrition programs, such as school lunches and breakfasts. The SFSP is operated at the local level by program sponsors and is administered in Michigan by the Michigan Department of Education (MDE) Grants Coordination and School Support office.

Participation rates of Detroit children and youth in the SFSP are dismally low. Fewer than five percent of eligible children participated in this program in 2010, suggesting added burdens for their families during summer, when school is out. The accompanying table shows the main sponsors in Detroit that served meals under the SFSP for 49 days in 2010, the number of sites they sponsored, the meals and snacks they provided, as well as the dollar amounts of the reimbursements they received in FY 2010.[27] The DFPC should review the reasons for low participation and support a campaign to increase access to summer food benefits to area children.

FY 2010 Sponsor	Number of sites	Breakfast	Lunch	Supper	Snacks	Reimbursement
Detroit Public Schools	1	3,668	4,413	3,669	0	$33,023
City of Detroit DHWP	208	54,911	201,994	0	0	$758,895
Gleaners Community Food Bank	21	0	19,227	0	0	$63,687
Wayne County Total[28]	**347**	**99,6633**	**402,374**	**6,910**	**13,634**	**$1,523,982**

Child and Adult Care Food Program

The Child and Adult Care Food Program (CACFP) provides federal funds to nonresidential child care facilities to serve nutritious meals and snacks. The CACFP plays a vital role in improving the quality of child care and making it affordable for many families requiring child care. The goal of the CACFP is to improve and maintain the health and nutritional status of children in care while promoting the development of good eating habits. In addition to the after-school snacks and hot meals provided by DPS (reported above), the City of Detroit Department of Health and Wellness Promotion also sponsors meals under the CACFP and the SFSP.

In FY 2010, the DHWP served (through project sponsors) more than 4,000 meals per day for the program's 180 days under the CACFP to a similar number of children.[29] The DFPC is urged to gather systematic information on the CACFP in terms of participation, rates of participation of eligible people, and dollar amounts in future years.

The Charitable Food Assistance Sector

In addition to buying food with cash and/or relying on government nutrition programs such as SNAP or free and reduced-price school meals, many Detroit households also depend on neighborhood-based food pantries, soup kitchens, and related sites to meet their food needs. The Gleaners Community Food Bank plays an important role as a distributor of food to these sites in Detroit.

In 2010 Gleaners distributed nearly 18 million pounds of groceries to 300 such outlets in Detroit. Food pantries operated by neighborhood and social service organizations and on-site distribution at Gleaners were the destination for the vast majority of the food, receiving nearly 13.5 million pounds in 2010. Soup kitchens, homeless shelters, halfway houses, and other types of group homes, and social service programs made up

[27] www.michigan.gov/documents/mde/Reimbursement...by...county...11-24-2010...345357...7.pdf.

[28] Some smaller sponsors, mostly religious institutions, operate sites all over Wayne County, including Detroit; they have been excluded from the listing of Detroit-based sponsors given their relatively smaller scale of operation.

[29] Source: Sharon Quincy, City of Detroit Department of Health and Wellness Promotion, January 7, 2011.

another 3.4 million pounds. Sites with children (child care, schools, and activities that gave food to school kids to take home) received more than 700,000 pounds. Finally, client choice pantry, a delivery format that resembles a grocery store in which participants walk through aisles of shelves to choose foods they need, obtained nearly 400,000 pounds of food in 2010.

Gleaners obtains this food from a variety of sources, including federal programs such as The Emergency Food Assistance Program, or TEFAP, through which USDA distributes food commodities such as cheese, butter, peanut butter, and pasta. Nearly 3 million pounds were distributed from this source in 2009. Gleaners also distributes food purchased from the Federal Emergency Management Agency (FEMA): 526,000 pounds were distributed from this source in 2009; in 2009 it received money under the Federal Stimulus through which they distributed nearly 265,000 additional pounds of food.

Photo: Earthworks Urban Farm

A harvest dinner at the Capuchin Soup Kitchen.

A large portion of the food distributed by food emergency assistance programs is taxpayer-funded.

State and Federal Laws that Affect Detroit's Food Economy

In addition to understanding the activities of the local food economy, it is also important to know how recent or proposed legislation affects our community's links to this economy as well as allows or disallows the development of an alternative food system. What follows is a discussion of a handful of laws that were enacted recently, or affect new community initiatives. A brief discussion of policy organizing for the 2012 Farm Bill reauthorization is also included in this section.

Michigan Public Act 231 of 2008, an Amendment to the Commercial Rehabilitation Act to Include Food Retail Establishments

Public Act 231 of 2008 amended MCL 207.842 and 207.848 to allow new, expanding and improved food retail establishments in underserved areas to take advantage of the property tax incentive provided by the act. It was made effective July 17, 2008.

This bill was sponsored by Senator Mark Jansen in response to a finding in the Michigan Food Policy Council's October 2006 Report of Recommendations that research has shown that lack of healthy food access in urban neighborhoods is linked to an above-average prevalence of chronic health issues and related deaths.[30]

Public Act 231 includes a retail supermarket, grocery store, produce market, or delicatessen in an underserved area as a "qualified facility" for purposes of the act. The owner of the qualified facility may apply for a commercial rehabilitation exemption certificate within 6 months of starting work which, if granted, exempts the property from an increase in property taxes associated with any new investment, including new construction or major renovations, modifications and other physical changes required to "restore or change the property to an economically efficient condition." The qualified food retail establishment must be located in an underserved area as determined by the Michigan Department of Agriculture per the requirements of the statute: (1) A low- or moderate-income census tract and a below-average supermarket density, (2) an area that has a supermarket customer base with more that 50% living in a low-income census tract, or (3) an area that has demonstrated significant access limitations due to travel distance.

[30] The summary and full report are available at: www.michigan.gov/mfpc/0,1607,7-228--151980--,00.html (accessed: March 24, 2011).

In Detroit—where poverty, hunger, unemployment, low family income, malnutrition, neighborhood blight and vacant land are major challenges—urban farming can make a difference. But farms, even small ones, can pose neighborhood risks if they are not controlled properly for noise, odors, vermin, insects, pesticides, wastes and increased traffic.

For more information on the act and qualifying areas:
www.michigan.gov/taxes/0,1607,7-238-43535_53197-216846--,00.html
www.michigan.gov/mda/0,1607,7-125--220744--,00.html

To date, it does not appear that any grocery store or other food retail establishment has taken advantage of the tax abatement. In Detroit, several applications were filed in 2008 but stalled because of the City of Detroit's Living Wage Ordinance. Because retailers have not traditionally benefited from tax abatements, they were not subject to the wage requirements of the Living Wage ordinance, intended for manufacturing and construction jobs. Retailers could not meet these requirements. However, in 2010 the City's Living Wage Ordinance was struck down by the Michigan State Supreme Court.

It is anticipated that several Detroit grocers will apply for the tax abatement in order to make their improvement and expansion projects feasible. If this tax abatement can be effectively used in the city, it can be a useful tool as part of a larger tool box to help incentivize the development of food retail. The Detroit Food Policy Council can be an effective ally in advocating to the state for the broadest definition possible of "underserved" or, at least, flexibility in interpretation.

The Michigan Cottage Food Law (Amendment to Michigan Food Law, Act 92 of 2000)

The Michigan Cottage Food Law, enacted in 2010, allows individuals to manufacture and store certain types of foods intended for sale in an unlicensed home kitchen. This law is a boon to small producers who in the past had to make their product in a certified kitchen and obtain special licensing. Under the new law home producers can sell their product directly to consumers at farmers' markets, farm stands, roadside stands and other similar venues. As Cottage Food Operators, producers are responsible to assure their food is safe through best food handling and sanitation practices. In the event that a complaint filed of a food-borne illness is linked to food sold by a producer, the Michigan Department of Agriculture will investigate. The products allowed to be sold under this law must be non-potentially hazardous foods that do not require time and/or temperature control for safety. Examples of allowed products include: baked goods (such as cakes and cookies), jams, jellies, dry products (such as dehydrated fruit and herbs), popcorn, etc. Products such as canned vegetables, pickles and salsas are not allowed.

There are guidelines for items that fall under the 'allowable' list but currently there is no comprehensive list of what is allowed or disallowed. Under the law, cottage food producers may not exceed $15,000 in gross sales from their cottage food product. The product must have a label that indicates that it is "Made in a home kitchen not inspected by the Michigan Department of Agriculture," and lists ingredients in descending order of predominance by weight, identifies the net weight of the product, and lists potential allergens, for example, wheat, peanuts, or other nuts. Producers interested in selling items not allowed under the Michigan Cottage Food Law must acquire proper licensing from local municipalities and must produce their product in a certified commercial kitchen inspected by the MDA.

The Michigan Cottage Food Law is an amendment to the Michigan Food Law (Act 92 of 2000), and can be found in Sections 289.1105 [Definitions: H, I, and K (i)(ii)] and 289.4102 [Licensing]. The DFPC should take steps to gain greater clarification of allowed and disallowed items under the law, and educate the community about its implications for local food business development.

Change in Monthly Distribution of SNAP Benefits Started in 2011

In 2010, the Michigan Department of Agriculture made a change to the schedule of monthly distribution of SNAP (Supplemental Nutrition Assistance Program, formerly called the Food Stamp Program) benefits to participants. The change went into effect January 1, 2011.

Every month about 175,000 Detroiters rely on SNAP benefits to feed themselves and their families. Food assistance benefits are distributed electronically once a month to each Bridge Card holder's account. Previously, the monies arrived in a participant's account between the 3rd and the 10th of the month. Starting January 2011, most Bridge card users have seen changes in the dates when they receive their benefits; in fact,

most will see several changes between January and November 2011, when the changeover will be complete. By the end of the process, benefits will be distributed over the course of 19 days each month, from the 3rd through the 21st.

Issuance dates are being moved forward by one day per month for groups of clients over the course of the 11-month period. Depending on what the last digit of the Bridge Card user's recipient identification number is, the user may see no change (if the number ends in 0) or the user may see a 10-day change (if the number ends in 9). The Michigan Department of Human Services (DHS) will move forward the issuance dates one day per month until the process is complete.[31]

It is expected that spreading out the dates when food assistance dollars are issued will enable grocers to maintain an adequate and consistent produce inventory, provide more regular work schedules to employees, and encourage SNAP users to include more fresh foods in diets. DFPC should document SNAP-receiving households' experience with the transition and with food shopping following the changeover.

Michigan Right to Farm Act Hamstrings Urban Agriculture Policy Development in Cities

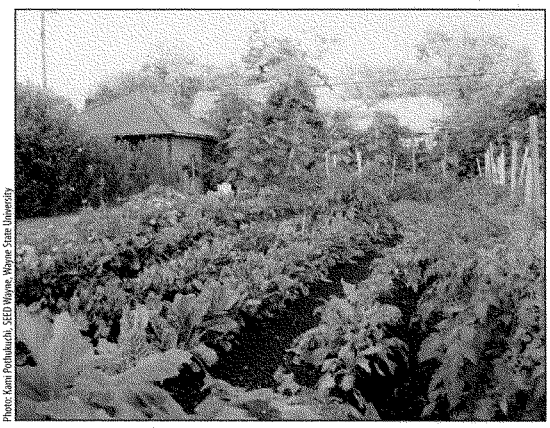


Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

The opinion that follows is authored by John Mogk, Professor of Law, Wayne State University. Originally titled, "Farms next to neighborhoods pose special problems only cities can address," the opinion was published by the *Detroit Free Press* on March 3, 2011.

Michigan's Right to Farm Act stands in the way of Detroit and other cities promoting urban agriculture. The act prohibits cities from enforcing local zoning ordinances to protect neighborhood residents from problems created by commercial farms.

In Detroit— where poverty, hunger, unemployment, low family income, malnutrition, neighborhood blight and vacant land are major challenges—urban farming can make a difference. But farms, even small ones, can pose neighborhood risks if they are not controlled properly for noise, odors, vermin, insects, pesticides, wastes and increased traffic.

Michigan cities are authorized to regulate all other residential, commercial and industrial businesses within their boundaries. Farming is the only exception and needs to be included.

How did this happen?

The Michigan Right to Farm Act was adopted in 1981 to protect farms from sprawling subdivisions gobbling up valuable farmland. At the time, new suburbanites in outlying areas were bringing suits against neighboring family farms for nuisance, thereby threatening these farms.

The act protects farmers by banning these suits if their farms comply with Michigan Commission of Agriculture standards, known as Generally Accepted Agricultural and Management Practices, (GAAMPs), or the farm didn't constitute a nuisance when the adjacent land was undeveloped.

In 2000, however, Michigan went further and banned city zoning of commercial farms, regardless of where they are located. This was an extraordinary intrusion into local governance, contrary to the "home rule"

[31] A DHS chart that shows all the scheduled date changes is available online at www.mibridges.michigan.gov/access.

The state Legislature needs to exempt Detroit from the Michigan Right to Farm Act or exclude all zoning in Michigan cities applied to new commercial gardens and farms within city limits, so that locally controlled agriculture can flourish in the interest of urban revitalization.

tradition of Michigan. The idea remained to protect those old family farms in areas where outlying suburbs had effectively become new cities, but the amended act has far broader consequences, because it can apply to all urban areas.

Under the act, the "commercial production of farm products" within Detroit cannot be regulated by Detroit city zoning to protect neighborhood residents. It is regulated, instead, by GAAMP standards of the Commission, which are designed to protect farms against suits by neighbors.

Cities may request a modification of GAAMP standards, but granting it is solely within the Commission's discretion. It may only grant exceptions for adverse effects on the environment or public health, but not for odor, noise, appearances, reduced property values and land use conflicts.

Proponents argue improbably that the Commission can prepare an "urban GAAMP" to address city concerns. This begs the question of whose interests will prevail when farming operations move to the city and conflict with city residents. In a rural setting, the act appropriately prefers farmers. In urban areas, it is unlikely that the pro-farming Commission will protect city residents first.

Detroit's mayor and City Council were not elected to relinquish control of the city's neighborhoods. The state Legislature needs to exempt Detroit from the Michigan Right to Farm Act or exclude all zoning in Michigan cities applied to new commercial gardens and farms within city limits, so that locally controlled agriculture can flourish in the interest of urban revitalization.

The Child Nutrition Reauthorization (Healthy, Hunger-Free Kids Act of 2010)

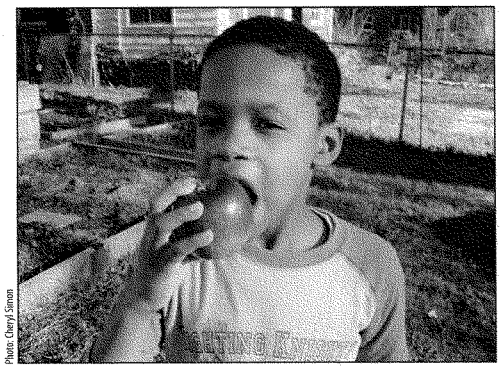


Photo: Cheryl Simon

More than three out of four students in Detroit Public Schools (and likely a similar proportion of students in local charter schools) eat a free or reduced-price lunch at school; many get a free breakfast in the classroom, and some even take supper at school.

The School Breakfast Program and National School Lunch Program are permanently funded by the federal government. However, The Child Nutrition Act, which helps fund programs such as the Summer Food Service Program and Child and Adult Care Food Program, among others, must be renewed every five years. The Healthy, Hunger-Free Kids Act, also known as the Child Nutrition Reauthorization (CNR), was signed into law on December 13, 2010.

The Healthy, Hunger-Free Kids Act takes several steps forward to ensure that low-income children can participate in nutrition programs and receive the meals they need. For Michigan, the following highlights are especially relevant:[52]

- Support for strategies to reduce red tape in helping children obtain school meals.
- Grants to establish or expand school breakfast programs, with priority going to schools with 75 percent free and reduced-price eligible students.
- $5 million annually in mandatory funding for farm-to-school programs starting October 1, 2012.
- Support for actions to allow more community sites and encourage greater SFSP participation, including by requiring school food authorities to coordinate with Summer Food sponsors on developing and distributing Summer Food outreach materials.
- State WIC agencies now have the option to certify children for up to one year (In Michigan, children are certified for 6 months requiring more frequent visits to WIC clinics for certification).

- Improvement of area eligibility rules so more family child care homes can use the CACFP program.
- Enhancement of nutritional quality of food served in school-based and preschool settings by, among other things, ensuring that water is available free of charge during meal service; allowing only lower-fat options to be served; and requiring schools to provide opportunities for public input, transparency, and an implementation plan in Local School Wellness Policies.
- Making "competitive foods" offered or sold in schools more nutritious.
- Requiring agreements with states to make clear the expectation that the federal funds provided to operate the Child Nutrition Programs (CNR) be fully utilized for that purpose and that such funds be excluded from state budget restrictions or limitations, including hiring freezes, work furloughs and travel restrictions.

Photo: Cheryl Simon

Although only 10 percent of lunches served in the DPS are of the "paid" kind, it is of special concern that the CNR also requires school districts to gradually increase their "paid" lunch charges until the revenue per lunch matches the federal free reimbursement level. Another concern relates to the cuts in SNAP funding to finance some improvements under CNR; read below for details.

SNAP Benefit Cuts Coming

Recent cuts to SNAP benefits have occurred as a way to "pay for" added expenditures in other programs.[33] We believe that there are better ways to fund the nation's priorities than by cutting benefits for the hungriest people in the country.

Recent cuts to SNAP benefits have occurred as a way to "pay for" added expenditures in other programs. Due to these cuts, the SNAP benefits increase will terminate in 2013, two years earlier than originally scheduled.

In August 2010, Congress passed the "FMAP" Act (technically, the Federal Medical Assistance Percentage bill, with amendments), which includes aid to states and funding for teachers' salaries and FMAP (Medicaid). This Act reduces SNAP benefits to generate $11.9 billion to pay for items added to the bill. It does that by ending the Stimulus Bill's increased SNAP monthly benefits in April 2014.

Another cut to SNAP benefits was included in the Child Nutrition Reauthorization passed in December 2010. This moves the SNAP benefits increase termination date forward to November 2013. The passage of the Act was accompanied, however, by the commitment of the President to work with Congressional leaders to fix the SNAP cuts included to pay for some of the child nutrition improvements.

The Farm Bill: 2008 Highlights and 2012 Prospects

The five-year, $289 billion US farm bill expanded public nutrition, land stewardship and biofuels programs by a combined $15.6 billion over 10 years. Highlights include the following:

- Increasing public nutrition programs by $10.3 billion over 10 years, including $7.9 billion for SNAP, $1.25 billion for donations to food banks through The Emergency Food Assistance Program and $1.05 billion for the Fresh Fruit and Vegetable Program (which provides school snacks). Some people saw increases in SNAP benefits due to changes in eligibility criteria.
- Denying supports to people with more than $500,000 adjusted gross income and denying "direct" payments to people with more than $750,000 in farm income, and restricting eligibility for land stewardship payments for people above $1 million in adjusted gross income.

[32] This section is excerpted from FRAC's website: http://frac.org/highlights-healthy-hunger-free-kids-act-of-2010/

[33] Source: http://frac.org/leg-act-center/updates-on-snapfood-stamp-cuts/

The top three priorities emerging from [Farm Bill listening] sessions were developing local food infrastructure, linking SNAP to local and healthy foods, and increasing healthy food access in underserved areas.

- Increasing subsidy rates for wheat, soybeans and some smaller-acreage crops.
- Creating new funding for specialty crops (including fruits and vegetables) of $1.3 billion over 10 years, and expanding the Specialty Crop Block Grant Program by $466 million over 10 years to incentivize production and marketing of fruits, vegetables, nuts, and nursery crops.

2012 Farm Bill Reauthorization Organizing Update

Between October 2010 and March 2011, the Community Food Security Coalition organized a series of Farm Bill listening sessions involving more than 700 people and 18 partner organizations across the country. In addition to conducting a webinar,[34] in-person listening sessions were held in 11 cities across the country.

The top three priorities emerging from these sessions were developing local food infrastructure, linking SNAP to local and healthy foods, and increasing healthy food access in underserved areas. Additionally, supporting urban/community-based agriculture, community food projects, and beginning and socially disadvantaged farmers were selected as priorities in three or more sessions.

Specifically, increasing SNAP benefits remains a focus for anti-hunger and anti-poverty advocates engaged in these dialogues. Other issues that were a top priority in at least one session included addressing corporate concentration, commodity reform, and social justice for farmers, ranchers, food system workers and consumers.

Actions Needed

The DFPC should:

- Continue to track the local food economy, including current capacity for agriculture, manufacturing, wholesale, and retail, and potential for expansion in each sector, and assemble qualitative information on the nature of jobs, wages and work conditions, opportunities for career advancement, and entrepreneurship development, with special attention to opportunities for local residents and people of color.
- Assess full-service grocery stores for the extent to which they serve the community through ongoing access to healthy, affordable, and culturally appropriate foods, and also for factors that support and challenge them. Work to ensure that stores that accept WIC benefits comply with state rules, especially carrying fresh fruits and vegetables as required.
- Support programs that seek to increase access to healthy foods in neighborhoods through grocery stores as well as non-traditional channels such as farm stands, corner stores, and food cooperatives and buying clubs. Explore the possibility of developing incentive programs tied to licensing approvals that lead to increased store offerings of fresh and healthy foods.
- Survey local food system entities (manufacturers, wholesale and retail distributors, and stores of different types and scales of operation), and institutions and households for food system components of their waste streams. Assess the feasibility of diversion from this waste stream to composting and recycling programs.
- Work to obtain up-to-date information for all major federal nutrition programs on the extent of participation by Detroit residents, rates of participation, and dollar value of benefits. Identify and collaborate with appropriate community partners to increase participation in all nutrition programs for which Detroiters qualify, such as SNAP, WIC, free and reduced-price school lunches and breakfasts, and other child nutrition programs.
- Continue to build synergies between community-based efforts and those led by educational and health institutions related to local food and agricultural systems. Leverage existing nutrition program funding to create benefits for local food systems, such as through farm-to-school programs and the Double Up Food Bucks.

[34] http://foodsecurity.org/policy.html#materials. To participate in these and related policy discussions, you may subscribe to COMFOOD, Community Food Security Coalition's listserv by browsing www.foodsecurity.org.

Section 4:

The Alternative Food System: Innovative Community Food Programs

Photo: Northwest Detroit Farmers' Market

DETROIT IS HOME TO A NUMBER OF COMMUNITY-BASED INITIATIVES to create a sustainable and just food system and repair the gaps in the conventional food system. Initiatives range from urban agriculture networks of different kinds that train young people and adults to grow and sell food within neighborhoods; efforts to increase the number of neighborhood-based full-service food stores and farmers' markets; dialogues to engage community members in conversations about racism in the food system and how to undo it; to work groups engaged in community-based food planning and policy development. They involve many stakeholders from all sectors of the community—private, nonprofit, and public, and represent many fields such as education, health, economy, real estate, and others—in complex and ever-widening webs of partnerships.

What follows is an initial attempt to provide a systematic account of these initiatives. Of course, it falls short of being a comprehensive report or even a complete one for the initiatives identified. There are many reasons for this. First, a decision had to be made about the cut-off date for new initiatives to be listed. Since

Detroit is home to a number of community-based initiatives to create a sustainable and just food system and repair the gaps in the conventional food system.

Photo: JimWestPhoto.com

High school students work in a garden at the Catherine Ferguson Academy, a Detroit public school.

the baseline year is 2009, programs that were up and running in 2009 are included, although specific data for 2010 for these programs are included wherever available. Second, programs were sought to be included in two key categories: one, those that increase access to fresh and healthy foods (especially locally produced) in low-income neighborhoods, and two, those that link food system activities—such as production, distribution, retail, etc.—with key community goals —such as education, health, employment and entrepreneurship, economic vitality, etc. More information was available about the first part than about the second and the following table reflects this disparity. Last, all information provided here is based on self-reports by leaders of initiatives. No attempt was made to verify the data provided. Getting even this information was not without challenges because some organizations do not themselves systematically collect and keep data of interest to this report or have been unable to share information in time for publication.

Hence this first report should be seen more as a first cut at documenting the work to repair the city's food system and build a more just and sustainable one, rather than as a comprehensive compilation of efforts or their assessment.

More support and coordination is needed for... the development of an urban agriculture policy for Detroit and a response to proposed school closures so that school-based gardens and farm-to-school programs and other related activities continue to benefit neighborhoods.

Actions Needed

Programs of the kind reported here need to be documented more systematically and comprehensively so as to develop baseline levels so that future growth of the community-based food system can be tracked, and successes and challenges acted on. The DFPC should take the lead in devising templates to assist organizations to easily collect and share data of interest to community and policy audiences.

More support and coordination is needed for efforts that have experienced challenges over the last couple of years. These include, for example, the development of an urban agriculture policy for Detroit and a response to proposed school closures so that school-based gardens and farm-to-school programs and continue to benefit neighborhoods.

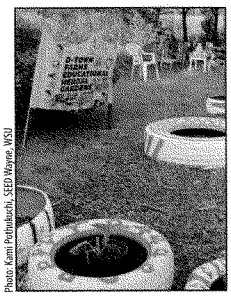


Photo: Kami Pettiskuch, SEED Wayne, WSU

Program Name, Year Started; Contact Information	Geography and Target Population	Program Details, 2010 Outputs if Available
Urban Agriculture Initiatives		
Garden Resource Program Collaborative, Greening of Detroit (lead organization), 2003 Detroit Contact: Lindsay Turpin lindsay_detroitagriculture@yahoo.com www.detroitagriculture.org	Detroit, Hamtramck, Highland Park • Backyard gardeners • School gardens and nutrition programs • Community gardens and neighborhood networks • Market gardeners/farmers	The Garden Resource Program Collaborative (GRPC), in which The Greening of Detroit is a lead partner, provides support for urban gardens and farms in Detroit, Hamtramck and Highland Park. The other partners are Earthworks Urban Farm, Michigan State University Extension, and the Detroit Agriculture Network. In 2010: • 5,035 adults and 10,422 youth participated in 1,234 vegetable gardens; • Gardeners grew 73 varieties of fruits and vegetables (over 160 tons) in 328 community, 39 market, 63 school and 804 family gardens; • The Detroit Urban Garden Education Series offered 55 workshops. 796 adults attended classes on topics including basic gardening, cooking, season extension and food preservation.
D-Town Farm, Detroit Black Community Food Security Network (DBCFSN), 2007 Contact: Malik Yakini myakini@aol.com detroitblackfoodsecurity.org	Detroit • Members of DBCFSN, volunteers	The 2-acre farm (with a proposed expansion to a total of 7 acres) is located in Rouge Park on the city's west side. The farm produces a variety of vegetables, herbs, flowers, and also mushrooms, berries and honey. Produce from the D-Town farm is sold at several farmers markets, including Eastern Market and the Wayne State University Farmers Market. D-Town Farm also involves youth in urban agriculture and social justice activities (see also Workforce Development section, page 65).
Earthworks Urban Farm, Capuchin Soup Kitchen (CSK), 1998 Contact: Patrick Crouch mcrouch@cskdetroit.org www.cskdetroit.org/EWG	• Eastside • Detroit region • Residents of near-east-side neighborhood around CSK • Gardeners participating in GRPC • Regional participants with interests in food security and sustainable and just food systems	In 2010, Earthworks Urban Farm: • Produced more than 7,000 pounds of food on 7 sites totaling more than 2 acres, primarily for the Capuchin Soup Kitchen; • Produced transplants for the Garden Resource Program Collaborative; • Offered training workshops in basic and advanced urban agriculture—graduated 8 interns from entrepreneurial Earthworks Agricultural Training or EAT program; • Involved 15 youth in Growing Healthy Kids (involving youth, ages 5-11); • Involved 12 youth participating in the Youth Farm Stand Project (ages 12-17); • Involved more than 6,000 volunteer hours in activities; • Composted more than 300,000 lbs of wastes, thereby diverting them from landfills or the incinerator.
Urban Farming, 2004 Contact: Gail Carr gc@urbanfarming.org www.urbanfarming.org	Metro Detroit • Residents, students, adults, seniors and families including those who are at risk or suffer from food insecurity	In 2010, in metro Detroit, Urban Farming planted and facilitated: • An equivalent of 1,255 gardens including: 1,061 community gardens and educational and entrepreneurial gardens at partner sites, based on a 20' by 20' garden size, covering 9.74 acres on 42 sites, and 194 residential gardens; • Involved 15,748 youth volunteers and 4,430 adult and senior volunteers; • Donated approximately 104.4 tons to feed an estimated 208,800 people.

Program Name, Year Started; Contact Information	Geography and Target Population	Program Details, 2010 Outputs if Available
Urban Agriculture Initiatives		
Georgia Street Community Collective, 2008 Contact: Mark Covington Cub5578@yahoo.com (313) 452-0684 georgiastreetgarden.blogspot.com	Detroit's Eastside	The Georgia Street Community Collective promotes the health of neighborhood residents and the neighborhood as a whole, with particular emphasis on developing related youth leadership, by maintaining the Georgia Street Community Garden and the Georgia Street Community Center/Library. GSCC operates 3 community gardens with volunteers and more than 35 youth from the neighborhood. Harvests are shared with community members.
SEED Wayne/ WSU Gardens, 2008 Contact: Kami Pothukuchi k.pothukuchi@wayne.edu www.clas.wayne.edu/seedwayne	WSU Campus • WSU students, employees, alumni/ae	3 campus gardens with aggregate production area of approx. 1,224 square feet, including season extension, involving 30 students and 3 staff members. More than 200 pounds were donated to food assistance programs in 2010.
Urban Agriculture Community Outreach and Networking		
Detroit Agriculture Network (DAN), 1997 Contact: Ashley Atkinson aatkinso@umich.edu	Detroit, Highland Park & Hamtramck	DAN is a key partner of the Garden Resource Program Collaborative. It hosts annual citywide urban agriculture outreach events, including the Detroit Urban Garden and Farm Tour, annual GRP planning meeting, and GRP Summer Fest. It publishes quarterly newsletter, *Detroit Farmers' Quarterly* In 2010, approximately 600 participants attended the Detroit Urban Garden and Farm Tour.
Great Lakes Bioneers Detroit (GLBD), 2005 Contact: Gloria Rivera, IHM info@glbd.org www.glbd.org	Southeastern Michigan	GLBD promotes collaboration and networking among SE Michigan individuals and organizations working on sustainability and eco-justice issues, including urban agriculture. Each year in October GLBD organizes a conference with workshops led by community-based experts in conjunction with the national Bioneers conference, through which they feature national plenary speakers. Community food justice and urban agriculture issues are regular features of this conference. GLBD also offers additional programs and/or collaborates with others in their programming efforts throughout the year.
See also entries related to The Greening of Detroit, Urban Farming, Detroit Black Community Food Security Network		
Community Food Retail		
Green Grocer Project, Detroit Economic Growth Corporation, 2010 Contact: Sarah Fleming sfleming@degc.org www.greengrocerproject.com	City of Detroit • Full-service grocery stores, including existing and proposed stores.	The Green Grocer Project provides three key areas of assistance to Detroit's grocery community: 1) Technical assistance to address operational issues including: product handling and management, merchandising, marketing, store design, supplier relations, market intelligence, energy efficiency, accounting and bookkeeping, and customer service; 2) Grocer clearinghouse services to expedite permit application review and connect grocers to financial and operational resources; 3) Financing program designed to provide low-interest, flexible loans not available from traditional lenders. As of December 2010, $90,000 in grants were awarded to three Detroit grocers, including one new grocery business.

Program Name, Year Started; Contact Information	Geography and Target Population	Program Details, 2010 Outputs if Available
Regional and Neighborhood Farmers' Markets and Mobile Markets[1]		
Eastern Market (Saturday retail market), founded early 1900s. Contact: Dan Carmody dcarmody@ detroiteasternmarket.com www.detroiteasternmarket.com	Detroit metro • Food shoppers • Regional farmers and food dealers	In 2010, Eastern Market averaged a total of 1,022,000 customers with seasonal attendance shown below: • 35,000 customers avg. each Saturday, or 665,000 total during peak season (May 1 through Labor Day); • 13,000 customers avg. each Saturday, or 273,000 total during shoulder seasons (Labor Day through Christmas; April); • 7,000 customers avg. each Saturday, or 84,000 total during off season (January through March). Estimated total sales: $78,000,000
Wayne State University Farmers Market, SEED Wayne, 2008 Contact: Kami Pothukuchi k.pothukuchi@wayne.edu www.clas.wayne.edu/seedwayne Wednesdays, 11 AM-4 PM Second week of June through last week of October, 5201 Cass Ave.	WSU Campus, Midtown	In 2010, the market's full second year featured: • 16 vendors; • 1,000 customers weekly; • Estimated sales: over $250,000; • SNAP Sales: $9,947 ($5,032 in 2009). (In 2009-10, SEED Wayne also offered a Thursday market at the WSU School of Medicine)
Northwest Detroit Farmers Market, Grandmont Rosedale Dev. Corp., 2006 Contact: Pam Weinstein pweinstein@grdc.org www.grdc.org/id36.html Thursdays 4-8 PM June through mid-October South parking lot of Bushnell Congregational Church, 15000 Southfield Service Drive (northbound)	Northwest Detroit: Grandmont Rosedale neighborhood and environs	In 2010, the market featured: • 15-20 vendors; • 300-400 customers weekly; • Estimated sales: $65,000; • SNAP sales: $6,430 ($2,870 in 2009).
Eastern Market Farm Stand Project, Eastern Market Corporation, 2009 Contact: Dan Carmody (see Eastern Market above)	Metro Detroit Detroit's Eastside	In 2010 the project featured: • Weekly and occasional markets at 40 locations Estimated sales: $20,000.
East Warren Avenue Farmers Market, 2008 Contact: Danielle North dnorth@warrenconner.org www.warrenconner.org/warrenconner/?page_id=544 Saturdays, 2nd Sat. of July through 1st Sat. of Oct. As of 2011: Mack and Alter in the Mack Alter Square (previously on Warren at Cadieux)	Detroit's Eastside	In 2010, the market featured: • 5 vendors; • approx 100 customers; • Estimated sales: $2000; • SNAP sales: $434.

[1] See Appendix A, page 67, for a complete list of neighborhood markets

Program Name, Year Started; Contact Information	Geography and Target Population	Program Details, 2010 Outputs if Available
Regional and Neighborhood Farmers' Markets and Mobile Markets[1]		
Windmill Market, 2009 Contact: Pam Samuel Psamuels06@yahoo.com Saturdays, 9 AM-2 PM, 15359 Stoepel (Lodge Service Drive, Livernois and Fenkell)	Livernois/Fenkell neighborhood	In 2010, the market featured: • 2 market days per week from June through November; • 1-5 vendors weekly; • Estimated weekly sales: $100-$200.
Peaches and Greens Mobile Market, Central Detroit Christian Community Development Corporation, 2008 Contact: Lisa Johanon, ljohanon@detcdc.org Year-round store location: 8838 Third Avenue (at Hazelwood) www.centraldetroitchristian.org/Peaches_and_Greens_Market.htm	Central Detroit (I-75 to East, Davison to North, W. Grand Blvd to South, and Dexter to West)	In 2010, the mobile market featured: • Produce sourced from Eastern Market district and Produce Terminal wholesale vendors; • Customers: 300-400; • Estimated sales: in summer $6,000-$7,000 monthly; in winter $3,000-4,000 monthly; • SNAP sales: approximately 50 percent of all sales are to SNAP customers.
Up South Produce Truck, 1999 Contact: Jocelyn Harris, (313) 821-2182 http://upsouthfoodsproducetruck.wordpress.com/	Jefferson-Chalmers and River (South of Jefferson) Neighborhoods	In 2010, the mobile market featured: • Multiple stops approximately 3 days a week; • Estimated weekly sales: $200; • Estimated weekly SNAP sales: $150.
Other Food Retail Initiatives (See also workforce/entrepreneurship development below)		
Double Up Food Bucks, Fair Food Network, 2009 Contact: Oran Hesterman ohesterman@fairfoodnetwork.org www.fairfoodnetwork.org	Select farmers' markets in Southeastern Michigan and Toledo	Double Up Food Bucks (DUFB) program provides greater access to fresh fruits and vegetables for low-income Michigan families by matching Bridge Card purchases at farmers markets, dollar-for-dollar, up to $20 per day per card, with DUFB tokens. In 2010, DUFBs were offered at 13 market sites in Detroit, Battle Creek, Ann Arbor, and Ypsilanti, Michigan, and two sites in Toledo, Ohio. In these markets, $111,585 in SNAP benefits were matched with $91,866 in DUFB tokens to buy fresh fruits and vegetables.
Grown in Detroit Cooperative, Greening of Detroit, 2006 Contact: Carmen Regalado carmen@greeningofdetroit.com www.detroitagriculture.org	Detroit, Hamtramck, Highland Park	In 2010, the Grown in Detroit Cooperative consisted of 70 gardens from the city, earned $52,473 during 79 market days at 5 local farmers' markets and sales to 21 wholesale and retail outlets, and sold fresh fruits and vegetables to approximately 12,000 customers.
Fresh Food Share, Gleaners Community Food Bank (lead organization), 2009 Contact: Alexis Bogdanova-Hanna abogdanovahanna@gcfb.org www.freshfoodshare.org	Detroit	Fresh Food Share is a project of the Green Ribbon Collaborative, a partnership between Gleaners Community Food Bank, Eastern Market Corp., Greening of Detroit, Fair Food Network, and Detroit Economic Growth Corp. Fresh food, purchased at wholesale prices from local farmers, is packed into individual boxes by volunteers and delivered to various community sites where members pick up boxes. Each box contains a variety of fruits and vegetables and a monthly newsletter with recipes and nutrition information. In 2010, the program featured: • 998 boxes containing 28,111 pounds of food; • Subsidized boxes: 559 large and 393 small; Unsubsidized: 34 large and 28 small; • Residents of the East Riverfront District pay $10 for small box or $17 for large box. All others pay $14 for small box and $24 for large.

Program Name, Year Started; Contact Information	Geography and Target Population	Program Details, 2010 Outputs if Available
Other Food Retail Initiatives (See also workforce/entrepreneurship development below)		
Detroit FRESH, The Healthy Corner Store Project, SEED Wayne, 2008 Contact: Kami Pothukuchi k.pothukuchi@wayne.edu www.clas.wayne.edu/detroitfresh	Detroit	Detroit FRESH seeks to improve access to fresh fruits and vegetables in underserved Detroit neighborhoods by increasing the capacity of corner stores to carry produce, connecting them with produce distributors, and conducting neighborhood outreach. As of December 2010, 18 stores participated.
Farm-to-Institution, Farm-to-School and Youth Nutrition Activities		
Healthy Food in Health Care Project, Ecology Center Contact: Hillary Bisnett hillary@ecocenter.org www.ecocenter.org	Metro Detroit	The Healthy Food in Health Care Program is a national campaign of Health Care Without Harm to help interested hospitals shift procurement practices toward more local, sustainably produced foods for their patients and staff. In 2009-10, the Ecology Center focused on three health systems/hospitals reported below. Together, they have more than 6,000 beds, nearly 55,000 staff, and provide 12.3 million meals a year. Progress made in 2009-2010 includes: **Henry Ford Health System** • System-wide signing of the Health Care Without Harm *Healthy Food Pledge*; • Changes to food service operations, including tracking of local, sustainable food procurement, currently at a conservative 9%; • A pilot CSA program at the administration building and a traveling farm stand at each hospital in partnership with Eastern Market. **Detroit Medical Center** • System-wide agreement to participate in the Michigan Health & Hospital Association's *Michigan Apples in Michigan Hospitals Campaign*; • Added recipes to its National Nutrition Month events in support of Balanced Menus. **St. John Providence Health System** • Purchases from local growers and vendors of about $2.3 million annually for produce and dairy products; • Providence Park Hospital serves patients and cafeteria patrons at least one vegetarian menu option during each meal.
Detroit Public Schools, Office of Food Services, 2009-10 Contact: Betti Wiggins bettiwiggins@gmail.com No website available for program	Detroit	In the 2009-10 school year, 22 Detroit public schools participated in the farm-to-school program. DPS sourced produce from D-Town Farm, Todosuick Farms, Jo Luellen and Associates, and others. Due to the need for increased labor for preparing fruits and vegetables, focus has shifted to minimally processed fresh foods in 2010-11. For data on school gardens, see Garden Resource Program Collaborative on page 59.
Catherine Ferguson Academy, (CFA), 1998 Contact: Asenath Andrews 313-596-4766 No website available for program	Detroit	CFA is a Detroit Public High School for pregnant and parenting teenagers that has offered practical agriscience, agribusiness, and home repair courses since 1994. Through these classes, a homeroom project called "Garden Days" and a summer school farm course, all CFA students are involved in the farm. The responsibilities of animal and plant care generate important hands-on lessons for the young parents who attend CFA, and a diversity of farm activities and lessons bring subjects such as math and art out of the classroom and onto the farm. CFA has a fall weekly market at the school and also sells its produce through the Grown in Detroit Cooperative.

Photo: Kami Pothukuchi, SEED Wayne, WSU

Detroit FRESH seeks to improve access to fresh fruits and vegetables in underserved neighborhoods in Detroit.

Program Name, Year Started; Contact Information	Target Population	Program Details, 2010 Outputs if Available
Farm-to-Institution, Farm-to-School and Youth Nutrition Activities		
Youth Growing Detroit (and other youth-focused nutrition education and gardening programs), Greening of Detroit Contact: Eitan Sussman, eitan@greeningofdetroit.com www.detroitagriculture.org	Detroit	The Greening of Detroit offers youth-focused nutrition education, gardening, and entrepreneurship programs. In 2010, this included: • In-school education programming and curriculum development with more than 3,100 youth at 67 schools; • Youth Growing Detroit, a food production and entrepreneurship initiative that worked with 111 youth. The Greening of Detroit also offers advanced training and education programs for adults, including Sweet on Detroit beekeeping program, Keep Growing Detroit season extension program, and technical assistance for advanced growers in the city.
Buying Clubs/Food Co-operatives		
Ujamaa Food Co-op, Detroit Black Community Food Security Network, 2008 Contact: Malik Yakini, myakini@aol.com detroitblackfoodsecurity.org	Detroit	The Ujamaa Food Co-op Food Buying Club is a program of the Detroit Black Community Food Security Network. Members of the club are able to purchase a wide variety of healthy foods, supplements, and household items at discounted prices. Every four weeks, members place orders through their vendor, United Natural Foods. Members can then pick up their orders from the club location at 3800 Puritan.
Food System Workforce/ Entrepreneurship Development		
COLORS Hospitality Opportunities for Workers Institute (CHOW Institute), Restaurant Opportunities Center of Michigan, (ROC-Michigan), 2008 Contact: Minsu Longiaru minsulongiaru@yahoo.com www.rocmichigan.org	Metro Detroit	The program seeks to help restaurants be profitable while promoting opportunities for workers to advance in the restaurant industry. ROC-MI is a partner of the Food Chain Workers Alliance, a coalition of worker-based organizations whose members plant, harvest, process, pack, transport, prepare, serve, and sell food, organizing to improve wages and working conditions for all workers along the food chain. The organization's work includes: public policy, grassroots organizing and leadership development, workforce development, and social enterprise. The COLORS Restaurant will open summer 2011 in downtown Detroit, a worker-owned restaurant that will house the C.H.O.W. job training program during the day as well as serve fresh, affordable, locally sourced cuisine that supports Detroit's growing and thriving urban agriculture movement.
Summer Youth Employment Program at D-Town Farm, Detroit Black Community Food Security Network, 2008 Contact: Malik Yakini, myakini@aol.com detroitblackfoodsecurity.org	Detroit	Youth ages 15-23, participate in D-Town Farm to farm, plant, irrigate, weed, harvest, participate at the Wayne State University Farmers Market, and conduct educational tours of the farm. Goals include to educate Detroit youth in farming using sustainable organic methods, and to provide employment opportunities during the summer months. Approximately 10-13 youth participate each year.

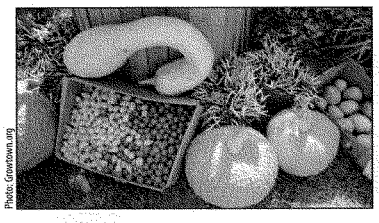


Photo: Growtown.org

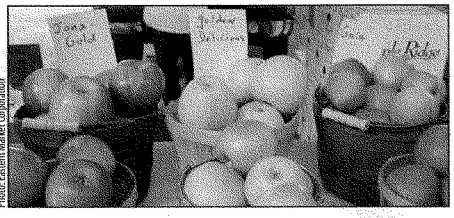
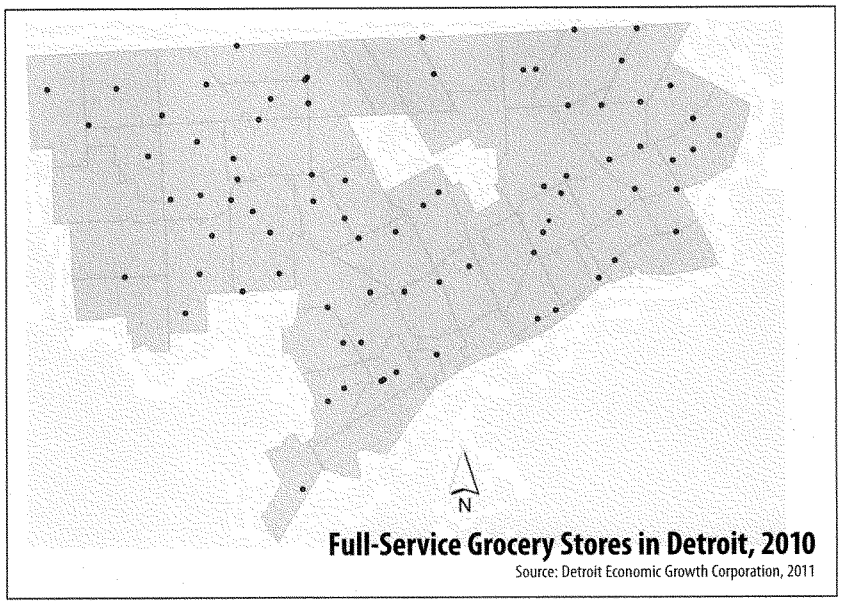


Photo: Eastern Market Corporation

Program Name, Year Started; Contact Information	Target Population	Program Details, 2010 Outputs if Available
Food System Workforce/ Entrepreneurship Development		
Entrepreneurial Agricultural Training (EAT) Program, Earthworks Urban Farm, 2009 Contact: Patrick Crouch mcrouch@cskdetroit.org www.cskdetroit.org/EWG/	Detroit, with particular emphasis on Eastside residents	Interns are trained in urban agriculture and market gardening, and to provide services to community gardens, build hoop houses, and increase agricultural activities in Detroit. In 2010, the program had eight graduates.
Greening of Detroit Adult and Youth Urban Agriculture Apprenticeship Program, 2006 Contact: Devin Foote devinfoote@gmail.com www.detroitagriculture.org	Detroit	Adult apprentices earn a stipend while training for 11 months with The Greening of Detroit's urban agriculture staff. The program emphasizes urban food production and includes community organizing and engagement, food system policy and planning, farm business planning, and garden and nutrition education. Youth apprentices are paid an hourly wage while working on one of the three farm sites operated by The Greening of Detroit.
Serving Hope Program Contact: Dave Theriault dave.theriault@yahoo.com www.facebook.com/pages/The-Sunday-Dinner-Company-Restaurant/140728515957435?sk=info	At-risk youth and returning citizens (aka ex-offenders); clients who are enrolled in the DRMM transitional housing and permanent housing programs	The MPRI-Sunday Dinner Company Restaurant works in collaboration with Goodwill Industries "Flip the Script" program which is a participant in the MPRI-Michigan Prisoners Re-entry Initiative and neighboring Detroit Public Schools and Prevailing CDC. Community activities and goals include: • Engage our youth in positive business activities within the food services industry; • Provide a second chance to returning citizens; • Provide food services to Detroit's homeless community; • Business-to-Business collaboration within local food systems; • Promote a positive and uplifting image of Detroit to anyone watching, reading or listening; • Re-build Detroit from within and using grass roots tactics.
Cornerstone Bistro, Highland Park, Detroit Rescue Mission Ministries, 2010 Contact:Karen Love info@drmm.org www.drmm.org/cornerstone-bistro.php	Clients who are enrolled in the DRMM transitional housing and permanent housing programs	Program provides food service and culinary arts training for participants.

Program Name, Year Started; Contact Information	Target Population	Program Details, 2010 Outputs if Available
Food Justice Organizing		
Undoing Racism in the Food System, 2009 Contact: Billie Hickey billiehickey@yahoo.com	Interested participants of all races	'Undoing Racism in the Detroit Food System' is an informal group that started out of a workshop entitled "Race, Food and Resistance" held at the Great Lakes Bioneers Detroit Conference in October 2009. The group's goal is to help create food justice and food security in our city, as part of a larger struggle for social justice. Racism, in particular, stands as a major impediment to freedom, justice and equality. • The group's leadership consists of nine volunteers who facilitate monthly meetings. • More than 200 people have participated in small and large discussion groups to analyze racism in Detroit's food system and develop strategies to dismantle it. • A two-day anti-racism training was held in March 2010; report is available from Billie Hickey. • Three Caucasian study groups and an African-American study group and a people of color study group each meet monthly to develop understanding and strategies particular to their groups.
Food Policy Organizing and Development		
Detroit Food and Fitness Collaborative, 2007 Contact: Nikita Buckhoy nikita@cityconnectdetroit.org detroitfoodandfitness.com	Detroit	Detroit Food & Fitness Collaborative (DFFC), part of a national initiative funded by the W.K. Kellogg Foundation, is a group of 65 individuals, representing more than 35 organizations, developing ways to ensure that all residents in Detroit—especially the most vulnerable children—have access to affordable, healthy locally grown food, and opportunities to be physically active. Detroit Food & Fitness Collaborative has three work groups, each with a different focus on creating a healthier Detroit. Activities of the work groups support systems and policy change while making immediate and tangible differences in the lives of Detroiters. The Work Groups are The Built Environment/Physical Activity Work Group, The Food Systems Work Group and The Schools Work Group.
Urban Agriculture Work Group, City of Detroit Planning Commission, 2009 Contact: Kathryn Lynch Underwood kathrynl@detroitmi.gov	Detroit	The Urban Agriculture Work Group studied examples of urban agriculture zoning in cities nationwide, sought input from community-based gardeners and farmers and other experts, and developed a draft policy. In 2010 efforts of the group centered around understanding the implications of Michigan's Right to Farm Act for urban agriculture policy development, related consultations, and internal deliberations.

Appendix A: Full-Service Grocery Stores in Detroit



Below is a list of full-service grocery stores in 2010, identified by a Social Compact analysis commissioned by the Detroit Economic Growth Corporation. A full-service store is defined as carrying a range of items in all major categories of food sales: fresh fruits and vegetables, juices, dairy and eggs, meat, baked goods, and dry goods such as canned and packaged foods. This list is included to help foster community discussion on grocery stores in Detroit. Inclusion in the report does not constitute an endorsement of the stores by the Detroit Food Policy Council.

	Store Name	Address	Zip
1	Aldi Food Store	15415 Gratiot Ave	48205
2	Aldi Food Store	14708 Mack Ave	48215
3	Americana Foods	15041 Plymouth Rd	48227
4	Apollo Supermarket	20250 W 7 Mile Rd	48219
5	Atlas Market	2645 W Davison	48238
6	Azteca Supermercado	2411 Central St	48209
7	Banner Supermarket	14424 Schaefer Hwy	48227
8	Big Bear	15200 E Warren Ave	48224
9	Del Point Food Center	16700 Harper Ave	48224

	Store Name	Address	Zip
10	E & L Meat & Grocery	6000 W Vernor Hwy	48209
11	Fairline Food Center	16520 W Warren Ave	48228
12	Family Fair Food Center	700 Chene St	48207
13	Family Food Super Store	8665 Rosa Parks Blvd	48206
14	Farmer John Supermarket	9731 Harper Ave	48213
15	Farmers Best Market	18246 Wyoming St	48221
16	Food 4 Less Supermarket	14020 Grand River Ave	48227
17	Food Express Market	9911 E Jefferson Ave	48214
18	Food Farm Market	11550 Dexter Ave	48206
19	Food Giant	14040 Greenfield Rd	48227
20	Food Pride	500 E Warren Ave	48201
21	Food Town Supermarket	7811 Gratiot Ave	48213
22	Gigante Prince Valley	5931 Michigan Ave	48210
23	Glory Supermarket	12230 E 8 Mile Rd	48205
24	Glory Supermarket	19150 Telegraph Rd	48219
25	Glory Supermarket	8000 W Outer Dr	48235
26	Grand Price Market	12955 Grand River Ave	48227
27	Greenfield Supermarket	15530 Puritan St	48227
28	Harbortown Market	3472 E Jefferson Ave	48207
29	Harper Food Center	13999 Harper Ave	48213
30	Honey Bee La Colmena	2443 Bagley St	48216
31	Imperial Super Store	1940 E 8 Mile Rd	48234
32	Indian Village Market	8415 E Jefferson Ave	48214
33	Jerrys Food Center	13433 W 8 Mile Rd	48235
34	Joy Thrifty Scot Market	3431 Joy Rd	48206
35	King Cole Foods	40 Clairmount St	48202
36	Kit Kat Market	8330 Harper Ave	48213
37	La Fiesta Market	4645 W Vernor Hwy	48209
38	La Guadalupana El Mercad	6680 Michigan Ave	48210
39	Lances Hometown Market	8656 Wyoming St	48204
40	Liberty Foods	10620 W Mcnichols Rd	48221
41	Livernois Supermarket	13230 Livernois Ave	48238
42	Luckys Market	17241 E Warren Ave	48224
43	Mazens	12740 Gratiot Ave	48205
44	Metro Food Center	6461 W Warren Ave	48210

	Store Name	Address	Zip
45	Metro Foodland Market	18551 Grand River Ave	48223
46	Mikes Fresh Market	14383 Gratiot Ave	48205
47	Mikes Fresh Market	19195 Livernois Ave	48221
48	Morang Supermarket	12055 Morang Dr	48224
49	Motor City Market Place	11205 Mack Ave	48214
50	Motown Market	1737 W Grand Blvd	48208
51	New Merchant Food Center	2819 E 7 Mile Rd	48234
52	New Redford Foods	21673 Grand River Ave	48219
53	Oakland Food Center	9400 Oakland St	48211
54	Parkway Foods	13210 E Jefferson Ave	48215
55	Pick & Save Market	7404 E 7 Mile Rd	48234
56	Public Foods	16226 E Warren Ave	48224
57	Ryans Foods	5858 W Vernor Hwy	48209
58	Saturn Super Foods	20221 Joy Rd	48228
59	Save A Lot	4703 Conner St	48215
60	Save A Lot	15001 Houston Whittier St	48205
61	Save A Lot	3681 Gratiot Ave	48207
62	Save A Lot	13750 Fenkell St	48227
63	Save A Lot	8000 Schaefer Hwy	48228
64	Save A Lot	5181 Grand River Ave	48208
65	Save A Lot	2545 S Schaefer Hwy	48217
66	Save Mart	7011 Gratiot Ave	48207
67	Savon Foods	15025 W 7 Mile Rd	48235
68	Savon Foods Super Store	18000 Livernois Ave	48221
69	Seven Mile Food	8139 E 7 Mile Rd	48234
70	Seven Star Food Center	11500 E McNichols Rd	48205
71	Shop A Lot	10320 Plymouth Rd	48204
72	Super Fair Foods	7009 W 7 Mile Rd	48221
73	Super Giant Super Market	8830 Gratiot Ave	48213
74	Superland Market	17021 Schoolcraft St	48227
75	Thrifty Scot Supermarket	12021 Harper Ave	48213
76	US Quality Food Center	15690 Joy Rd	48228
77	University Foods	1131 W Warren Ave	48201
78	Valu Save Food Center	14470 Livernois Ave	48238
79	Vernor Food Center	8801 W Vernor Hwy	48209

Photo: Northwest Detroit Farmers' Market

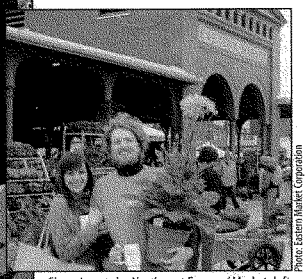


Photo: Eastern Market Corporation

Shopping at the Northwest Farmers' Market, left, and Eastern Market, above.

Appendix B: Neighborhood Farmers' Markets, 2010

Farmers Markets	Location	Day	Time	Season Ending	Bridge Card	Double Up Food Bucks
Saturday Market at Eastern Market	2934 Russell	Saturday	5am - 5pm	Year-round	Yes	Yes
East Warren Avenue Farmers' Market	Bishop and East Warren[2]	Saturday	10am - 4pm	1st Sat. in Oct	Yes	Yes
Northwest Detroit Farmers' Market	15000 Southfield	Thursday	4pm - 8pm	10/14/2010	Yes	Yes
Wayne State Wednesday Farmers' Market	5201 Cass Avenue	Wednesday	11am - 4pm	10/27/2010	Yes	Yes
Wayne State School of Medicine Market[3]	Between Scott Hall and Detroit Receiving Hospital- off St. Antoine	3rd Thursday	11am - 4pm	10/27/2010	Yes	Yes
Windmill Market	Lodge Service Drive, Livernois and Fenkell	Saturday Wednesday	9am - 2pm 4pm - 7pm	November	Yes	No
New Center Park	West Grand Blvd @ Second	Sunday	9am - 2pm	9/30/2010	No	No
Mack-East Grand Boulevard Farmers' Market	Mack and East Grand Blvd.	Thursday	4pm - 7pm	9/30/2010	Yes	No

[2] Starting 2011, this market's location is changed to Mack and Alter.

[3] This market is not offered in 2011.

Appendix C: *Michigan Citizen* articles by DFPC members

DFPC members contributed a number of articles to *The Michigan Citizen* newspaper since we first convened. Most are available on the internet, web addresses are indicated alongside the article. All articles may be obtained from newspaper archives which are available at the Detroit Public Library.

April 4, 2010 — Malik Yakini
Food is Life
http://michigancitizen.com/food-is-life-p8508-77.htm

April 18, 2010 — Phil Jones
"A Thousand Words"
http://michigancitizen.com/a-thousand-words-p8531-77.htm

April 25, 2010 — Kami Pothukuchi
Local universities as partners in sustainable food systems
http://michigancitizen.com/local-universities-as-partners-in-sustainable-food-systems-p8553-77.htm

May 2, 2010 — Dan Carmody
Better access to fresh, healthy food
http://michigancitizen.com/better-access-to-fresh-healthy-food-p8579-77.htm

May 30, 2010 — Charles Walker
Food binds us together
http://michigancitizen.com/food-binds-us-together-p8675-77.htm

June 6, 2010 — DeWayne Wells
Summer vacation from hunger
http://michigancitizen.com/summer-vacation-from-hunger-p8689-74.htm

June 13, 2010 — Bill Ridella
Summer Food Service Program: Health Department continues to provide food for vacationing youth
http://michigancitizen.com/summer-food-service-program-p8725-77.htm

June 20, 2010 — Minsu Longiaru
What is the real cost of food on our tables?
http://michigancitizen.com/what-is-the-real-cost-of-food-on-our-tables-p8750-77.htm

June 27, 2010 — Pam Weinstein
Local Markets: More than financial vitality
http://michigancitizen.com/local-markets-more-than-financial-vitality-p8773-77.htm

July 11, 2010 — Ashley Atkinson
Tour reveals the heart of Detroit's resilient local food system
http://michigancitizen.com/tour-reveals-the-heart-of-detroits-resilient-local-food-system-p8811-77.htm

August 1, 2010 — Kathryn Underwood
From Kitchen to Community…Kitchen!

August 8, 2010 — Malik Yakini
Four strategies to build food security in Detroit's 'African American' Community
http://michigancitizen.com/four-strategies-to-build-food-security-in-detroits-african-american-comm-p8884-77.htm

August 15, 2010 — Fair Food Network
More greens for your "green"
http://michigancitizen.com/more-greens-for-your-green-p8900-74.htm

August 22, 2010 — Charity Hicks
Fighting for food, water and a better quality of life
http://michigancitizen.com/fighting-for-food-water-and-a-better-quality-of-life-p8928-77.htm

August 29, 2010 — Dan Carmody
Rethinking the monopoly on our food chain
http://michigancitizen.com/rethinking-the-monopoly-on-our-food-chain-p8953-77.htm

September 5, 2010 — Kami Pothukuchi
Reimagining neighborhood stores, starting with produce
http://michigancitizen.com/reimagining-neighborhood-stores-starting-with-produce-p8979-77.htm

September 12, 2010 — Phil Jones
Food–A Family Affair

September 19, 2010 — Marilyn Nefer Ra Barber
Bring back the table
http://michigancitizen.com/bring-back-the-table-p9024-77.htm

October 3, 2010 — Olga S. Stella
Good grocery stores critical to Detroit's success
http://michigancitizen.com/good-grocery-stores-critical-to-detroits-success-p9087-77.htm

October 24, 2010 — Kami Pothukuchi
To support sustainable urban agriculture, Detroit needs exemption from Michigan's Right to Farm Law
http://michigancitizen.com/to-support-sustainable-urban-agriculture-detroit-needs-exemption-from-mic-p9230-77.htm

October 31, 2010 — Malik Yakini
Undoing racism in the Detroit food system
http://michigancitizen.com/undoing-racism-in-the-detroit-food-system-p9163-77.htm

November 7, 2010 — Phil Jones
You say tomato…

November 14, 2010 — Kami Pothukuchi
Wayne State Farmers Markets grow appreciation for local food
http://michigancitizen.com/wayne-state-farmers-markets-grow-appreciation-for-local-food-p9208-77.htm

Photo: Kami Pothukuchi, SEED Wayne, Wayne State University

November 28, 2010 Minsu Longiaru
Nearly 90% of restaurant workers do not receive paid sick days
http://michigancitizen.com/nearly-of-restaurant-workers-do-not-receive-paid-sick-days-p9257-77.htm

December 5, 2010 Charles Walker
Looking for the big box
http://michigancitizen.com/looking-for-the-big-box-p9280-77.htm

December 12, 2010 Malik Yakini
Reflections on the Black Farmers and Urban Gardeners Conference. Brooklyn, New York, November 19-21, 2010
http://michigancitizen.com/reflections-on-the-black-farmers-and-urban-gardeners-conference-p9306-77.htm

December 19, 2010 Charity Hicks
Linking Detroit to national and international food movements
http://michigancitizen.com/linking-detroit-to-national-and-international-food-movements-p9327-77.htm

December 26, 2010 Phil Jones
Celebrating Detroit food
http://michigancitizen.com/celebrating-detroit-food-p9339-77.htm

January 2, 2011 W. DeWayne Wells
The real face of food insecurity
http://michigancitizen.com/the-real-face-of-food-insecurity-p9361-77.htm

January 9, 2011 Marilyn Nefer Ra Barber
Dessert anyone?
http://michigancitizen.com/dessert-anyone-p9378-77.htm

January 16, 2011 Pam Weinstein
SNAP Benefits–Change is coming
http://michigancitizen.com/snap-benefits-change-is-coming-9396-77.htm

January 23, 2011 Anntinette McCain
School Health Teams–
One way to improve the life of Detroit youth
http://michigancitizen.com/school-health-teams-one-way-to-improve-the-life-of-detroit-youth-p9422-77.htm

January 30, 2011 Olga S. Stella
Detroit Grocery Store to Promote Healthy Choices
http://michigancitizen.com/detroit-grocery-store-to-promote-healthy-choices-p9454-77.htm

February 6, 2011 Cheryl A. Simon
Food Security, Food Access, Food Justice: What Can I Do?
http://michigancitizen.com/food-security-food-access-food-justice-p9702-77.htm

February 13, 2011 Dan Carmody
George Washington Carver's Legacy
http://michigancitizen.com/george-washington-carvers-legacy-p9700-77.htm

February 20, 2011 Kami Pothukuchi
WIC Project FRESH program changed without input from those affected
http://michigancitizen.com/wic-project-fresh-program-changed-p9518-77.htm

February 27, 2011 Ashley Atkinson
Motown to Grow-Town!
http://michigancitizen.com/from-motown-to-growtown-p9549-77.htm

March 13, 2011 Charity Hicks
Our food, environment and health: It's all connected
http://michigancitizen.com/our-food-environment-and-health-its-all-connected-p9602-77.htm

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Middle row, left to right: Northwest Detroit Farmers' Market (2 photos), Sylvie Shain;
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Middle row, left to right: Northwest Detroit Farmers' Market, Grandmont Rosedale Community Garden (2 photos);
Bottom row, left to right: Jim West, Earthworks Urban Farm, Barbara Barefield

Acronyms Used

ACS	American Community Survey
BRFSS	Behavioral Risk Factor Surveillance Survey
CACFP	Child and Adult Care Food Program
CDC	Centers for Disease Control and Prevention
DBCFSN	Detroit Black Community Food Security Network
DEGC	Detroit Economic Growth Corporation
DFPC	Detroit Food Policy Council
DHWP	(City of Detroit) Department of Health and Wellness Promotion
DPS	Detroit Public Schools
DUFB	Double Up Food Bucks
EPA	Environmental Protection Agency
FEMA	Federal Emergency Management Agency
FFVP	Fresh Fruit and Vegetable Program
FY	Fiscal Year
GDRRA	Greater Detroit Resource Recovery Authority
GRPC	Garden Resource Program Collaborative
IOM	Institute of Medicine
LAI	Local Access Index
NAICS	North American Industry Classification System
SEED Wayne	Sustainable Food System Education and Engagement in Detroit and Wayne State University
SFSP	Summer Food Service Program
SNAP	Supplemental Nutrition Assistance Program
TEFAP	The Emergency Food Assistance Program
USDA	United States Department of Agriculture
WIC	(Special Supplemental Nutrition Program for) Women, Infants, and ChildrenFY

Web Citations

All websites included in footnotes throughout this report were active as of March 30, 2011 or later, as applicable.

DETROIT FOOD POLICY COUNCIL

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QUESTIONS AND ANSWERS

MARCH 7, 2012

Senate Committee on Agriculture, Nutrition & Forestry
Healthy Food Initiatives, Local Production, and Nutrition
March 7, 2012
Questions for the record
Mr. Dan Carmody

Chairwoman Debbie Stabenow

1) **You have worked with local institutions like Detroit Public Schools to source more locally produced products. How has Eastern Market Corporation helped to facilitate this process? What role is EMC playing in supplementing the work of the commercial supply-chain?**

As Detroit Public Schools (DPS) Office of Food Services community partner, EMC is working to help DPS implement its goal of changing 30% of student meal content from highly processed foods to locally grown and/or minimally processed foods. EMC for example helped connect DPS to a distributer who sourced Michigan grown apples for student meals. Later, another firm in the Eastern Market District began cleaning, cutting, and packing after the distributor initially sent Michigan grown apples to Indianapolis, IN for processing.

EMC also helps Henry Ford Health Systems (HFHS) source more local food products. A local baker received a $500,000 annual contract to supply HFHS with hamburger buns. This contract helped shore up a financially struggling local employer and helped reduce transportation costs.

Lastly, EMC is developing a virtual wholesale market to compliment its bricks and mortar wholesale market. This web-based market connects emerging growers and specialty food processors that find it difficult because of limited staff resources to attend the midnight to 5am overnight market at Eastern Market with area restaurants seeking to access more local food products.

2) **Double Up Bucks has obviously made a huge impact at Eastern Market and farmers markets throughout the state. The video in your testimony illustrates how beneficial this program has been- not only for people in need- but for farmers. The program has expanded greatly, but, even in Michigan, the demand for Double Up outpaces the resources to expand to additional markets. What might the economic impact be if incentive programs could be expanded to additional communities?**

Food voucher or incentive programs have an enormous potential to increase fruit and vegetable consumption by those most in need of better nutrition. Those households with the lowest 20% of incomes consume far less fresh produce and suffer far higher rates of diet related disease. Taking advantage of new technologies that can track product codes so that certain purchases (i.e. locally grown fruits and veggies) result in additional buying power being credited to the SNAP accounts could seriously increase specialty crop demand by attacking one

of the largest barriers to more produce consumption – the perceived higher cost of fruits and vegetables.

Funding of incentive programs can be carved out of existing crop support programs and/or be augmented by funds from public health programs and private and philanthropy sources interested in expanding prevention methods as the best way to reduce long-term health care costs.

Everyone knows government spending must be reigned in and now is the time to develop smart programs that increase the consumption of food that can help long term health care costs while stabilizing the economic condition of specialty crop producers. Food voucher / incentive programs deliver that 2 for 1 program benefit that allows Federal funding to go further and achieve more goals.

3) **Eastern Market Corporation has received some funding through the Farmers Market Promotion Program, but has also accessed resources from other agencies and private contributors. How has the public-private partnership helped Eastern Market to flourish? How have small federal investments helped you to leverage additional resources and inspire economic growth in Michigan?**

Since 2006, Eastern Market Corporation (EMC) has received two USDA grants. A FY 2007-08 Farmers Market Promotion Program grant ($75,000) enabled EMC to launch and expand an on-site SNAP program that has flourished since its rollout. This program has leveraged more than $200,000 in double up food buck funding from foundations and more than $500,000 in foundation funding to help build alternative delivery programs to get food from the Eastern Market Wholesale Market to Detroit neighborhoods far away from the market where many residents lack access to dependable transportation.

In 2010 EMC received a $100,000 USDA AMS cooperative agreement grant to strengthen alternative programs and improve Eastern Market as a wholesale hub. That investment has so far led to a $390,000 grant from a local corporation to help build a more robust network of neighborhood markets and provide mini-grants to strengthen market vendors and Detroit-based growers and processors. Two other foundation grants in excess of $150,000 have also been accessed to assess other market sites and help launch new neighborhood markets.

<u>Senator Robert P. Casey, Jr.</u>

1) **Across the country, people are interested in growing food to sell to the local market. But hurdles stand in the way. Often, a small loan can help a farmer turn his or her business plan into a sustainable, community success story. As Eastern Market continues to grow, have**

you seen people wanting to grow and sell food locally but not be able to due to the considerable costs of starting a farming operation – leasing land or buying farm equipment?

Eastern Market works with both local growers and food processors to create new ventures to grow jobs and wealth in a desperate local economy. Though the Detroit economy is in bad shape, the robust traffic to our retail market – as many as 40,000 people each Saturday – provides a great place to sell food products.

Many of our food related businesses are held back by lack of capital:

- One grower wanted to buy 2 acres of land in the city to expand production but has been prohibited from doing so by an inability to secure capital.
- Another city-based grower seeks to expand his business by adding a composting operation but needs some specialized equipment that he has been unable to acquire because of limited financial resources.
- A group of organic bean and pea growers has been thwarted from further developing its export business to Asia by a lack of capital.

While we have obtained three years of funding of $50,000 to pilot $500 to $3,000 micro-grants to local growers and food processors. This fund would help with the modest needs of the first two examples listed above but we need a healthy farm credit and export assistance programs to help scale-up some of our more successful new ventures.

<u>Senator John Thune</u>

1) **What can be done to improve the affordability and accessibility of healthy food and lifestyle options to those who qualify for SNAP and other food assistance programs?**

Increasing consumption of fresh produce means improving both supply and demand for those products. While there has been much talk about food desserts merely increasing supply to areas with poor access to fresh fruits and vegetables isn't sufficient by itself to change the habits of families that for two generations or more have become accustomed to sourcing much of their diet from convenience stores.

On the supply side alternatives besides full scale grocery stores need to be developed and refined. Many of these areas cannot support a full scale grocery but can have better access to fresh and healthy produce via means such as CSA-styled food box programs, farmers markets, mobile food trucks, and healthy convenience store programs.

Encouraging more demand by incentive and voucher programs tied to purchases of specialty crops and greatly increasing community engagement around health and nutrition issues can

help grow demand for healthy eating. Nutrition education needs to be more about celebrating healthy food choices than lecturing about diet crimes. Public and farmers markets are great forums for encouraging both civic conviviality and healthier local food cultures.

Fears about health care costs and the need to reduce long-term, diet related diseases are already bringing people together to find solutions that don't sap Federal and State budgets. Better eating, a trend led by consumer demand has fueled the growth of farmers markets nationwide, needs to be scaled up by and implementing additional creative measures to increase supply and grow demand without creating expensive new programs.

Giving USDA more flexibility in the use of existing programs would go a long way towards creating new market-driven activities to accelerate the trend towards better food choices that can modify our national food consumption patterns to more closely resemble My Plate recommendations.

Senate Committee on Agriculture, Nutrition & Forestry
Healthy Food Initiatives, Local Production, and Nutrition
March 7, 2012
Questions for the record
Ms. Anne Goodman

Senator Robert P. Casey, Jr.

1) We hear a lot in the media these days about people who are abusing SNAP benefits and attempting to defraud the government. However, the story that never seems to be told is that this program is serving millions of American low-income families who would otherwise be at risk of hunger without these benefits. Since your food bank does SNAP outreach work, can you give us a clearer picture of the types of people who are really applying for these benefits?

Our SNAP outreach is now targeting the outer-ring suburbs where many formerly middle class men and women have lost their jobs or had their hours reduced, leaving them struggling to put food on the table. These are people who have worked all of their lives, but have fallen on hard times. Most of them have never needed help before. Several of our suburban pantries have moved to larger facilities in the last two years in order to accommodate the growing number of people coming to their doors. One of the pantry clients wrote "I come to St. Ed's to save on my food bill. I get food stamps and my husband just got his hours cut for the second time. It helps us save what little we can to eat here. Thank you."

Not long ago, a client named Joseph came to one of our member agencies for food assistance. He had been injured and would not be cleared to go back to work for at least two months while he recovered from surgery. He was on unpaid medical leave from his job as a caretaker at a nursing home. His wife, Lisa, had been looking everywhere for a job to help supplement the family's income. They had started receiving a small amount of food stamps until Joseph could go back to work. This family is like many SNAP recipients who rely on SNAP temporarily until they get back on their feet. The average length of time a new participant stays on SNAP is about 10 months.

NeKishe is a proud mother who loves to talk about her children whenever she gets the chance. Her oldest son, Isaac, is college-bound after being accepted by every school to which he applied. NeKishe lost her job a few months ago. She is able to make her family's SNAP benefits stretch for about three

weeks every month. She supplements what she buys by going to a local pantry. Until she finds a new job, she needs a helping hand to make family meals possible.

We also see many seniors whose entire Social Security checks go to pay the rent, utilities and medical bills. Signing up for SNAP frees up a little money so they can meet their expenses. We see families with children where an adult works full-time at minimum wage job and they are struggling to get by. The people that we see reflect the national statistics: about two-thirds of SNAP participants are children, elderly, or disabled.

The most common characteristic of the people coming to us for help with food or SNAP applications is that they are incredibly grateful that the food or the SNAP benefits are available to them. It is clear that we are providing them with a lifeline that means the world to them.

Senator John Thune

1) Our budget deficits are too severe to spare any program from cuts. And once you exempt one program, then soon everyone will be calling for their program to be off the table. How can we afford to exempt any program—no matter how deserving—from cuts?

Washington has a long history of bipartisan commitment to protecting safety net programs and low-income people in past deficit reduction agreements. The three major deficit-reduction packages of the last two decades – the 1990, 1993 and 1997 packages – all adhered to this principle. This principle was upheld again by the bipartisan Bowles-Simpson Deficit Commission, and nutrition programs were protected from sequester in the Budget Control Act. I urge the Agriculture Committee to stick with that principle as it drafts the Farm Bill.

Our nation's budget is a reflection of our national values, and the decisions we make have a real impact on real people. If you visit a food bank back home, you will see this isn't about percentages or decimal points. This is about your neighbors and your constituents who are struggling to put food on the table.

Low-income families have already sacrificed more than they can bear. They have lost their homes and experienced unemployment at a far higher rate than families at higher income levels. They have seen their wages decline as our nation has experienced a growing income gap between rich and poor.

Feeding America's more than 200 food banks distribute food through a network of more than 61,000 local agencies. We have a tremendous infrastructure and are highly efficient at distributing food. But we are just a small piece of the puzzle. SNAP is providing monthly benefits to 46 million people through a highly efficient system. Any cuts to this program will drive more clients to food banks where we are already stretched thin. And without additional resources for TEFAP, we will continue to struggle to meet existing demand.

We cannot afford to be a nation where one in six Americans – many of them children – cannot fulfill their most basic need for food. Food is an essential—and basic-need. But we recognize that in this environment, it isn't enough to focus just on the need- critical though it is. Investing in federal nutrition assistance programs is also a cost-effective use of taxpayer dollars and an investment in our nation's future. Hunger increases health care costs, lowers worker productivity, harms children's development and diminishes their educational performance – these are costs that we cannot afford.

Senate Committee on Agriculture, Nutrition & Forestry
Healthy Food Initiatives, Local Production, and Nutrition
March 7, 2012
Questions for the record
Mr. Jody Hardin

Chairwoman Debbie Stabenow

1) In your testimony, you indicated that you attempted to sell to schools, but had some difficulty. Could you explain the steps you took to try to access this market and some of the challenges you faced in doing this?

Answer: Over a two to three year period, we began building a relationship with the state director of Arkansas school districts, to find what it is we needed to do as small acreage farmers to supply more locally grown food to our local schools. It was frustrating to both parties, due to the many complexities on both sides. Mainly we learned that the local school nutrition directors could do a little more, but felt their hands were tied due to their many budgetary constraints each school faced. But when it came down to the nuts and bolts of the problem, we seemed to have several legitimate issues that came up. Primarily, schools did not have a reliable source of local food, processed according to their specifications and price range, when planning their menus. As a farmer, I presented the idea of a common facility that would be able to provide these critical services. We have been moving forward to build the needed infrastructure to solve these fundamental barriers into the new local markets after several years of meetings and discussions that all lead back to the need for a local food hub or aggregation and processing facility.

Senator Robert P. Casey, Jr.

1) You have had great success serving your local food system in Arkansas. I know that the Farmers Market Promotion Program has been important to your business. For other farmers looking to get into the business, do you believe federal low-interest loans to producers would help them overcome the start-up challenges to growing crops for local markets? For example, a loan to assist in purchasing farm equipment.

Answer: Yes. Due to the new federal Food Safety And Modernization Act, small acreage farmers are being asked to make sudden improvements to their picking, packaging and distribution processes on the farm. Many will need assistance to meet these new GAP requirements or else be excluded from new mid tier markets that require on farm food safety audits. Without some measures in place the new GAP requirements could unfairly force many farmers out of these critical markets.

Also, there seems to be a strong demand from young farmers to make full time careers out of farming, yet never have a legitimate chance to scale up as demand continues to grow for locally produced food, due to a lack of capital for on farm infrastructure investments. These types of loans would enable rural job growth as farmers are able to scale up production to be sustainable revenue engines for their communities.

Senator John Thune

1) Fruits and vegetables are higher in both nutritional value and price, making it difficult for SNAP recipients to purchase regularly, limiting their access to healthy options. Would nationwide subsidies give participants more purchasing power while not restricting unhealthy foods? Would such subsidies encourage sellers to offer more fresh produce?

Answer: Fruits and vegetables are higher in both nutritional value and price, making it difficult for SNAP recipients to purchase regularly, limiting their access to healthy options. Would nationwide subsidies give participants more purchasing power while not restricting unhealthy foods? Would such subsidies encourage sellers to offer more fresh produce?

Yes, nationwide subsidies would give participants more purchasing power while strengthening the demand from local food producers who sell direct to consumer. SNAP recipients tend to be the most disconnected from locally produced, nutrient dense foods, whle at the same time have the greatest need. I have witnessed SNAP consumers to be a growing sector of our customer base at farmers markets, and farmers are responding to this growth by producing more food each year geared toward the preferences of SNAP customers. This seems to be working well, albeit a slow start as consumers are naturally slow to change their shopping and eating habits.

Senate Committee on Agriculture, Nutrition & Forestry
Healthy Food Initiatives, Local Production, and Nutrition
March 7, 2012
Questions for the record
Mr. Ron McCormick

Ranking Member Pat Roberts

1) **How does Walmart define a food hub? How is a food hub different than a wholesale market?**

The visionary food hub would be a multi-purpose facility, or a collection of co-located facilities that support efficient aggregation and distribution of an area's production; and processing facilities that support the highest use of the entire production of the area.

Ideally for us it would be in the vicinity of one of our food distribution centers. The presence of other retailers and food service DC's would be beneficial because it would drive economies of scale benefiting everyone. The hub goal would be reducing the cost of production and distribution; while improving sustainability by causing as close to full utilization of everything produced in the area as possible. It would also encourage agriculture diversification by making it practical to produce a range of products while maintaining economies of scale.

- Aggregation and distribution -- These facilities would include physical loading docks; short term, refrigerated storage facilities including pre-cooling facilities for fresh fruits and vegetables; and modern grading and packing equipment. The goal would be to attract co-location of trucking companies and creation of truck-routes that can combine less than truckload quantities and do 6-7 day outbound deliveries per week to customers. The presence of rail load and off-load facilities would be desirable in some locations. Ideal co-location would include packaging suppliers and pallet companies.
- Processing – These plants would allow taking raw crops and turning them into value added product such as cut fruit, party trays, and other partially processed product for retail or food service customers. Ideally these facilities would also include commissary operations that can prepare meals and other chilled or frozen products for schools, restaurants, and other food service needs. A presence of community kitchens that could support local food bank operations and self-canning would help convert potential waste generally resulting from size or appearance into highest use products.
- Services Co-location – A goal would be to encourage resources and services for the farmers to be on-site or in the vicinity. Such services would be similar to the *Carter Integrative Sustainability Center* being built in Dallas County, Alabama under the leadership of Tuskegee University. This would include the various offices of the USDA in the region, and educational resources such as classroom and labs from land grant universities. Such services might also include technical skills training programs to meet

the needs of a more mechanized agriculture that requires more technical training for farmers and workers.

- Independent Co-location - Independent businesses such as lending offices and insurance providers, for example, are necessary to create a one-stop shop for farmers. The expectation would be that with growth and maturity we'd see co-location of additional facilities and businesses such as child care centers, clinics, cafés, and ag equipment and input retailers. It is highly desirable to have produce sales offices as well; sales people that help expand the market for the region, and help sell the entire crop.

The hub would mimic the historic role of terminal markets that often provided this array of benefits. However, today the number of healthy terminal markets is a fraction of the past, and some are in decline and blighted. New markets like Chicago's are great assets, however they are increasingly specialized and buy more similar to a conventional retailer rather than supporting small farmers, and the community.

2) **How does Walmart define local?**

When we quote numbers or communicate to our customers we define local as grown and sold in the same state. Our systems allow us to track and account for that more easily than other definitions. By reporting items purchased and sold within a single state's boundaries, we have a high degree of confidence in the accuracy of that claim.

3) **What size farmers are in Walmart's local sourcing program?**

While we have programs designed to open our business to women & minority owned farmers and to help develop very small farmers, we do not define local in terms of size of farm. Our farmers providing locally grown product cover a range of volumes including large producers. Our primary objective is to support the communities that support our stores while providing the freshest product at an everyday low price. As we grow, and work to increase demand of fruits and vegetables, it is our hope that farmers of all sizes have the ability to participate in our supply chain – whether directly or through the food hub concept previously mentioned.

4) **Does Walmart buy a grower's entire production? What happens with the product that Walmart doesn't buy? Does it go into food processing?**

It is our desire *not* to be 100% of anyone business over time. However, we are in the short run the main customer for our very small farmers. We do aspire to buy 100% of a field or crop but that is not the norm today. We do have some of our larger suppliers that provide fresh products to our produce departments and frozen product for our Great Value private branded products. We also carry additional sizes or packages intended to increase the utilization. An example would be bagged bell peppers and tray pack tomatoes. While the majority of our sales are in bulk, we offer the packaged product to move a smaller size

tomato or pepper. This lets us pay a lower price per unit for the bulk and pass the savings to our customers, and increases the total income of the farmer because he or she is able to sale more of their product at a profitable unit cost.

Senator Robert P. Casey, Jr.

1) **Though you indicated Wal-Mart faces challenges in sourcing locally, you also highlighted how famers at smaller operations can and do sell their produce to Wal-Mart stores by joining together. You also highlighted Wal-Mart's initiative to source $20 billion from women-owned businesses in the U.S. over the next five years. Have you seen farmers struggle to enter to business or diversify their crops? Would low-interest loans to producers who grow crops for local markets help them succeed in selling to your store and other similar stores?**

Obtaining capital is one of the biggest obstacles to creating an environment that allows small farmers and farmer owned co-ops to grow. The availability of micro-loans and low interest loans would be helpful. Based on what our suppliers and potential suppliers tell us, obtaining loans for this type of agriculture production is difficult or impossible.

In addition, we talk often with potential suppliers about the challenges they have growing specialty crops. While capital is certainly an issue, we also realize there are additional challenges farmers face when trying to expand into specialty crop production. These include: limited technical assistance, traditionally provided by the agricultural extension system; a lack of organization among growers, often in the form of farmer cooperatives; and expensive input costs relative to the units of output that larger growers benefit from.

Senator John Thune

1) **Fruits and vegetables are higher in both nutritional value and price, making it difficult for SNAP recipients to purchase regularly, limiting their access to healthy options. Would nationwide subsidies give participants more purchasing power while not restricting unhealthy foods? Would such subsidies encourage sellers to offer more fresh produce?**

We believe that families shouldn't have to choose between foods that are good for them and foods they can afford. Allowing families to use their available resources for fresh fruits and vegetables, and other healthy options is a definite tool to helping people eat healthier. Increasing the amount available drives demand, and demand drives sellers ~~to~~ eager to meet that demand.

In addition, we are participating in the Healthy Incentives Pilot program currently underway in Massachusetts. This gives SNAP customers a bonus on their accounts for the fresh fruits and vegetables they purchase. Walmart is participating in this pilot, but unfortunately it is too early in the pilot to report measurable results. Helping customers make healthier choices is an important initiative at Walmart, and it isn't limited strictly to fresh produce. We recently launched a front-of-package labeling initiative on our Great Value and Marketside brands that will help customers identify healthier foods. We believe this tool will help our customers, including SNAP recipients, make incrementally better choices like switching from whole milk to skim or 1%, or from regular spaghetti to the whole grain option. Small steps, when aggregated among millions of customers, can have a huge impact on the health and wellness of our customer base.

Senate Committee on Agriculture, Nutrition & Forestry
Healthy Food Initiatives, Local Production, and Nutrition
March 7, 2012
Questions for the Record
Secretary Tom Vilsack

Chairwoman Debbie Stabenow

1) Although local and regional food systems have been particularly beneficial to small farmers, they also help to provide new opportunities for all types of agribusiness. How is the Department working to ensure local and regional food systems benefit a variety of types and sizes of producers?

Response: The majority of the work being undertaken by USDA in the area of regional food systems is focused on addressing the marketing and business development needs of *commercial-scale* growers and ranchers, most notably those mid-scale and larger farms generating more than $50,000 in gross annual sales. These operations wish to scale up production and diversify their customer base to include a larger number of higher-volume retail, foodservice and institutional buyers, but find themselves constrained from pursuing these potentially rewarding market opportunities by the lack of appropriate market infrastructure and services. According to the USDA Economic Research Service's latest figures from November 2011, local and regional food markets represent an important source of farm income for operators at all levels of scale, with the average ratio of local farm sales to total farm sales ranging from 69 percent among small farms with annual gross sales below $50,000, to 58 percent among large farms with gross annual sales above $250,000.
One way USDA is attempting to support the ability of medium-sized and other commercial-scale growers to serve the needs of wholesale buyers is through its *regional food hub initiative*, which aims to reduce existing barriers to commercial market entry for local and regional agricultural producers and ranchers by providing access to needed information, infrastructure, and marketing support. The establishment and organization of regional food hubs is increasingly recognized by industry practitioners and community planners as a significant component of strategies aimed at enabling a greater number of growers and ranchers to satisfy growing demand for locally and regionally grown food in larger-volume markets (such as grocery stores, restaurants, schools, hospitals, and universities).
In addition, the Know Your Farmer, Know Your Food (KYF) management initiative was launched in 2009 so that USDA could better help farmers of all sizes take advantage of new opportunities and succeed in today's diverse marketplace. The exponential growth of regional food markets over the past few years has spurred jobs in regional food production and related industries.

2) SNAP has been a critical lifeline for families, especially during this economic downturn. The populations served by the program are the most vulnerable in America. Most people don't know that children are one of the biggest beneficiaries of SNAP and that 75% of all SNAP participants are in families with children. Many of these households would have been much worse off during the recession if not for the SNAP program. In fact, I understand that 4.4 million people were kept out of poverty in 2010 because of the SNAP program. Can you talk about how SNAP functions as an anti-poverty program as well as an anti-hunger program for our most vulnerable Americans?

Response: SNAP effectively targets benefits to the neediest households--poorer households receive greater benefits than do households with more income. In Fiscal Year (FY) 2010, SNAP provided benefits

to 39.8 million people, 85 percent of whom lived in poverty. The average SNAP household had a gross income of 57 percent of the Federal Poverty Guidelines (FPG), and the percentage of households with zero net and gross income continued to increase. When combined with other household resources, the use of SNAP benefits was sufficient to move 13 percent of participating households above the poverty guideline ($22,050 annually for a household of four). Households with children, elderly members, or disabled members receive the majority of the benefits (84 percent in 2010).

SNAP helps in other ways. Every new SNAP benefit dollar generates as much as $1.80 in total economic activity. Every time a family uses SNAP benefits to put healthy food on the table, it also benefits the store and the employees where the purchase was made, the truck driver who delivered the food, the warehouses that stored it, the plant that processed it and the farmer or rancher who produced the food. SNAP also helps to combat obesity through nutrition education; keeps elderly family members independent by improving access to healthy food; and, with an average participation length of 9 months for those new to the program, moves families toward self-sufficiency. Toward this end, SNAP provisions require that each State agency operate an education and training program for the purpose of assisting SNAP participants gain skills, training, work, or experience that will increase their ability to obtain regular employment. SNAP Employment and Training (E&T) programs include one or more of the following: job search, job search training, workfare, work experience, basic education, and job retention services. State agencies have broad flexibility in the design of E&T to best meet local level training needs and economic circumstances.

3) Accountability is crucial in all federal programs because we cannot afford to have even one dollar go to waste. The SNAP program has the lowest error rate in the program's history. Please explain what kind of checks are built into the SNAP program to make sure that only people who are truly eligible for SNAP are receiving it? What is USDA doing to continue to reduce the error rate? How does the SNAP error rate compare to error rates within other government programs?

Response: FNS takes seriously its responsibility to make sure that only those families who are actually eligible for the program participate, and that the correct amount of benefits is provided to them. Over 98 percent of those receiving SNAP benefits are eligible and payment accuracy was 96.19 percent in FY2010, a historic high. In fact, payment errors are less than half what they were 10 years ago, which has reduced improper payments by $3.3 billion in 2010.

The Food and Nutrition Act of 2008 and SNAP regulations require State agencies to maintain fraud prevention efforts and investigate program violations by SNAP recipients. This includes verification of eligibility information provided by applicants and participants through a variety of available data matches and pre and post-certification fraud investigations, to help ensure that only people who are eligible for SNAP receive benefits. FNS supports all such efforts by reimbursing 50 percent of such expenditures as allowable administrative costs.

Specifically, all States are required to verify identity and perform a death match, prisoner match, and for systems to prevent duplicate participation within States. Most States use an interface with the Social Security Administration called an "enumeration match" which verifies the validity of the Social Security Number. States also use computerized data matches to verify information within their own State and with other States. States that border each other also execute agreements to share data on individuals receiving SNAP and other assistance program benefits to prevent duplicate participation.

In addition, some States have developed more sophisticated solutions to verify data provided by applicants not only to check for duplicate participation but to verify other information provided by the applicant as well. For example, The Texas Health and Human Services Commission (HHSC) contracts with a Data Broker vendor to provide financial and other background information about SNAP, TANF, and Medicaid applicants and recipients.

Individuals disqualified for participation in SNAP are tracked through a nationwide FNS operated Electronic Disqualified Recipient System (eDRS). The system assists States in assigning the correct penalty, which varies by type and number of offenses, to individuals being disqualified. It also assists States in preventing these individuals from crossing State lines and participating in another State during the period of their disqualification.

States also pick from additional matching options that work best for them, which include:

- U.S. Citizenship and Immigration Services for information on immigration status.
- Health and Human Services (HHS) National Director of New Hires for interstate wage and employment data on new hires, quarterly wage data and unemployment insurance.
- Department of Labor for quarterly wage information;
- HHS Public Assistance Reporting Information System (PARIS) the Interstate match which detects duplicate payments made to the same client and is used by Federal programs such as Medical Assistance, Medicaid, TANF and SNAP
- In conjunction with the OMB Partnership for Program Integrity, FNS is collaborating with five State governments (MS, LA, FL, GA, AL) and awarded a grant on March 23, 2012, to pilot a more advanced, real-time data matching system which we believe holds significant promise.

SNAP uses a demonstrated Quality Control (QC) system that has been in effect since the 1970's. The QC system measures the accuracy of the eligibility and benefits system for SNAP. Currently, a 2-year liability system is in place. Under this system, States whose performance is at a liability level for two consecutive years are assessed a potential liability. The liability level is defined as a 95 percent statistical probability that a State's payment error rate exceeds 105 percent of the national performance measure for payment error rates.

USDA continuously works to improve payment accuracy through partnerships with States and through our statutory requirements for a system that rewards exemplary performance but holds low performing States accountable. The focus and support of leadership at both the federal and State level is critical. FNS works closely with States to encourage implementation of practices that have proven helpful at reducing improper payments elsewhere; such as:

- Error review committees are a proven cost effective internal management tool for monitoring payment accuracy and enhancing accountability. These committees, comprised of various State agency stakeholder representatives, meet to discuss QC findings, error prone elements, policy application and corrective action plans.

- Since the early 1980's, FNS has operated a State Exchange Program that has provided funds for States to travel to other States and to participate in conferences as ways to share ideas for program improvement strategies that have proven successful. Strategies of interest include systems or technology; policy options; and business practices or work flow reengineering.

- FNS targets high issuance localities and high error rate States for enhanced Federal intervention and technical support.

- The National Payment Accuracy Work Group (NPAWG), a team of experts from FNS national and regional offices, convenes on a regular basis to monitor and evaluate payment accuracy progress, analyze error rate data, and exchange information on payment accuracy best practices and program improvement strategies.

- On November 1, 2011, USDA published a rule making permanent a provision in the American Recovery and Reinvestment Act of 2008 that provided a $50 tolerance for inclusion of errors in calculating the States' payment error rates. Prior to this change the tolerance was $25. This rule permits States to improve business efficiency by prioritizing those areas that have the most potential to improve payment accuracy and reduce improper payments. In conjunction with the raised tolerance, the rule also required increased data collection on all errors, allowing for improved analysis of t he root causes of payment errors.

- FNS works with States that incur payment error liabilities to structure settlement agreements for new investment of portions of the liability in activities specifically aimed at error reduction.

4) The Committee has been told that at the end of the fiscal year states receive cancellations of orders placed for TEFAP foods because USDA has not been able to procure the items. As a result, states are forced to immediately use these new balances for whatever TEFAP food items might be in stock or they risk losing them. How would USDA propose improving this system to ensure valuable food resources do not go to waste? Would you support making TEFAP food money available for two years so that purchases can be better managed?

Response: Currently, per statute, State agencies administering the Emergency Food Assistance Program (TEFAP) receive annual entitlements for food purchases, which expire at the end of each fiscal year (FY). While USDA and TEFAP States work together to spend every dollar of each State's entitlement, order cancellations and/or price fluctuations at the end of a FY may result in a State having a nominal end of year balance that cannot be carried into the next FY. USDA is committed to ensuring that all TEFAP States can maximize the level of food funds expended. USDA is open to considering a statutory change which would permit carryover of TEFAP food funds at the State agency level from one FY to the next.

Ranking Member Pat Roberts

1) The goals of the USDA National School Lunch Program and the School Breakfast Program are to **provide healthy, nutritious meals to our nation's school children.** I have recently heard concerns from a number of schools regarding the possibility of being forced to drop out of the USDA programs due to

costs and requirements from the final rule on reimbursable meals. While there are school districts who can comply with the rule today, there will be many schools who will struggle with the extra cost, the restrictions on grains and meats, and especially the future requirements for sodium. Please provide an update on how other rules and any other initiatives currently under development, including the rule on competitive foods, may help alleviate schools' concerns regarding: (1) increased costs, and (2) increased difficulty in implementing the required meal patterns in meals served.

Response: USDA is committed to helping State and local operators implement the changes to the National School Lunch (NSLP) and School Breakfast programs. The Healthy, Hunger-Free Kids Act (HHFKA) provides a 6-cent reimbursement rate increase for school food authorities (SFAs) in compliance with the new meal pattern. This additional funding to support meals, available October 1, 2012, is estimated at $1.5 billion over 5 years.

The HHFKA also requires that SFAs participating in the NSLP ensure sufficient funds are provided to the nonprofit school food service account. Schools can achieve this by setting adequate prices for paid lunches, or through other non-Federal funding sources provided to the food service account. In addition, the HHFKA requires that schools set competitive prices for a la carte food items sold outside of the reimbursable meal, such that revenues from the sale of these non-program foods must equal the cost of obtaining them. The interim rule implementing these provisions, titled "National School Lunch Program: School Food Service Account Revenue Amendments Related to the Healthy, Hunger-Free Kids Act of 2010" published June 17, 2011estimates that schools could be receiving over $1 billion a year in new food revenues beginning in School Year 2011-2012 based on these smart business practices.

USDA and our State partners are also providing increased technical assistance and training to SFAs including streamlined procurement, purchasing, and meal production that will reduce existing meal costs. When taken together, technical assistance, additional Federal reimbursement and non-Federal revenue will, on average, provide ample revenue for schools to meet the new meal requirements.

Additionally, in accordance with the HHFKA USDA is currently developing proposed standards for foods served outside of the meal programs that aim to be consistent with the most recent Dietary Guidelines for Americans and take a number of important issues into consideration, including the practical application of the nutrition standards in schools. While we are committed to setting national nutrition standards for snack foods sold in schools, this is a complex and historic endeavor. It is critical that we take the time to get the policy right.

2) While most food retailers appear to be obeying the law, USDA reports that retailer trafficking of SNAP food benefits equals about 1 percent of annual SNAP benefits issued. While the total number of retailers committing fraud is low, that 1 percent in trafficking for 2011 totals over $700 million. It is bad enough that retailers are cheating the American taxpayer, but it takes two to commit fraud. In most instances, individuals receiving SNAP benefits must cooperate with retailers before fraudulent transactions can take place. What are you doing to address this issue for both retailers and individuals, and do you need additional authorities to fight this waste, fraud, and abuse?

Response: FNS is working on behalf of American taxpayers to protect the Federal investment in SNAP and make sure the program is targeted towards those families who need it the most. We have taken many steps to address this issue for both retailers and individuals.

On the issue of recipient fraud, while States bear the primary responsibility for enforcement of law with respect to recipients, FNS has been playing a leading role in urging States to do more in this area, as well as providing guidance, technical assistance, and sharing best practices in order to arm states with more effective tools to pursue recipient fraud. For example, in 2011, FNS sent letters to all State Commissioners and State Governors reiterating the priority focus on client integrity and included recently released policy guidance supporting State program integrity efforts. On February 1, 2012, FNS launched a SNAP fraud website to educate clients, retailers and the public about what we do and how they can help us in our efforts to fight trafficking. The SNAP fraud website provides a direct portal to report suspicious activities.

FNS Regional Offices consistently meet with the States to provide technical assistance and training, to share best practices in the analysis of electronic transaction data, to assist States in their active pursuit of client fraud. All trafficking retailer disqualifications are referred to the relevant State for follow-up and potential investigation of client fraud. As a result, 37 States have made changes to improve their processes for following up on recipients referred from FNS retailer investigations. As an example, in Fiscal Year 2011, Illinois disqualified 909 recipients based on referrals of disqualified retailers from FNS.

FNS is also working with States to make use of existing tools to identify and address recipient fraud, such as clients requesting excessive card replacements without a valid explanation or posting their EBT card for sale online. For example, earlier this month, on April 5, letters were sent to the Commissioners of 11 States which have had a higher percentage of households frequently requesting replacement cards, suggesting they adopt a "best practice" used by North Carolina. A high numbers of replacement cards can be an indicator that a household might be selling its card and benefits. Each quarter, North Carolina reviews a report of households with multiple card replacements and sends a letter that has requested four or more cards in a 12 month period. That letter is customized for the recipient, details the number of cards requested over a specific period of time, explains that the household's cards will be monitored, and provides a list of violations considered to be misuse or trafficking of benefits. If the recipient requests another replacement card, that information is shared with the local program integrity staff for investigative action. The results of this procedure have been very impressive: of the 1,049 letters mailed over the past nine months or so, only 73 households continued to request replacement cards.

On the retailer side, USDA takes advantage of technology and undercover investigations as well as partnerships with the Office of Inspector General (OIG), State Law Enforcement Bureaus (SLEBs) and others to investigate and pursue bad actors that would defraud the system. Between the administrative tools we have and the criminal statutes available to OIG, we have important tools to fight trafficking. Additionally, with the last Farm Bill, we were given some enhanced penalty authorities that we expect will help our efforts. Those include: withholding the settlement of SNAP funds from a retailer who engages in egregious trafficking activity; levying fines in addition to permanent disqualification for retailers that engage in trafficking activity; and increased penalties for retailers who commit fraud. FNS is also finalizing a rule that updates the definition of trafficking to better address circumstances where a transaction does not directly involve the exchange of cash for SNAP benefits. This is in response to instances where retailers try to evade current regulations by using indirect methods, such as a purported sale of food at the point of sale with the intent to immediately exchange the food for cash.

3) If we are going to expand programs like the Farmer's Market Promotion Program, as some have proposed, to support continued growth of the local agricultural industry, would you agree that we should place tighter controls on a grant program that allows businesses and non-profits to purchase

processing equipment, washing coolers, and other infrastructure? If so, what controls would you recommend be placed on such grants?

Shouldn't we make sure these businesses are verifying the products that they are marketing with tax payer dollars are locally grown products? Shouldn't we make sure that these businesses are incorporating food safety standards? Shouldn't we secure our federal investment by requiring matching grants to purchase bricks and mortar type infrastructure?

Response: Since the establishment of the Farmer's Market Promotion Program, USDA has worked to administer the grants according to the authorizing language (7 USC Sec. 3005), which includes the prohibition of using grant assistance for the purchase, construction, or rehabilitation of a building or structure.
USDA is aware of various ideas on how to expand and/or revise the current program. USDA stands ready to work with Congress on any reauthorization and amendments to FMPP.

Senator Patrick Leahy

1) Vermont is a leader in promoting local foods to schools and institutions. Farm to School programs are thriving in Vermont and the excitement around local foods is spreading to other institutions in our state, such as hospitals. Vermont's largest hospital, Fletcher Allen Health Care, in Burlington has created a Center for Nutrition and Healthy Food Systems that is connecting local foods to positive health outcomes. I hear regularly from farmers, program administrators and parents in Vermont who want to bring more local food into the food system.

Will you commit to working with me on increasing flexibility in The Emergency Food Assistance Program and the Commodity Supplemental Food Program by providing cash in lieu of commodities or a similar voucher program to increase the availability of local foods in our communities?

Response: USDA appreciates Vermont's efforts to promote local foods through schools and institutions, and your interest in increasing the availability of local foods through TEFAP and the Commodity Supplemental Food Program (CSFP). Under current legislation, USDA does not have the legal authority to provide cash in lieu of donated foods for TEFAP or CSFP.

Further, we believe foods purchased and provided by USDA for TEFAP and CSFP offer unique advantages which provide important benefits for the participants of these programs. USDA Foods are purchased in the domestic market and are of high quality, often exceeding the nutritional specifications for foods purchased commercially. To the greatest extent possible, USDA selects foods for purchase which are aligned with the Dietary Guidelines for Americans, ensuring that participants receive nutritious foods through its nutrition assistance programs. Further, because USDA purchases large quantities of foods to service multiple domestic nutrition assistance programs, our buying power allows us to maximize the quantities of foods purchased, and therefore the number of people served, with the funding Congress provides. We feel it is important to provide TEFAP and CSFP participants with high quality, nutritious foods that meet USDA food safety standards, while maintaining our buying power to best use available funding.

2) I have heard some members of this Committee say that the Know your Farmer - Know your Food **effort is not "steeped in reality." But in Vermont, this program certainly reflects reality. Our growing** agricultural economy in our state is creating local jobs, infrastructure, processing, and a stronger economy for the state. Vermont's land resources and farming history offers new opportunities for creating and retaining jobs for Vermonters that is also improving our health as we expand access to fresh, healthy, locally grown products.

When measured by employment and gross state product, food manufacturing is the second-largest manufacturing industry in Vermont. Even though Vermont is promoting local foods, we know there is still pent up demand for local products and a land base that can grow everything from grains, fruits, vegetables, dairy products, oil seeds, livestock, eggs, and we even have aquaculture programs in the state.

I recognize that most food Americans consume is not grown locally, but what lessons have you seen in our Vermont example that you think other states could learn from to help boost their economies, connect consumers with farmers, and help our farmers thrive?

Response: Vermont does offer a number of important examples as to how investment in local and regional food systems can create a solid foundation for economic growth and agricultural prosperity. Between 2009 and 2011, Vermont experienced a dramatic increase in the number of local food aggregation centers in the country-- from 8 to 22, according to the state's estimates—which reflected both a growing interest on the part of diverse stakeholders in Vermont in building more resilient local and regional food systems and a critical mass of private foundations in Vermont who shared a focus on funding food system development. The state now represents one of the greatest concentrations of regional food hubs in the nation.
USDA Agricultural Marketing Service is currently working with a number of Vermont food centers, such as Shelburne Farms, Intervale Food hub, Mad River Valley Food hub, and others, to develop training materials that will showcase Vermont's successes in developing profitable marketing channels for locally and regionally produced food. This information will be shared through workshops and tours to advance the understanding of emerging local food aggregation and distribution models among experienced and novice practitioners and researchers.

3) Families on SNAP benefits regularly struggle to stretch their benefits through the end of the month. In rural states such as Vermont, increases in gas prices have a dramatic impact on the household budget, and SNAP serves as the only source of funding for food, rather than a supplemental benefit.

As part of the next Farm Bill, would you support piloting the Low-Cost Food Plan as the standard for setting SNAP benefit levels in a few rural states?

Response: The Thrifty Food Plan (TFP) serves as a national standard for a nutritious diet at a minimal cost, and is used as the basis for maximum Supplemental Nutrition Assistance Program (SNAP) allotments. The Low-, Moderate-, and Liberal-Cost Food Plans illustrate how a nutritious household diet based on various budgets can be attained. The following table represents the costs of each plan in 2011.

FY 2011 -- Official USDA (at Home) Food Plans ***U.S. Average, Family of Four***				
Cost of Food	Thrifty	Low-Cost	Moderate	Liberal
Monthly	$ 611.70	$ 796.10	$ 995.40	$ 1,208.10
Weekly	$ 141.20	$ 183.70	$ 229.70	$ 278.80
Meal/Person	$ 1.70	$ 2.21	$ 2.76	$ 3.56

A recent study indicated that, on average, SNAP participants run out of benefits 2.7 weeks into the month. Not surprisingly, many SNAP participants turn to food banks for additional help, nearly half of which comes in the form of The Emergency Food Assistance Program (TEFAP) commodities.

To help SNAP participants stretch their food dollars, the Food and Nutrition Service has made available a number of educational materials including helpful hints on cutting food costs; nutritious, low cost recipes; and fact sheets. In addition, nonprofit and community organizations have offered low cost food in exchange for volunteer time and/or offered to double the value of SNAP benefits when redeemed at farmers markets.

4) Will the USDA work to find ways to encourage SNAP recipients to make healthy food choices by allowing them to use their benefits to purchase a Community Supported Agriculture farm share? Currently there are barriers for both farmers and families on SNAP and I hope USDA will work with us to remove those obstacles.

Response: Community Supported Agriculture (CSA) is a popular way for consumers to buy local, seasonal food and can be a valuable option for SNAP recipients with limited access to fresh fruits and vegetables. FNS recognizes there are many benefits of operating CSAs for SNAP customers and farmers; however, whenever one pays for food in advance, such as with CSA's and other types of food buying entities, there are risks that must be considered. Of utmost concern to FNS is the protection of recipient benefits. SNAP is a needs-based Program, and because Program recipients have limited means and resources, they cannot afford to risk payment for an entire growing season at the season's start. For this reason, logistical issues and concerns have to be worked out in order for CSA's and other food buying entities to be authorized to accept SNAP benefits.

SNAP regulations at 7 CFR 278.2(e) provide that food retailers may not accept EBT benefits before delivering the food or retain custody of any unspent EBT benefits. Sec. 3(p)(4) of The Food and Nutrition Act of 2008 (the Act) and Program regulations make an exception by allowing members of private, nonprofit cooperative food purchasing ventures to pay for food purchased prior to the receipt of such food. In those cases, the food ordered must be made available to the member within 14 days from the day the cooperative receives the member's EBT benefits. Finally, Sec. 4(a) of the Act provides that "benefits so received by such households shall be used only to purchase food..." which means benefits cannot be used to purchase shares in a future harvest.

Some direct farmers that organize as a CSA operate under a nonprofit title, or with a food buying coop, which allows them to accept SNAP payment prior to receipt of the food. In these cases, items could also be ordered prior to purchase; however, purchases would have to be made at the point-of-sale.

Many currently SNAP-licensed firms that have incorporated CSA operations into their business are successfully providing fresh foods to SNAP clients. FNS will continue to work to improve SNAP access to CSA operated businesses and other types of food buying entities in the future to provide better access while continuing to protect SNAP benefits.

Senator Robert P. Casey, Jr.

1) With unemployment rates just beginning to come down as our economy begins to recover from the worst recession seen in the country since the Great Depression, our nation's food banks continue to see an overwhelming amount of need. As demand for emergency food assistance has nearly doubled in the past 5 years, food provided to the nation's food banks in the form of TEFAP has dramatically declined. Comparing the 6 month period from July-December 2010 with that same time period in 2011, Feeding America food banks reported seeing a reduction of 173 million pounds worth of TEFAP. That is nearly a 42% decline from year to year, which equates to nearly 143 million lost meals. With more than 37 million Americans nationwide relying on our food banks, what steps can you take to increase the flow of TEFAP commodities for our food banks?

Response: USDA recognizes that demand for food assistance remains high. In FY 2012, USDA expects to purchase approximately $260 million in USDA foods for TEFAP using appropriated funding. In addition, TEFAP has received approximately $23.6 million of food from USDA's market and price support programs thus far in FY 2012. To the extent practicable by law and as needed, USDA will continue to make bonus purchases through our market and price support programs. As much as possible, USDA will direct these foods to TEFAP.

USDA will continue to work in partnership with food banks, food pantries, and other emergency feeding organizations across the country to seek creative solutions to help meet this increased demand and to ensure that available resources are directed to TEFAP, to the extent possible. We are committed to the continued support of food banks, food pantries, and other charitable organizations through TEFAP and other USDA food assistance programs.

Senator Amy Klobuchar

1) Minnesota experienced a 56 percent increase in enrollment in food support programs like the Supplemental Nutrition Assistance Program (SNAP) from 2007 to 2010. But, as you know, my state is not alone in terms of need. What more can we do to strengthen SNAP nutrition education programs and support efforts taking place in communities so that SNAP participants can make healthy choices?

Response: FNS is deeply committed to improving SNAP nutrition education and helping community stakeholders better inform Program recipients on how best to make healthy food choices. The Healthy, Hunger Free Kids Act of 2010 (HHFKA) established the Nutrition Education and Obesity Prevention Grant Program for eligible, low-income individuals, which affects operation of SNAP nutrition education. The provision makes it easier for States to administer nutrition education, while still allowing funding to grow, by apportioning 100 percent Federal funding through 2-year grants, with a cap of $375 million for FFY 2011. The basis of State allocations starts with expenditures in FY 2009. The methodology for

allocating funds changes in 2014 when a State's caseload becomes a factor in the allocation. For FFY 2012 and beyond, funding is indexed for inflation.

Under the provision, the target population eligible to receive nutrition education and obesity prevention services continues to focus on low-income individuals, but not strictly on SNAP participants or those eligible for SNAP. The provision requires interventions be evidence-based and outcome driven with a focus on preventing obesity. To ensure that FNS understood the needs of the communities to strengthen our combined education efforts, consultation with Federal, State, and local partners, academic/research communities, practitioners, and community organizations was required. As part of the consultation process, FNS conducted an aggressive outreach effort, conducting 25 consultative sessions over a 6-month period. Input also came from the Director of the Center for Disease Control (CDC).

As a result, FNS revised its annual, technical guidance to States and community stakeholders to help them improve their fiscal year 2013 State Nutrition Education Plans that incorporate the objectives of HHFKA. The technical guidance was released on March 30, 2012. USDA will also soon publish an interim final rule, *SNAP: Nutrition Education and Obesity Prevention Grant Program*, promulgating provisions of HHFKA.

Senator Kirsten Gillibrand

1) TEFAP—The Emergency Food Assistance Program: Secretary Vilsack, with continued high unemployment and millions more working for lower wages or fewer hours, people are hurting and our nation's food banks are really struggling to meet the considerable need for emergency food assistance in their communities. At the same time, a strong agricultural economy has meant that TEFAP commodities have declined. In New York City alone, TEFAP is down 7.8 million pounds of food – or nearly 6 million fewer meals – in the most recent 7 months (July 2011-Jan 2012) compared to the same period last year. A number of my colleagues and I have weighed in with you urging you to use your bonus and specialty crop authority to buy early and often. Can you tell me what steps you and your team are taking to address this need?

Response: USDA recognizes the continued high demand for food assistance. Using TEFAP FY 2012 appropriated funds, we expect to provide approximately $260 million worth of nutritious USDA Foods to emergency feeding organizations, such as food banks, food pantries, and soup kitchens. In addition, thus far in FY 2012, we have provided organizations with an additional $23.6 million in bonus foods to help low-income Americans through TEFAP, while at the same time supporting agricultural markets. To the extent practicable by law and as needed, USDA will continue to look for opportunities to support TEFAP through bonus and specialty crop purchases. USDA remains committed to the continued support of food banks, food pantries, and other charitable organizations through TEFAP and other USDA food assistance programs.

2) Specialty Crop Equity: Secretary Vilsack, USDA recommends that we fill half of our plate with fruits and vegetables, yet between 2008-2010, USDA spent $33 billion supporting commodity crops (primarily corn, soybeans, cotton, rice and wheat) and only $4.3 billion on programs that support fruits, nuts and vegetables—and less than $100 million a year on local and regional food programs. If we channeled less than 10% of the funds spent on commodity programs into the Farm Bill's Section 32 food procurement program, we could effectively pay for the doubling of fruits and vegetables in the

school food programs ($3.5 billion over 5 years). The diet-related medical costs of four serious illnesses — diabetes, cancer, coronary heart disease and stroke — amount to $38 billion a year. There is substantial evidence that people whose diets are rich in fruits and vegetables are far less likely to suffer from these health problems. Yet just 1 percent of adolescents and 4 percent of adults ate as many servings of fruit and vegetables as recommended by USDA dietary guidelines. We could save billions in health care dollars by investing more in healthy food programs. How can Farm Bill programs do more to increase access and consumption of fruits and vegetables, particularly among our children who are consuming exceedingly low quantities of fruits and vegetables?

Response: USDA purchases a wide variety of fruits and vegetables for distribution in USDA food assistance programs, including the National School Lunch Program (NSLP) and TEFAP. In accordance with the Farm Security and Rural Investment Act of 2002, USDA must use at least $50 million of Section 32 funds provided for food procurement each fiscal year to purchase fresh fruits and vegetables for distribution to schools and service institutions. In accordance with that legislation and the Food, Conservation, and Energy Act of 2008, USDA is using $406 million from Section 32 funds in fiscal year 2012 and each fiscal year thereafter to purchase fruits, vegetables, nuts, and other specialty crops for use in domestic nutrition assistance programs. Most of these foods are distributed in NSLP and TEFAP.

In NSLP, USDA provides cash reimbursements and USDA Foods to States and schools, with the value of such assistance based on the number of school meals served in each State in the previous year. The cash reimbursements constitute about 80 to 85 percent of the USDA assistance provided in NSLP, while USDA Foods make up about 15 to 20 percent of the assistance. Schools use the cash assistance to purchase foods for use in their school meals. USDA has been very supportive of schools' efforts to purchase locally. In April 2011, USDA amended NSLP regulations to facilitate local purchases of agricultural products with their Federal cash reimbursements. With respect to USDA Foods, schools may order, through the State distributing agency, from a list of about 180 nutritious foods purchased by USDA in a variety of forms (i.e., fresh, frozen, packaged, canned, dried, and bulk) for use in their school meals.

3) USDA Food Desert Map: Secretary Vilsack, four million New York residents and more than 20 million Americans live in areas without access to a grocery store or in a so-called "food desert." Limited access to healthy foods and the close proximity of fast food and convenience stores may be linked to poor diets, obesity, and the development of chronic diseases like heart disease and diabetes. The Healthy Food Financing Initiative addresses this critical health and food justice problem. I have taken the lead in the Senate fighting to have this initiative fully funded during the Appropriations process since the 2011 budget cycle. Additionally, I am the lead sponsor of a Healthy Food Financing bill that would place full authority with USDA to implement this essential program to solve our food desert problem.

Therefore, I want to call your attention to the Food Desert Map Locator, released by USDA on May 1st of last year. As the 2008 Farm Bill defined, a food desert is a "area in the United States with limited access to affordable and nutritious food, particularly such an area composed of predominantly lower-income neighborhoods and communities." In New York City, we have significant food deserts in Harlem, the Bronx, central Brooklyn, and part of Queens and Staten Island. We have skyrocketing diet related diseases such as obesity, Type 2 diabetes and cardiovascular disease, even in small children. Our state and city efforts have started the crucial work of eliminating these food deserts, but significant results have yet to be seen. We have measured our food deserts based on walking

distances and access to grocery stores, not simply mileage since most city residents don't own cars and transportation lines do not reach every area. I am very concerned that the USDA mapping tool that claims to help all stakeholders "pinpoint the location of food deserts", completely misses our most significant New York City food deserts of Harlem, the Bronx and central Brooklyn. As I champion both legislation and appropriations for Healthy Food Financing to solve the food desert problem, it is very worrying to see New York City ignored in USDA's mapping. What will you do to fix this problem?

Response: The Economic Research Service of the USDA conducted research that was used by the Interagency Working Group, comprised of staff from the Department of the Treasury, the Department of Health and Human Services, and USDA, to define food deserts for the proposed Healthy Food Finance Initiative (HFFI). Under the HFFI definition, low-income census tracts where either a substantial number or share of residents has low access to a supermarket or large grocery store are defined as food deserts. A specific census tract qualifies as a food desert according to this definition if it meets the low-income and low-access thresholds:

- *Low-income*: tracts with a poverty rate of 20 percent or greater, or a median family income at or below 80 percent of the statewide or metropolitan area median family income;

- *Low-access:* tracts where at least 500 persons and/or at least 33 percent of the population lives more than one mile from a supermarket or large grocery store (10 miles, in the case of rural census tracts).

The mile marker for urban areas was chosen because it is reasonable to argue that walking beyond one mile to a store (for those who do not have vehicles) would pose a hardship.

Food desert census tracts in New York State contain an estimated 268,396 people with low supermarket access, including 18,378 in the 5 counties that comprise New York City. Further analysis of New York City by ERS analysts shows few areas more than even a half mile from a supermarket or large grocery store, implying that even those without access to a vehicle or public transportation would not have to walk any more than a half mile to a grocery store.

Vehicle ownership is not currently part of the HFFI definition of food deserts, although it is a crucial indicator of access. The Food Environment Atlas provides county-level statistics of the number of housing units without access to a vehicle that are more than 1 mile from a supermarket or large grocery store. In New York State, 107,768 households are more than 1 mile from a store and do not have access to a vehicle. In New York City, 4,778 housing units are more than 1 mile from a store and do not have access to a vehicle. As a point of contrast, Albany County contains an estimated 5,561 housing units without vehicles that are more than 1 mile from a supermarket or large grocery store. USDA analysts have also estimated that in the 5 New York City counties, 64,371 housing units (or 2 percent of all NYC housing units) do not have access to a vehicle and are more than half a mile from a supermarket or large grocery store.

ERS continues to conduct research that informs the Interagency Working Group. ERS's research provides additional insight into issues related to measuring food access and food deserts in the U.S. and ERS is currently exploring ways to incorporate vehicle ownership indicators and alternative distance markers into the Food Desert Locator tool to give researchers and other users of our data more information about conditions in local areas.

It should be noted that the current definition of a food desert is not the sole criteria for identifying local areas that can qualify for Federal funding. *Projects that demonstrate the need for improved healthy food access in communities that are not officially defined by the Interagency Working as food deserts are also eligible for funding*. The Food Desert Locator is one tool, among other tools, to assist in the efforts to expand the availability of nutritious food in food deserts. It will help policy makers, community planners, researchers, and other professionals to identify communities where public-private intervention can help make fresh, healthy, and affordable food more readily available to residents who live there.

4) Secretary Vilsack, given that you have testified that only 1% of all SNAP benefits are illegally trafficked, does that mean that 99% of the benefits go to children, seniors, working parents and other low-income families to prevent them from starving (facing hunger?) and to enable them to obtain their nutrition food they need for a healthy and productive life?

Response: Yes. USDA estimates that about 1 percent of SNAP benefits are trafficked. While even these levels of fraud are unacceptable, it is fair to observe that the overwhelming majority of benefits are thus used by SNAP recipients to help put food on the table until these families can get back on their feet. Our most recent data shows that most SNAP participants are children, elderly or disabled.

5) Secretary Vilsack, given that the USDA Economic Research Service has proven that every dollar spent on SNAP generates 1.8 dollars in economic activity -- and further given that such nutrition assistance helps students do better in school and enables workers to be more productive -- isn't true that the very small percentage of benefits lost due to fraud is far, far outweighed by the massive economic benefit of the program to our country?

Response: Any amount of fraud is unacceptable to this Administration, Americans expect and deserve a government that ensures their hard-earned tax dollars are managed with accountability and integrity. Without that commitment, we risk undermining public confidence in the value of SNAP and other nutrition assistance programs. For that reason, fighting waste, fraud and abuse is fundamental to the mission of these vital programs.

That being said, I agree that SNAP is a critically important and successful program not only for the low-income families that it serves directly, but also because of the substantial positive impact that SNAP benefits have on economic activity. Every time a family uses SNAP to put healthy food on the table, it benefits the store and the employees where the purchase was made, the truck driver who delivered the food, the warehouses that stored it, the plant that processed it, and the farmer who produced the food.

6) Is USDA considering any changes to existing rules that recognize how food commerce and technology are changing? Specifically, will you consider the use of EBT to pre-order qualified food items online?

Response: USDA is currently supporting a pilot that allows for the online pre-order of SNAP-eligible foods. On-line ordering is currently being used in the Virtual Supermarket Program sponsored by the City of Baltimore and Santoni's Super Market, an FNS-authorized retailer. Residents in low-income communities, most located in areas designated as food deserts, place grocery orders online at their local library branch, school or home and receive their groceries the next day at the school or library. There is

no delivery fee charged. Residents are able to pay with cash, credit, debit and EBT. Debit, credit and SNAP purchases are collected at the time products are delivered using a wireless point-of-sale terminal.

Another major retailer is exploring the use of online ordering of groceries, which the customer can pick up at a later, designated time. SNAP payment for eligible foods along with other conventional forms of payment, would be accepted at the time of pick-up.

We are open to other such ventures, as long as the seller meets SNAP regulatory requirements, is authorized by USDA, does not require payment until the food is received by the customer, and accepts the EBT payment through conventional means such as a debit card terminal. No rule changes are required.

7) There are currently technical barriers that do not allow the use of EBT PIN debit transactions for online purchases. How is USDA addressing this problem?

Response: Every electronic EBT transaction requires a Personal Identification Number (PIN). The PIN ensures that the person using the EBT card is authorized to do so, and is much more secure than use of a signature under normal circumstances. However, most online sellers only accept credit cards or branded (i.e., MC or VISA) debit cards, which they treat like credit cards (as signature-based transactions). These sites do not accept PIN-based transactions because, until recently, there was no secure, industry-accepted method for entering PINs for online transactions. As a result, no company has been willing to take EBT cards online. Equally important, USDA must ensure that any company that does wish to do so has a PIN-entry system that is considered secure by industry standards.

There is now one company that has a secure PIN-entry product that is accepted by banking networks and the payment card industry. USDA is exploring that option for SNAP EBT. To that end, we are working with State agencies, online retailers and EBT industry partners to identify issues and concerns and establish standard rules and procedures to address them.

<u>Senator Mike Johanns</u>

1) Mr. Secretary, in response to questions related to the definition of "local foods" you mentioned the definition of "rural" and the confusion related to the lack of a consistent definition at the U.S. Department of Agriculture (USDA). As you are aware, there are a number of definitions currently used to implement USDA's rural development programs.

Section 6018 of the 2008 farm bill directed USDA to examine the current definitions of rural and suggest recommendations. Specifically, the law states that:

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—
(1) assesses the various definitions of the term "rural" and "rural area" that are used with respect to programs administered by the Secretary;
(2) describes the effects that the variations in those definitions have on those programs;

(3) make recommendations for ways to better target funds provided through rural development programs; and
(4) determines the effect of the amendment made by subsection (a) on the level of rural development funding and participation in those programs in each State.

The information asked for in this report would be very useful to the Senate Agriculture Committee as we work to reauthorize rural development programs in the next farm bill and help minimize the confusion you referenced.

Can you provide an update on the agency's progress in assessing the definitions of "rural" and "rural area" currently used by USDA? And, when do you expect to submit recommendations for Congress to consider?

Response: The report is in the clearance process and should get to Congress soon.

Senator John Thune

1) Mr. Secretary, in 2011 SNAP provided assistance to almost 45 million Americans at a cost of about $78 billion. I believe with that amount of taxpayer dollars being spent for this program that a high level of transparency is necessary to ensure waste, fraud and abuse are kept minimal. Do you believe the accessibility USDA allows to SNAP information by the general public, press and others is adequate?

Response: USDA offers a high level of transparency including a Fighting SNAP Fraud website which educates clients, retailers and the public about what we do and how they can help us in our efforts to fight trafficking. The SNAP fraud website provides a direct portal to report suspicious activities With respect to the public's ability to know how much money specific retailers are redeeming in SNAP benefits, current law prevents the Department from releasing this kind of proprietary information

2) What percentage of the annual cost of SNAP is attributed to fraud and abuse? How does this percentage compare to other USDA administered programs?

Response: While USDA does not calculate rates of fraud and abuse for its programs, it does produce estimates of improper payments for its high-risk programs as required by the Improper Payments Information Act. These are reported annually in USDA's Performance and Accountability Report. The 2011 report is available on the web at http://www.ocfo.usda.gov/usdarpt/pdf/508_compliant_final_4_5_12_ljb.pdf. A copy of Appendix B of the report, on Improper Payments and Recovery Auditing Details, is attached.

3) Is USDA planning on making any changes in the policies regarding the release of SNAP information that would further ensure to the public that SNAP fraud and abuse is held at nominal levels?

Response: USDA is always willing to explore policy changes that further integrity goals and would ensure that SNAP fraud and abuse is held at nominal levels. Public perception of the Program is critical to its on-going success in meeting the needs of hungry Americans.

Additionally, USDA has already been making changes to further reduce fraud and abuse in SNAP, as well as enhancing the way we communicate our program integrity results to the general public. We recently launched a new website -- "Fighting SNAP Fraud" -- which promotes better awareness of fraud, details the aggressive actions that USDA is taking to reduce trafficking, and provides the public with resources and information on how they can report and prevent SNAP fraud. Additionally, we just issued our first quarter enforcement results for SNAP in February, which showed that USDA has either sanctioned or permanently disqualified 575 stores found violating program rules. We believe this provides a better, more transparent and accountable method for releasing key integrity-related data to the public.

With regards to any policy changes pertaining to retailer redemption information that might be released, current law prevents the Department from releasing any proprietary information.

4) What suggestions do you have for this Committee as we write the 2012 Farm Bill that would assist USDA in eliminating waste, fraud and abuse in SNAP and other nutrition programs?

Response: USDA is willing to work with Congress to explore policy changes that will positively impact the integrity of the Program. One such Farm Bill opportunity is to enhance the statutory definition of SNAP eligible retailers that currently provides for carrying a minimum inventory of staple foods.

Senate Committee on Agriculture, Nutrition & Forestry
Healthy Food Initiatives, Local Production, and Nutrition
March 7, 2012
Questions for the record
Mr. John Weidman

Chairwoman Debbie Stabenow

1) Food Trust has partnered with Common Market, a food hub, to bring healthy, local products into Philadelphia schools. How has the partnership with Common Market helped in your farm to school efforts?

Food Hubs that aggregate and distribute locally-grown foods, like Common Market, help fill gaps in the supply chain, making it easier for schools and farmers to connect. The School District of Philadelphia has over 300 feeding sites and serves many of its 160,000 students not just lunch, but also breakfast and after school meals or snacks. Even though the farm to school pilot program is in just 10% of the District's schools, the pilot sites are geographically dispersed throughout the city. It can take over an hour to drive from one end of the city to the other. Asking an individual farmer to deliver his product to every one of these sites once a week would put a heavy burden on that farmer and could potentially raise the cost of the produce to a point where it would no longer be affordable for the District. Additionally, Common Market works with around 70 farms in Pennsylvania and New Jersey and aggregates what is available. Lettuce served on the made-to-order salad bars offered each day in our high schools may come from a number of different farms within a 72 mile radius. Without a food hub acting as an aggregator, the school district would be required to reach out to many different farms, obtain price quotes, constantly track the supply and coordinate the logistics necessary to move the food from where it is grown to the schools where the students are eating it. Instead, Common Market is able to offer a weekly list of products with uniform prices and the District can rest assured that Common Market has already vetted each producer and made sure that they adhere to standards of good agricultural practice and have an active food safety plan in place. They can also count on Common Market to deliver to each of the schools within the pilot program on a consistent schedule every week, thus relieving both the farmer and the school district of trying to fill a logistics role that neither has experience in managing. In a district the size of Philadelphia, successful farm to school programming requires an active middleman to complete the supply chain. A Food Hub facilitates the relationships and coordinates the details that otherwise both farmers and schools would find burdensome. Farming is a full-time job and feeding our city's children is also a full-time job. A food hub increases access to local food by connecting supply to the demand. Over the past three years, Common Market's role in the School District of Philadelphia's farm to school pilot program has allowed the program to grow from 5 to 32 schools, providing the city's children with more fresh fruits and vegetables, creating viable revenue streams for local producers and creating jobs in warehousing and distribution within the City.

2) We have heard a lot about the quantifiable benefits of local food systems – jobs created, increases in income, number of new markets available to farmers, increases in sales, increases in SNAP participation at farmers markets, and the number of new grocery stores in food deserts. While measuring the economic impact of such projects is vital to prioritizing scarce funds, do you believe that there are additional considerations policy makers and the agency should consider when contemplating the purpose of these funds?

In our work to improve children's health, we encourage the consumption of both local and non-local healthy foods, and we believe both are important to a healthy food system. We have found that having a strong local food system provides many important benefits that are critical to improving the health of children. Teaching children about where food comes from, and then taking them on a farm trip to taste new foods is one way to excite their imagination and encourage healthier habits that can last a lifetime. When locally-grown food travels from a farm to a food hub and then to a cafeteria through a farm to school program, it provides a learning opportunity, as well as great tasting, freshly-picked produce. When encouraging kids to try new things, taste matters, and nothing compares to farm fresh produce.

Farmers' markets also provide not only access to healthy fresh foods, but a social experience that encourages people to think differently about what they eat. Becoming a farmers' market customer can lead to a lifestyle that tends toward healthier more wholesome foods. Children can get involved with farmers' markets by growing their own vegetables at a school or community garden and selling at a market stand. A strong local food system also has environmental benefits by reducing carbon outputs associated with food transportation. A local food system provides direct economic benefits by creating jobs and opening new markets for farmers, but also has an important health and social impacts on communities. Without a strong local food system, efforts to improve health, and prevent obesity and diabetes are at a distinct disadvantage.

Communities without strong local markets offering access to healthy, fresh food, feel incomplete to their residents and to those who visit. Most people would prefer to live in a community with access to healthy food to avoid having to travel for small and large food purchases. Access to healthy food has become a central way to define a healthy community. Moreover, the foot traffic that markets create is an important economic anchor for communities and helps supply the customers that can support other nearby businesses as well.

Senator Robert P. Casey, Jr.

1) I was pleased to be at the September opening of the Frankford Farmer's Market in Philadelphia, which is run by The Food Trust. I'm also a co-sponsor of the Healthy Food Financing Initiative legislation. In your testimony you discuss a study that found improved nutrition and produce consumption in areas with supermarkets. How do you think a Federal Healthy Food Financing Initiative will help to improve the overall health of people in

underserved areas? Is it simply a matter of higher consumption of fruits and veggies or something bigger?

A Federal Healthy Food Financing Initiative will certainly increase consumption of fruits and vegetables by increasing access to grocery stores and other fresh food retailers. Changing the American diet and increasing consumption of healthy foods is a vital part of national efforts to prevent obesity, diabetes and other diet-related diseases that are driving our health care costs toward unsustainable levels. That is why all of the major health organizations, including the American Heart Association, the Institute of Medicine, and the American Public Health Association have called for initiatives that increase access to grocery stores. But yes, this is part of something bigger. Grocery stores are economic anchors for communities. When a town loses its downtown grocery store, healthy food becomes scarcer, but it also has a negative impact on other businesses. This can have a domino effect that can lead to reductions in local tax revenue, higher crime, and lower real estate values. One new store in the Pennsylvania fresh Food Financing Initiative generated more than $540,000 in new tax revenue. A new or newly renovated grocery store can have the opposite effect of attracting new businesses and increasing safety. The goal for all communities should be a wealth of healthy food options including a supermarket, a farmers' markets and smaller stores that stock healthy foods. A Federal Healthy Food Financing Initiative will help low-income communities across the country achieve this goal and in the process will create jobs, and strengthen neighborhoods.

2) The Philly Food Bucks program has been very popular among recipients and retailers. Do you think the program has helped the Farmers' Markets succeed in encouraging consumers to buy healthy and local? Have farmers who participate in the markets seen an increase in demand for their products?

Ten new markets were opened in low-income neighborhoods over the course of the Philly Food Bucks pilot, and customer and farmer survey data, in addition to sales through food assistance programs, points to the fact that that Philly Food Bucks has indeed increased customers' intake of local, fresh fruits and vegetables and buoyed our farmers' sales.

While the majority of customers at these markets reported an increased intake of fruits and vegetables, survey data reveals that Philly Food Bucks users are indeed buying healthy, local food in greater numbers. Compared to non-Philly Food Bucks users, Philly Food Bucks customers are more likely to have tried new or unfamiliar fruits or vegetables since coming to the market (52% vs. 35%), and more likely to report eating more fruits and vegetables since becoming a customer at market (72% vs. 50%). They are also more likely to "attend market frequently" than non-Food Bucks users.

All of the farmers surveyed at our ten new markets reported that they would continue with the Philly Food Bucks program. 70% reported an increase in sales of fruits and vegetables, and all reported that the logistics of the program were "easy" or "very easy." Sales from food assistance programs comprised 35% of farmer sales at these markets over 2010 and 2011, 56% of customers at these markets reported participation in at least one food assistance program in 2011, and seasonal SNAP sales at all Food Trust markets increased 330% over the pilot period, demonstrating that high-need customers are using the

markets to purchase fruits and vegetables.

3) We know food stores provide jobs to members of their communities, but how else have you found that food stores in underserved areas help their local communities, urban, suburban and rural?

Food stores are a vital and important part of their communities. In addition to being a source of healthy food and jobs, grocery stores often work directly with local community groups, and in some cases provide a community meeting space inside their stores. Some grocers sponsor different community organizations, including Little League and other teams, and in rural communities in particular, grocery stores can provide important informal places for social connections. Grocery stores often are leaders in local anti-hunger efforts, providing nutritious food to food banks, helping to raise funds, and serving on local boards. As demand for locally-grown produce has risen, grocers are supporting local farmers by carrying and promoting their products. Grocery stores also provided an economic anchor for many other local businesses. Some grocers seek to co-locate different services including banks and health care.

4) Can you talk more about The Food Trust's Healthy Corner Store Initiative? What has been the response from store owners and their communities?

The Food Trust works to improve the economic viability of corner stores in low-income Philadelphia neighborhoods, stimulating economic revitalization and promoting community health through improved access to fresh and healthy foods. Corner stores typically concentrate on high-profit, low-nutritive items (e.g., candy, chips, soda)—and no or little fresh food. The Trust's Healthy Corner Store Initiative encourages and supports these small businesses to stock and market more healthy food—improving public health while encouraging local entrepreneurship and new job creation.

The Food Trust has worked for many years to create healthy stores and build a Healthy Corner Store Network. Building off of our work with corner stores, the initiative has recently expanded corner store efforts city-wide with support from the Philadelphia Department of Public Health and their Get Healthy Philly initiative. Since April 2010, a total of 625 corner stores have become members of The Food Trust's Philadelphia Healthy Corner Store Network by committing to introduce new healthy food options for their customers. Some notable impacts so far include:

- 78% of owners approached have eagerly joined this new initiative
- 83% of participating stores have already introduced at least 4 new healthy food options
    - 86% of stores have introduced a new fruit or vegetable item
    - 81% have introduced a new whole grain product
    - 75% have introduced a new low fat dairy product
- A city-wide Healthy Food Identification Marketing Campaign, funded by the Philadelphia Department of Public Health, has been implemented in these stores to help guide customers to make healthy decisions in corner stores at the point of purchase
- We are partnering with wholesale suppliers and distributors to help stores stock healthy options

- The Food Trust has developed an unprecedented relationship with a wholesale company called Jetro, which is the number one wholesale store for corner stores in Philadelphia. Jetro has introduced 13 new healthy food products, including a new line of low-sodium and low-sugar canned fruits and vegetables, new low-fat dairy products and new fresh produce options.

The Food Trust is working alongside of corner stores to support them in making healthy changes to improve their stores and providing communities with improved healthy food access. Owners report that the healthy products are selling well, customers are giving store owners positive feedback and new products are attracting new customers.

"When I first heard about the program, I thought it was a great idea. A lot of older adults don't have a way to get to a large supermarket. Every small grocery store needs to have healthy options for their customers. I am doing this for the health of the community and for more business. When you sell healthy items it keeps the customer coming back."

-Ramon Espinal, owner Jarabacoa Food Market, 3401 N 16th St, Philadelphia 19140

"If my business was not part of the corner store network, we wouldn't be able to sell fruit. Delivering fruit and helping me sell healthy products makes it easier to sell them and people look for these products now"

-Rosa Hernandez, owner Ynieli Grocery, 647 W Cambria St, Philadelphia 19133

Before the conversion store sales of produce and other healthy products was about $300-$500 per day. Now the store sells between $1300-$1400 per day in fresh produce and other healthy products.
-Ramon Fernandez, 2243 Christian St, Philadelphia 19146

In conclusion, developing high-quality fresh food retail outlets improves health, creates jobs, and supports economic vitality in underserved communities. In communities that lack access to healthy foods, corner stores have the potential to become valuable assets and community partners in creating healthy communities while also improving the economic viability of Philadelphia neighborhoods through increased access to affordable healthy food.

Senator John Thune

1) Our budget deficits are too severe to spare any program from cuts. And once you exempt one program, then soon everyone will be calling for their program to be off the table. How can we afford to exempt any program—no matter how deserving—from cuts?

The fiscal realities that our country is facing require hard choices. Programs such as those I discussed in my testimony provide triple bottom line benefits—they deliver jobs, revitalize communities, and deliver needed health benefits. Moreover, these public/private partnerships

leverage private capital expanding the reach and the impact of public programs to create sustainable local businesses that continue to contribute to the local economy. The one-time grants and loans that come from healthy food financing programs provide long-time economic and health benefits for individuals, families, and communities.

In addition, the programs I discussed in my testimony are focused directly on solving the crisis of preventable, diet-related disease that is contributing to our skyrocketing health care costs and deficits. In order to get our fiscal house in order, we need to change the way America eats. The current trends are simply not sustainable. That is why investing in efforts that increase access to healthy food, increase consumption of fruits and vegetables and prevent obesity and diabetes is so important. In addition to improving health, efforts focused on improving access to grocery stores and farmers' markets and improving local and regional food systems will create thousands of jobs in rural, urban, and suburban communities. When weighing the costs and benefits, programs should be measured on whether they improve health, create jobs and help to reduce the long term drain on our deficit of rising healthcare costs.

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