Coordinator@appalachiafunders.org

Twitter: @AppFunders

# Food & Ag Systems Working Group

Advancing a Regional Approach for a Resilient Appalachia

This plan outlines the proposal of the Food & Ag Systems Working Group (FASWG) of the Appalachia Funders Network to accelerate the growth of the regional food economy. It addresses the leverage points within the region's food system and provides guidance for targeting investments that build on current momentum.

# Background: Existing Partnerships & Current Focus

In Central Appalachia, a strong local food and ag movement has emerged, with a collaborative network of food & agfocused funders, businesses, and nonprofit practitioners pursuing aligned strategies. Local and regional food systems are beginning to realize their potential as a means to address economic, health, and environmental goals simultaneously. Regional actors are growing food, fostering businesses, creating jobs, conserving farmland and forests, protecting natural resources, and increasing access to fresh, healthy foods.

The FASWG's current focus is to leverage existing momentum, analysis, and expertise to solidify Appalachia's food & ag system as an economic driver in the region. To this end, members have identified three critical leverage points that, when addressed, will increase the profitability of local food & ag actors, create food and farm jobs, offer more low-income communities access to fresh food, and strengthen the resiliency of the region's food system.

- Increase Agricultural Production: Demand for local produce is growing in Central Appalachia, which presents an opportunity for more farmers to begin farming or increase production to meet that demand. Across the region, demand for fresh produce outstrips supply. Beginning farmers in particular need access to training, technical assistance, infrastructure, capital, and markets to grow into viable farm businesses.
- Strengthen & Connect Regional Processing, Aggregation, and Distribution (PAD) Infrastructure: As more farmers increase production capacity, they must have access to the infrastructure that helps them reach larger markets. The potential for business growth, new jobs, and increased income depends on the availability and access to infrastructure for value-added processing, product aggregation, and efficient distribution.
- Expand Healthy Food Access: Many rural communities across Appalachia exist in so-called food deserts, where residents have limited access to healthy food.¹ In both rural and urban areas, low-income families experience high levels of food insecurity and poor dietary options that lead to hunger, obesity, diabetes, and other chronic disease. This challenge is also an opportunity, as regional actors from farmers markets to food pantries are collaborating to improve access by connecting low-income families to fresh, healthy, local foods. Advocacy, education, and investment in food access is critical to ensuring healthy rural people and economies.

By addressing these leverage points in a coordinated, inter-dependent fashion, the FASWG can support the region's food system to achieve its potential for economic impact, food security, and community resilience. Over the past five years, the FASWG has partnered with the food system working group of the Central Appalachian Network (CAN). Together, they are poised to connect and amplify results from their most recent partnership, described in the box to the right.

# 2015-2017 FASWG USDA Rural Communities Development Initiative (RCDI) Grant - \$250,000

**Purpose:** This grant increased the capacity of the local food system via farmer trainings, business planning support, farm to institution coordination, fresh food access for vulnerable populations, etc.

**Results:** As a result of co-designed strategies between funders and practitioners in four sub-regions, cross-sector partnerships emerged, local initiatives gained traction, and millions of dollars in follow-on funding was leveraged.

<sup>&</sup>lt;sup>1</sup> In 63 out of 135 Appalachian counties of Kentucky, Tennessee, and North Carolina, it takes over 20 minutes to drive to a grocery store. As the Crow Flies: An Underrepresentation of Food Deserts in the Rural Appalachian Mountains

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# Leverage Points in the Food & Ag System

To strengthen our support of the regional approach for advancing the food system, the FASWG will distill and document its analysis of each leverage point, including best practices and promising models, policy considerations, potential impacts, and data & evaluation needs. We aim to come away with a set of strategic investment recommendations, at the local and regional scale, that can take our region's food & ag systems to their full potential as an engine for economic transition and regional well-being. Below is a snapshot of the future analysis for each leverage point, followed by examples of current collaboration and investment that could be leveraged with additional funding.

## Increase Agricultural Production

### **Current Assessment**

## **Investment Opportunities**

- Collateral support and patient capital for purchasing farmland and/or farm equipment
- Good Agricultural Practices (GAP) training & certification support
- Shared-use infrastructure for cleaning and packaging produce according to GAP
- Support for farmers market development
- Coordinated campaigns around branding, marketing,
   & consumer education for ag and forest products

#### **Policy Context**

- Supporting beginning farmers is facilitated by policies that make it easier to access land, capital, technical resources, and mentorship.
- Forest farming isn't applicable for support under NRCS's Environmental Quality Incentive Program.

#### **Peer Learning Opportunities**

- Learning exchanges between new and experienced farmers and forest farmers across the region, including scaled production on abandoned mine land
- Training for technical assistance providers

## **Examples of Current Projects**

- The <u>CFA Farmers Market Support Program</u> provides technical assistance that include toolkits and workshops for farmers and market managers.
- Rural Action has GAP training tailored to Amish and Mennonite farmers, and <u>Appalachian Harvest</u> provides cost-sharing to offset certification costs to farmers.
- The <u>30-Mile Meal</u> is a super-local food branding initiative to support procurement, started in Athens, Ohio by <u>ACEnet</u> and the <u>Athens Convention and</u> <u>Visitor's Bureau</u>.
- Kentucky's <u>Community Farm Alliance</u> supports beginning farmers' access to farmland.
- The <u>WV Food & Farm Coalition</u> is raising awareness about mineral severance and farming and how it complicates putting good land to productive use.
- The Appalachian Beginning Forest Farmers Coalition at Virginia Tech provides extension services for nontimber forest products (NTFPs) including seedstock, training, and market networking.
- As part of the RCDI project, KY farmers traveled to <u>Green Edge Gardens</u> to learn about a season creation model that helps farmers extend production and meet demand outside the growing season.

### **Long-Term Impacts**

- Increased production creates additional jobs in the local food value chain and on the periphery of the food system
   In the CAN POWER grant, 50 new jobs and retention of over 700 jobs are expected.
- Regions are more resilient to shocks and enjoy more food security when they produce more of their own food.
- Small-scale farmers and rural landowners are able to stay on their land and generate a livelihood.

## Current Investment to Leverage

# Appalachian Regional Commission 2017-2019 POWER Grant to Central Appalachian Network— \$1.2 Million

"Growing Food System Capacity and Scaling Economic Impact"

**Purpose:** Building on the Rural Community Development Initiative (RCDI) project and years of farmer training and technical assistance, this grant will improve production capacity of Central Appalachian farmers and foster job creation & economic growth in local food systems.

<u>Anticipated Result:</u> By increasing the supply of local produce and value-added products across five states, this project will help the regional food economy scale to its full potential, creating jobs and businesses along the way.

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## Strengthen & Connect Regional Processing, Aggregation, and Distribution Infrastructure

## **Current Assessment**

## **Investment Opportunities**

- Financing for equipment like shared-use kitchens, refrigerated trucks, as well as non-timber forest product aggregation infrastructure.
- Walk-in coolers and refrigerated storage
- Storage and aggregation facilities
- Slaughter facilities and value-added meat processing
- Community kitchens & shared-use processing space
- Business plan coaching and marketing support for farm & value-added businesses

## **Policy Context**

- Meat processing regulations can help provide more options to small farmers.
- GHP (Good Handling Practices) certified facilities are critical for accessing wholesale and institutional markets
- Institutional procurement can be increased by eliminating needless regulation, incentivizing local purchases, and passing state procurement mandates

## **Peer Learning Opportunities**

- Value-added products and shared branding
- Food hub profitability strategies and leveraging existing infrastructure assets
- Logistics and transportation efficiencies through prototyping distribution routes

## Examples

- Appalachian Harvest Food Hub has helped farmers earn more than \$2 million a year, providing state of the art food storage and transportation facilities. It also houses an Herb Hub for NTFP processing.
- ACEnet's food ventures center provides commercialgrade processing equipment
- The <u>Value Chain Cluster initiative</u> provides business plan assistance, coaching, and marketing support to food & farm businesses
- West Virginia increased the limit for on-farm poultry and rabbit processing, greatly benefitting small farmers.
- The Ohio Farm to Institution Network uses culinary schools to prepare local food that complies with school system regulations.
- <u>CFA</u> and <u>KCARD</u> advocate to increase institutional procurement of local products through <u>KY Proud</u> purchasing priorities at Kentucky parks and school systems
- <u>Refresh Appalachia</u>, <u>KISRA</u>, and <u>the Wild Ramp</u> are working to provide easy-access aggregation sites for WV growers.
- Food hubs of various sizes are utilizing the trucking system and storage infrastructure of <u>Appalachian</u> <u>Harvest</u>, rather than having to develop it themselves.

### **Long-Term Impacts**

- Effective processing, aggregation, and distribution infrastructure provides access to reliable mainstream markets for farming operations of various scale
- Value-added production and premium crops help keep a greater share of the revenue in-region.
- Wholesale market access provides a pathway to scale for the region's food system, with over \$13 million in local food sales in 2016 and continued growth expected.

#### Current Investment to Leverage

# 2016-2018 Appalachian Sustainable Development and ACEnet POWER Grant – \$1.5 Million

"The Central Appalachian Food Enterprise Corridor"

<u>Purpose:</u> CAN members <u>ACEnet</u> and <u>Appalachian Sustainable Development</u> are developing distribution routes and infrastructure across the region to allow farmers to better access wholesale markets and will rely on a steady supply of produce from the region's farmers and NTFP producers.

<u>Anticipated Result:</u> Improved regional distribution corridors will allow farmers and value-added processors across 5 states to grow into a ready-made system to get their products into reliable markets, increasing the viability of farming as a livelihood in the region.

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## **Expand Healthy Food Access**

#### **Current Assessment**

## **Investment Opportunities**

- Baseline data studies and evaluation metrics tailored to nuances in rural areas, to address gaps in existing information on food access, consumer decisionmaking, nutritional needs and health indicators
- Cost-sharing programs, incentives, and subsidies to remove barriers for low-income populations to afford local produce
- Donation and produce "seconds" programs that get fresh healthy foods to food insecure populations and reduce food waste
- Farm to school programs that provide healthy food access to students

#### **Policy Context**

- Markets and small grocers often receive a large portion of their revenue from federal funding like SNAP and WIC.
- Local procurement policies at public schools and institutions benefit local farmers

#### **Peer Learning Opportunities**

 Learning groups around different categories of work, such as farm to school, double dollars, <u>Farmacy</u>, public health/consumer education, food bank donations, produce seconds, etc.

## Examples

- A study by the FASWG and <u>Appalachian Foodshed</u>
   <u>Project</u> (Virginia Tech) found significant gaps in critical data on food security in the region
- The <u>Farmacy</u> program provides healthy food to patients with diet-related health conditions by writing a prescription for vegetables redeemed at the local farmers market.
- Farmers market <u>Double Dollars</u> programs match SNAP benefits to encourage purchasing local food
- Community Food Initiatives' Donation Station model gets fresh local produce from Farmers Markets into food pantries
- The Ohio Farm to Institution network helps get local food processed, procured, and served in local schools
- Refresh Appalachia shared that "From 2009 to 2012, SNAP kept 74,000 West Virginians out of poverty, including 24,000 children. SNAP is important not only to hungry families, but to our economy. In 2016 it brought \$499 million into West Virginia, or 12 percent of the total dollars that consumers spent on food at home."
- Innovative farm to pantry donation programs across the region have a great deal to learn from each other – from the <u>Donation Station</u> in Ohio to <u>Healthy Families</u> <u>Family Farms in Virginia</u>.

### **Long-Term Impacts**

 Access to local foods in community grocers, food pantries, schools, and workplaces provides an economic boost to neighborhoods and small towns, while improving dietary choices and impacting public health outcomes for generations to come.

## Current Investment to Leverage

## Case Studies on the Intersection of Food Systems and Health - \$30,000

Co-Funded by One Foundation, Foundation for a Healthy Kentucky, Osteopathic Heritage Foundations

**Purpose:** A series of written and video case studies will showcase cutting-edge food access models from around the region with the aim to document and extract lessons from current progress. The case studies are a first step towards a regional effort to resource, replicate, and scale promising models at the intersection of food access and health.

<u>Anticipated Result:</u> First, those featured in the case studies will have a powerful communications tool for sharing and promoting their work. Second, other regional practitioners will have access to tools, models, and lessons learned to strengthen their own work. Third, local, regional and national funders will have frameworks and examples for improving their investments in food access and health. Finally, national funders, policymakers, and media will better understand Appalachia's opportunities for improving health outcomes through community-based food strategies.