



# Local Food: Revitalizing Community-based Food Systems



2015

## Challenges

Meet future demand for food

Conserve and enhance water, soil, and habitat

Improve nutrition and public health

Strengthen farms and communities to improve livelihoods

## Initiatives

Food & Nutrition

Immigration Reform

International Development

Local Food

Next Generation

Research & Innovation

Risk Management

Working Landscapes

AGree brings together a diverse group of producers, environmentalists, companies, nutrition and public health experts, rural and international development practitioners, and academics who have widely divergent views of the issues and opportunities facing U.S. agriculture. Despite our differing perspectives, however, we share a common vision: a 21st century food system in which farms and ranches are productive and able to meet growing demand for affordable and nutritious food; farming and ranching are profitable enterprises that support vibrant local and regional economies; and environmental quality is maintained or improved. AGree believes one strategy for achieving this vision is strengthening and revitalizing local and regional food systems that bring together agricultural production, health, nutrition, social justice and anti-hunger interests as well as those working to grow local economies and strengthen livelihoods. Our vision for American agriculture embraces the full spectrum of options, and local and regional food systems are a growing component.

This paper was informed by formal dialogues AGree hosted in Davis, California, and Louisville, Kentucky, with diverse stakeholders working to support local and regional food systems, as well as meetings and field visits in Kansas City, Kansas; Detroit, Michigan; Orange County, California; Culpepper, Virginia; and Washington, DC, and numerous conversations with local food system participants. We are indebted to all for their willingness to share their insights, lessons, and key recommendations with us and inspired by the local leadership that we witnessed that is critical to the growth and development of local food systems.

### Box 1. Definition of Local and Regional Food Systems

There is no single definition of a “local food system” or “local food.” Stakeholders have diverse opinions, resulting in a range of ways to conceptualize and measure local food systems. Some use a radius to define what local is (anywhere from 50 to 500 miles) while others find that the systems are best defined by their values and benefits – grounded in equity and social justice, short supply chains connecting farmers and buyers, minimally processed food, efforts to reach low-income populations, sustainable agricultural practices, etc. The 2008 Farm Bill provides a definition of local and regional food for purposes of determining eligibility for particular federal programs: food marketed within 400 miles from its origin or within the same state in which it is produced. For the purposes of this paper, AGree has chosen not to precisely define ‘local’ because it is a term best determined by the stakeholders in each food system.

Given the sheer number of people involved and the diverse geographies represented, AGree collected dozens of recommendations for supporting and strengthening local food systems. Using a national policy lens, we worked to develop recommendations that are universal in their application (e.g., less place-specific) given the national focus of AGree. Through this process, we have identified six overarching recommendations to support U.S. local and regional food systems, be they nascent or well established in their efforts to promote production for local consumption. While we recognize that there are important roles for the private sector and civil society to play in building vibrant community-based food systems, these recommendations are largely directed at the U.S. Department of Agriculture (USDA), other federal agencies, and the foundation community. Additional recommendations shared with AGree can be found in Appendix A.

## Recommendations for Continued Growth of Local and Regional Food Systems

Local food is a growing and important part of American agriculture that is evolving from the “ground up” to respond to diverse consumer demands. AGree offers the following recommendations to support local food systems across the United States:

- 1. We must embrace diverse agricultural systems to achieve of sustainability, productivity, and profitability goals.** Stakeholders must move beyond debates about big vs. small, local vs. global, organic vs. conventional or low vs. high tech to focus on what works best to achieve these concrete outcomes: reliable and consistent production of safe, nutritious, and affordable food; healthy working lands and ecosystems, and prosperous farms and communities.
- 2. Local and regional market actors and state and local authorities are in the best position to define local food for their given situations and purposes.** It is critical to retain this type of flexibility as the field and the market evolves. For certain federal funding sources and programs, a definition, such as the one provided in the 2008 Farm Bill, may be necessary to determine eligibility, but care should be taken to retain a dominant role for local stakeholders.
- 3. Data collection and information sharing are vital to grow local food systems.** Building off Agricultural Act of 2014 authorities to support market data reporting, USDA, its government partners, and the philanthropic sector must continue to develop and refine tools and information resources that empower local connectivity, coordination, and investment in local and regional food systems. USDA's data collection and dissemination efforts, including, incorporating local food questions into the Ag Census, must be improved.
- 4. USDA and Food and Drug Administration (FDA) programs and regulations should adapt to serve local food systems.** USDA programs, including critical safety net programs such as crop insurance and farm loans, must be designed with local food marketing structures and pricing in mind in order to address access hurdles. FDA's food safety regulations should appropriately address risks and apply scale-appropriate regulatory mechanisms. USDA programs should dedicate a greater portion of their time and resources to serving this growing segment of American agriculture.

- 5. Research is needed to understand demand for local food and to quantify the economic, environmental, and social benefits of local food systems to inform investment.** While evidence in many local food markets indicates that demand is growing steadily, more research and analysis are needed to understand consumer dynamics such as access, affordability, and consumption by diverse consumer segments, including low income and food insecure populations. To capitalize on local food systems' many “co-benefits” (e.g., nutrition and health, environmental stewardship, and community-based economic development), research should be conducted to understand best practices in the sector and to direct investment. USDA should require adequate data collection and fund research to quantify the benefits and costs of local food systems. Foundation-funded research support is also needed.
- 6. There are important roles for diverse sectors to play in supporting local food system development.** The solutions and support needed are broader than agriculture. We support engagement early and often with community and regional planners, the supply chain, schools, hospitals, agencies and organizations focused on economic development, equity, transportation, environment, labor, nutrition and health, including private philanthropy. Given the need for integration of local food system development into the broader context of equitable economic development, environmental protection, regional planning, and community health and wellbeing, it is critical that there be enhanced interagency coordination (see Box 2 for an example) at the federal level between USDA, the Small Business Administration, the Economic Development Administration, the Environmental Protection Agency, and the Departments of Treasury, Transportation, Housing and Urban Development, and Health and Human Services.

### Box 2. Local Foods, Local Places

Local Foods, Local Places helps communities create walkable, healthy, economically vibrant neighborhoods through the development of local food systems. This cross-agency program is supported by EPA, USDA, the Centers for Disease Control and Prevention (CDC), the U.S. Department of Transportation, the Appalachian Regional Commission, the Delta Regional Authority, and the White House Rural Council. The program aims to:

- Boost economic opportunities for local farmers and businesses.
- Improve access to healthy local food and promote childhood wellness.
- Create walkable, healthy, economically vibrant neighborhoods.

## System Growth and Enablers of Successful Local and Regional Food Systems

According to USDA, in 2012, 163,675 farms (7.8 percent of U.S. farms) were marketing foods locally, defined as conducting either direct-to-consumer (DTC) or intermediated sales of food for human consumption, according to the Census of Agriculture, which provided a conservative estimate of local food sales at \$6.1 billion for that year.<sup>1</sup> Industry analysts recently estimated the value of local food sales at \$11.7 billion in 2014.<sup>2</sup> Although federal data collection is nascent, the USDA report and industry research suggest that sales of local food are increasing. What began as a niche activity has grown over time into a complex system that has expanded from farm-to-farmer's market to farm-to-institution and more recently to farm-to-retail.

It is commonly assumed that the farms and ranches engaged in local sales are small. In fact, according to the Economic Research Service, large, midsized and small farms all participate in local markets, and local food sales to wholesalers, retailers and restaurants are more likely to come from farms with gross cash farm income above \$350,000 annually. Direct-to-consumer sales are evenly split between the three size categories. Local food is also much more than produce: less than 30 percent of farms selling local food are fruit, vegetable or nut operations, while 50 percent of local food farms raise livestock and the remainder raise other crops.<sup>3</sup> The farmers behind Shepherd's Grain in Washington and Oregon are a good example of the diversity of the local food industry. The 60 producers in this farming cooperative raise much of their wheat for export, but segregate high-value wheat varieties to brand and market regionally.

Growth has occurred across nearly every node in the system. The number of farmer's markets across America has increased year on year between 1994 and 2014. Farmers markets experienced 17 percent growth in 2011, 10 percent in 2012, almost 4 percent in 2013, and 1.5 percent in 2014.<sup>4</sup> Farm-to-school programs, which use local farms as food suppliers, are present in 44 percent of public school districts and an additional 13 percent have committed to launching a farm to school program in the near future.<sup>5</sup> Food hubs, or facilities that aggregate, market and distribute local foods, are popping up around the country to connect local farms and ranches with larger-volume buyers.<sup>6</sup> There are now more than 300 food hubs in operation nationwide, up by more than 70 percent since 2008.<sup>7</sup>

Food retailers have set local sourcing goals and are finding ways to meet them. Walmart currently sources at least 10 percent of its produce locally and is on track to double its local produce sales between 2010 and 2015,<sup>8</sup> while Compass Group, the multinational foodservice company, spent \$34 million on local produce in 2014<sup>9</sup> and currently sources 10 percent of the produce it serves from local farmers in its home state of North Carolina.<sup>10</sup>

The growing appeal of local and regional food systems is their ability to connect people and place through food to build healthy people, farms, communities, and economies. They have energized young people and drawn new recruits to agriculture at a time when they are critically needed. Through local food systems, people are also often connected with a host of social values from equity to education to environmental stewardship. This dynamic interplay between commerce, place, and community distinguishes local and regional food systems from more national and international supply chains and provides opportunities for local job creation, economic development, and community education about food and nutrition, among other potential benefits.<sup>11</sup>

Through AGree's convenings we have identified a number of enabling factors (listed below in alphabetical order) vital to the establishment and growth of local food systems.

- **Access to Credit and Capital:** Funding is vital to launch or grow local food businesses. There are a wide range of lending institutions for producers such as the Farm Service Agency, Farm Credit System, commercial banks, and Community Development Financial Institutions. Some have financing programs targeting young, beginning and small farmers and ranchers and military veterans as well as local food producers. Stakeholders note that finding a lender that understands local food opportunities and business models is critical, as is having pricing data that reflects the local food premium (versus conventional market prices) when seeking financing.
- **Access to Risk Management Tools:** The newly enacted "Whole Farm Revenue Protection" program included in the 2014 Farm Bill is designed to address the needs of diversified local food producers by protecting revenue on a farmer's whole farm, not just from a single crop. This program is an important start, but more can be done. Highly diversified producers (e.g., small farms that grow multiple crops), organic producers, livestock and crop farmers, and farms that are transitioning to more diversified operations need affordable risk management products.
- **Access to Farmland:** Access to affordable farmland is critical for producers entering local markets, particularly beginning farmers who have limited assets to leverage. While few if any silver bullets exist, there are approaches (see Box 3) such as low or no cost leasing of municipal land, private sector investment, and agricultural easements. Land leasing may be an option for some farmers, but short-term leases may not provide the stability creditors are seeking and could subject farmers to other risks.

### Box 3: New Models Support Access to Affordable Farmland

- The City of Boulder, Colorado's The Open Space and Mountain Parks Department supports local agricultural producers in their need for affordable land. In Boulder, over 14,000 acres of public land is leased to local farmers and ranchers in support of their family operations. <https://bouldercolorado.gov/osmp/agriculture-program>
- Iroquois Valley Farms LLC is a food and farmland company making impact investments in local and organic agriculture. Recognizing the hurdle that land access presents, the company has purchased over 2,500 acres of farmland, all of which is certified organic or in transition to organic production. The owned farmland is leased through long term tenancies to farmers that are independently operating their own family farm business. Corporate revenues and profitability are directly connected to the growing businesses of these farmers. Recent purchases include farms in MI, ME, NY KY, IL and IN – mostly for young farmers expanding local and organic food and dairy production. <http://iroquoisvalleyfarms.com/>
- The City of Irvine, California, in collaboration with Second Harvest Food Bank Orange County, has allocated what would have been the maintenance expenses (mowing and landscaping) for a five acre parcel within a former military base to the Incredible Edible Farm. Volunteers plant, weed, and harvest produce for Second Harvest on a weekly basis. In 2015, more than 4,000 volunteers are on track to harvest 300,000 pounds of produce. There are opportunities in urban areas across the U.S. to replicate this model by partnering with municipal governments to convert abandoned parcels into urban farms and utilize food bank infrastructure to support distribution efforts.

### Making the Connection Between Food and Nutrition and Health

AGree's Food & Nutrition recommendations call on healthcare providers and insurance companies to promote the benefits of good nutrition and reward healthy eating as an integral part of doing business. Patient- and family-centered care should include robust nutrition education. It should also include screening patients for food insecurity given the healthcare implications of hunger for those managing diabetes and other diet-related diseases.

*Source: AGree's Food & Nutrition Initiative: Cultivating Healthy Communities, November 2014.*

- **Business and Marketing Expertise:** Successfully operating *any* food and agriculture business requires an understanding of how to produce food, as well as a range of managerial, financial and marketing skills. Social media and marketing expertise are especially critical in the local food space to tell a product's "story" and leverage that value through the supply chain. Diverse organizations offer training and capacity building opportunities, including on-line resources. In addition, there are internship and mentoring opportunities in some places that support new entrants into the local food marketplace.
- **Collaboration between the Nutrition, Health, Local Food, and Anti-Hunger Communities:** Long-term consumer interest in and demand for local food is vital to the sector's continued growth. Nutrition education, food literacy, and healthy eating incentive programs, involving groups such as schools; non-governmental organizations (NGOs); hospitals, doctors, and other health practitioners (see Box 4); food banks; farms; and farmers markets (often funded by government agencies and private foundations), are working to educate the next generation of consumers about the benefits of healthy eating and local food. With low income populations (see Box 4), a growing number of programs provide financial incentives as well as improved access to healthy food options to encourage the development of healthy eating habits and knowledge of local food options. For example, incentives for fruit and vegetable purchases among SNAP participants was institutionalized in the 2014 Farm Bill, with \$100 million in funding for the Food Insecurity Nutrition Incentives program over the life of the bill.

### Support for New Farmer and Rancher Workforce Development

AGree's Next Generation Initiative is partnering with the New Entry Sustainable Farming Project at Tufts University's Friedman School of Nutrition Science and Policy to explore creating national and regional partnerships of beginning farmer and rancher programs and work with them to strengthen and professionalize existing groups and develop a unified voice and communications plan.

## Box 4: Innovative Programs Improve Access to Local Food

- The Wholesome Wave Fruit and Vegetable Prescription (FVRx) Program is an innovative partnership between healthcare providers, farmers markets, and families with diet-related diseases. The four to six month program is designed to provide assistance to overweight and obese children through access to nutrition counseling for their parents and a \$1 per day voucher that can be redeemed at farmers markets. FVRx is also expanding to target community members with Type 2 diabetes and other diet-related diseases.
- The non-profit Arcadia Center for Sustainable Food and Agriculture's Mobile Market is a farmstand-on-wheels that distributes local, sustainably produced food to underserved communities in the Washington, DC, area. Arcadia's mission is to improve access to healthy, affordable food regardless of income or neighborhood. The market operates regularly scheduled stops in low-income, food-insecure communities; accepts all forms of payment, including food assistance benefits; doubles the purchasing power of food assistance benefits through a "Bonus Bucks" program; and provides educational resources for how to prepare the market's offerings in nutritious, cost-effective, delicious, and easy ways.
- Double Up Food Bucks (Double Up), an initiative of the Fair Food Network, provides SNAP beneficiaries with a one-to-one match to purchase healthy, locally grown fruits and vegetables. Since 2009, Double Up has expanded from five farmers markets in Detroit to more than 150 sites around Michigan. In five years, it has benefited more than 200,000 low-income families, more than 1,000 farmers in 2013 alone, and has had a greater than \$5 million effect on Michigan's economy. Double Up has been at the forefront of innovations in healthy food incentives, expanding the model to grocery stores and developing new mobile payment systems.
- **Corporate Investment:** Current national and international supply chains have evolved to rely upon consolidated procurement practices, which can present market barriers for small farmers. However, an increasing number of major retailers, restaurants, grocers, and food service companies such as Walmart (see Box 5), Kroger, Whole Foods, Compass Group, and Sodexo are expanding their participation in local food systems (e.g., purchasing, technical assistance to providers on issues such as food safety and packaging requirements), thereby increasing market options for producers, food options for consumers, and public awareness of local food. There are, however, tensions around corporate involvement in local food systems. Expanding visibility and markets and reducing costs are seen as positives, but there are also concerns that the involvement of large and mid-sized players could bring added pressures to local producers and farm workers.

## Box 5: Walmart's Sourcing of Local Produce

In 2010, Walmart set a goal to double sales of locally sourced produce by the end of 2015 (over a 2009 baseline). By the end of 2014, the company reports increased sales of locally sourced produce from \$404 million to \$749.6 million, an increase of 86 percent in four years.<sup>12</sup>

- **Data and Information that Supports Buyers and Sellers:** A number of resources have been developed to help local food system participants access information and financial resources. Three examples include:
  - USDA's Know Your Farmer, Know Your Food (KYF2) initiative<sup>13</sup> provides a portal for those involved in and interested in local food to access a clearinghouse of information about federal resources. The KYF2 Task Force is working to leverage existing USDA and other federal resources, promote greater collaboration between the Department's 17 agencies and multiple staff offices, and identify ways to improve the administration and implementation of programs to better meet the needs of the local food sector. The KYF2 Compass map illustrates federal investments in local food at the community level, local food directories, and other important data.
  - Started in 2009, The National Good Food Network brings together people from all parts of the rapidly emerging good food system – producers, buyers, distributors, advocates, investors and funders – to create a community dedicated to scaling up good food sourcing and access.
  - The Local Food Association was founded in 2013 as a "national trade association wholly dedicated to improving market access for sellers and buyers, thereby growing the business of local food."
- **Infrastructure:** Adequate infrastructure is critical to ensuring that local food systems can operate and grow. In many places, this infrastructure once existed – ten, twenty, or fifty years ago – and it is now slowly re-emerging. Many small and some mid-sized farms operate outside of national and international supply chains, which have developed efficient collection and distribution networks. The infrastructure challenge is particularly daunting in rural areas that are far from urban centers. Food hubs (see Box 6) and other specialized brokers and aggregators in many cases serve as the backbone of local food distribution systems, connecting producers with markets they otherwise would not have the time and resources to access. Locally-supportive infrastructure, including specialized facilities for meat and dairy processing, is critical to increasing efficiency and reducing costs.

## Box 6: Food Hubs Play an Important Role

The number and type of food hubs have been growing across the country over the past five years, providing critical infrastructure to efficiently link buyer and sellers. This is particularly critical for perishables like fruits and vegetables that require refrigeration, special handling, and packing. Some food hubs serve primarily as aggregators and distribution centers; others provide services that include food processing, food safety training and support, transportation, consumer and community education programs, technical training, and business assistance to farmers. Most food hubs are relatively new (started within the last 5-10 years), and different business models are being tested. It appears that food hubs offering a wider array of social and educational programs rely more on outside funding (e.g., grants) than hubs not offering these services. There are tensions about these funding models as for-profit hubs must sometimes compete with subsidized efforts supported by foundation or public resources. However, supporters argue that these hubs fill important gaps that, while not currently monetized, underpin the mid- and long-term success of local food systems. The Wallace Center's 2014 report, *Food Hubs: Solving Local* presents five case studies that show how small-farm aggregators and food retailers and distributors are teaming up to bring local food into larger-scale wholesale channels.<sup>14</sup>

- **Local Leadership and Coordination between Local Food System Stakeholders:** From mayors to city councils, from local non-profit organizations to food banks, and from individual producers to restaurateurs (among others), local leaders are critical to the growth of local food systems. In addition, towns, cities, regions and states are forming food policy councils and other coordinating mechanisms to connect leaders so that they can address the complexities inherent in establishing (or re-establishing) local food system infrastructure, information systems, and associated programmatic support. These councils form in response to concerns about food deserts, obesity rates, the loss of agricultural lands, a dwindling farmer population, and environmental problems such as soil erosion and water contamination, according to the American Planning Association.<sup>15</sup> These councils bring people together to specifically explore and create policy that supports improvement of the food system. As of 2014, there were at least 200 food policy councils operating around the country.<sup>16</sup>
- **Public and Philanthropic Funding:** From USDA (e.g., Farm-to-School Grant program, Specialty Crop Block Grants, and Local and Regional Food Enterprise Guaranteed Loans) to CDC (e.g., Communities Putting Prevention to Work and Community Transformation Grants) to the cross-agency Local Foods, Local Places initiative

## Working Landscapes Collaborative Model for Stakeholder Engagement

AGree's Working Landscape's Initiative has developed a model for fostering collaboration across the supply chain to drive innovation and improved environmental outcomes. This farmer-led model is designed to create an equitable distribution of costs and benefits through high-quality engagement, a commitment to ethical principles, and continuous learning. This model is equally applicable to other areas – i.e., groups working to coordinate production for local consumption.

*Source: AGree's Working Landscapes Initiative: Achieving Productivity, Profitability, and Environmental Outcomes, November 2014.*

referenced above, government funding has been and remains critical to supporting the growth of local food systems. Additionally, key private and corporate foundations have dedicated significant resources to enhancing public awareness, stakeholder collaboration, and public policy development.

- **Regional Marketing:** Initially of interest to a small niche of consumers, locally-sourced food has moved into the mainstream. Regional marketing programs have been an integral piece of this transition. Such programs help increase public awareness of local food, and related certification schemes provide assurance to consumers regarding their food's provenance. Regional marketing (see Box 7) also helps connect consumers with the places and individuals responsible for producing their food.

## Box 7: State Marketing Programs Help Producers Market Local Food

- The Certified South Carolina program is a cooperative effort between farmers, processors, wholesalers, retailers and the SC Department of Agriculture to brand and promote South Carolina products.
- The Commonwealth Quality Program (CQP), a brand designed by the Massachusetts Department of Agricultural Resources, identifies locally sourced products that are grown, harvested and processed in the state using practices that are "safe, sustainable and don't harm the environment." It also includes a peer-developed certification program based on commodity-specific best management practices that are far less onerous and costly than USDA or FDA certification programs. CQP has helped smaller producers achieve a comfort level with many retailers who accept the certification.

- Regulatory Support:** Federal and state laws and regulations are critical to scaling local food systems. Food safety regulations that appropriately address risk and minimize relative cost requirements for small and medium-sized producers are needed as is technical assistance support (see Box 8). For example, California's direct marketing law adjusts standard packaging requirements for those selling at farmers markets and through Community Supported Agriculture (CSAs), reducing the cost for small producers, while maintaining food safety. Organizations such as the National Sustainable Agriculture Coalition are working with local food producers and federal food safety regulators to advocate for cost- and scale-appropriate regulatory mechanisms that minimize expensive and duplicative requirements.
- Social Capital:** From movies and books to blogs and forums, the sheer number of outlets extolling the virtues of local food has mushroomed. The number of businesses and restaurants featuring, if not exclusively focusing on, local food has grown in response to increased consumer interest. This is matched by farmers, activists, funders, and other stakeholders becoming organized to develop peer-to-peer learning networks and mechanisms for sharing best practices and to help ensure that poor and historically disadvantaged groups benefit from the economic development associated with local food systems. These factors are helping to build social capital across communities, using food systems as a mechanism to promote equity, public health and wellbeing, and environmental sustainability.
- Young People:** Local and regional food has energized millennials and engaged them in conversations about agriculture. Social media is an important tool; Food Tank, a social media-savvy organization, has hundreds of thousands of Twitter followers who it engages on issues related to sustainable agriculture. Campuses are being engaged by groups such as The Real Food Challenge, which works with college students to advocate for "real food" (local, fair, ecologically sound, and humane) on their campuses, and the Partnership for a Healthier America's Healthier Campus Initiative, whose 26 university partners have committed to meeting 23 guidelines for nutrition, physical activity and campus programming. And young farmer groups such as the National Young Farmers Coalition are working to help young entrants navigate the myriad challenges associated with starting a local food enterprise.

### Box 8: On-Farm Food Safety Project

The On-Farm Food Safety Project has developed online food safety training resources to help producers develop on-farm food safety plans and become food safety certified.

- Research:** In addition to geographic information about who is doing what, where, and the dissemination of best practices, data collection about the "business of local food" (e.g., number of farms, total revenue) and research into the benefits (e.g., jobs created, educational or nutritional impacts) are important to help policy makers and investors understand the scale and scope of these activities.<sup>17</sup> Production research is also critical – examples include varietal development for local markets and organic systems, heritage breeds research, and season extension technology development.

### Research & Innovation

AGree's *Research & Innovation* recommendations support new types of research and innovation processes: ones that cut across disciplines; involve multiple stakeholders, including producers; and leverage public-private partnerships to address the complex food and agriculture system. As part of this Initiative, AGree calls for research to better understand the benefits of local food systems including nutrition, health, environmental stewardship, and economic and community development outcomes. The ability to substantiate these claims will spur additional investment in local food systems.

Source: *AGree's Research & Innovation Initiative: Strengthening Agricultural Research, June 2015.*

### AGree Going Forward

AGree has organized its vision for a transformed food and agriculture system into eight Initiatives. We are presently working with partners to translate a series of consensus recommendations into action. Ongoing work that supports the strengthening and expansion of local food systems includes:

- Our **Next Generation Initiative** is looking at ways to strengthen, coordinate, and expand programs that attract new farmers and ranchers to agriculture, particularly local food businesses, and provide them the experience, mentoring, and resources necessary to be successful operators and managers.

- **AGree's Working Landscape's Initiative** has:
  - o Developed a model for fostering collaboration across the supply chain to drive innovation and improved environmental outcomes. This farmer-led model is designed to create an equitable distribution of costs and benefits through high-quality engagement, a commitment to ethical principles, and continuous learning. This model is equally applicable to other areas – i.e., groups working to coordinate production for local consumption.
  - o Formed a Conservation and Crop Insurance Task Force (CCITF) to engage with USDA leadership in multiple agencies to build support for the integration and analysis of data – while maintaining the full privacy of confidential producer data – to assess the risk reduction and environmental benefits of conservation practices, conservation systems, and enhanced soil health.
- Our **Research and Innovation recommendations** support new types of research and innovation processes: ones that cut across disciplines; involve multiple stakeholders, including producers; and leverage public-private partnerships to address the complex food and agriculture system. As part of this Initiative, we support research to quantify the benefits of local food systems related to nutrition, health, environmental stewardship, and economic and community development outcomes.
- Through our **Food & Nutrition Initiative**, we are connecting with hospitals, health care providers, and community partners to look at synergistic opportunities to address childhood obesity, improve health outcomes, and reduce costs. If these interventions can be measured, verified, and scaled, we will look for ways to amplify them such as policy academies with governors from select states to share lessons and concrete examples. Exploring the connections between local food businesses and health care providers, hospitals, food banks, community-based organizations, and others interested in childhood obesity and improved health outcomes will be an important part of this effort.

Through these four Initiatives and others, we will advocate for policy and regulatory changes that strengthen and revitalize local and regional food systems.

## APPENDIX A: Additional Recommendations

This list of recommendations was shared with AGree by diverse stakeholders over the course of several convenings and consultations. It is not comprehensive and does not represent an AGree consensus.

### Access to Credit and Capital

- The lending community, including the Farm Credit System, Community Development Financial Institutions, large banks, community and regional banks and foundations (through program-related investments) should join together to strategize about how they can, as a whole, do a better job financing the growing local farm and food economy, with each taking on those aspects that are their particular niches.
- Bring the aforementioned groups together with NGOs and federal agencies<sup>18</sup> to devise creative funding strategies (including the use of existing financial tools) to support local and regional food systems. Mechanisms related to the tax code and alternative financing models should be explored.
- Expand access to crop insurance for local food producers. The Risk Management Agency's new Whole Farm Revenue Protection product is a step in the right direction, but pricing data is still lacking and will impact how many local food producers are able to be insured at the true value of their operation.
- Provide student loan forgiveness for young people entering careers focused on the business of local food. Business school loan forgiveness programs offered to students entering careers at non-profit organizations are a promising model.
- Ensure USDA Farm Service Agency (FSA) loan programs support producers growing for local consumption, including new and young farmers. Producers need clear guidance on recordkeeping, and loan officers must be trained to assess the viability of a diversified local food business, including unique models such as Community Supported Agriculture (CSA) operations, and must have access to appropriate pricing data. FSA's microloan program is a critical step in this regard, but these lessons should be expanded to other loan programs.
- Qualifications for FSA loans (e.g., years of direct farm ownership/experience) should be re-evaluated to best assist local food system applicants; loan amounts should reflect regional real estate prices.



- Educate traditional and non-traditional lenders about local food system business models and benefits so that they can become underwriters and supporters of local food systems.
- Expand Farm Credit system lending to entities supporting local food systems beyond the farm gate, e.g., food hubs and other facilities and infrastructure that promote local food systems and connect farms to buyers. Philanthropic Program Related Investments (with low interest rates) could help entrepreneurs and innovative NGOs pilot new ideas and test their business models.
- From a systems perspective, foundations must gain a better understanding of the impact their resources will have, alongside public sector funds. The goal should be to complement the role of USDA and other government funding efforts.
- Using existing resources and institutions (especially community colleges), create low-cost agricultural entrepreneurship and job training programs for those interested in careers in food and agriculture, including supply chain management, aggregation services, food hub operations, and GAP and GMP training (including group GAP certification) for low-wealth producers/entrepreneurs.

## Consumer Access and Preferences

### Access to Farmland

- Support and expand the Transition Incentives Program, offer tax credits for leasing/selling land to new farmers, and enhance land access technical assistance (e.g. credit counseling, financial planning) for new and low-income farmers.
- Prioritize conservation easements with succession plans in Purchase of Agricultural Conservation Easement (PACE) funding.
- Encourage land use planning efforts that protect farmland and other space for local food-based enterprises.

### Business Expertise

- Enhance local and regional supply chain management and build local capacity through partnerships with logistics experts (e.g., C.H. Robinson, Walmart). Additionally, large companies with existing supply chains (e.g., supermarkets, retailers) should invest in tying into local and regional food systems.
- Facilitate knowledge transfer and capacity-building through sharing best practices, resources, and successful models with stakeholders across various local food systems, including training and mentoring programs. For example, USDA's National Institute for Food and Agriculture supports a national organization, WHY Hunger, to act as a clearinghouse to support evaluation and peer-to-peer learning for awardees under the Community Food Projects grant program.
- Adapt extension services to efficiently deliver training to producers of all sizes and types as well as supply chain entrepreneurs on issues including business planning, marketing, production techniques, food safety certification, etc. This is made easier by information technology and distance learning platforms.

- Educate consumers about where food comes from and how it is grown to spur interest in local food. This is being done with school-aged children and preschoolers by farm to school programs.
- Use government procurement of local food (e.g., by USDA, U.S. Department of Defense, National Park Service, state government, municipalities) to educate diverse consumers about healthy eating and the opportunity to eat locally produced food. Government contracts can support diverse producers and the development of local infrastructure. In the case of nutrition assistance programs for needy populations, government expenditures for locally produced food should be cost neutral to avoid reducing the amount of food available for those in need.
- Investments in agri-tourism present opportunities for farmers to diversify income streams while educating consumers.
- Expand access to healthy and affordable food through incentives such as "Double Up Food Bucks" programs. The Food Insecurity Nutrition Incentive (FINI) program, a grant program established through the 2014 Farm Bill, is a start. This is a joint effort between NIFA and USDA's Food and Nutrition Service (FNS) to support programs that provide fruit and vegetable incentives to participants in the Supplemental Nutrition Assistance Program (SNAP).

## Coordination between Local Food Systems Stakeholders

- Coordinate diverse stakeholders with overlapping and distinct interests in the operation of successful local food systems to work in concert and leverage scarce resources more efficiently and effectively. Invest in value chain coordinator positions to serve these functions. These coordinators can be housed in local governments or non-profits and help to develop and maintain local food value chains. They serve a number of important roles – connector (of buyers and sellers), trusted advisor, researcher/data collector, and mediator.<sup>19</sup>

- Coordinate efforts across large and small foundations, with both national and local focus areas, to more effectively connect key program areas and allow for more efficient use of resources (including grants). Specifically, philanthropic resources should be mapped against public-sector programs and serve a complementary, not redundant, role.
- Scale investments in school food preparation and storage facilities that make it possible to prepare “from scratch” meals, use fresh produce, and train staff in food preparation.
- Increase the technical assistance and legal resources available to organizations working with school districts and other food service providers to reduce practical and political barriers to prioritizing local food.
- Initiate collaboration across institutional foodservice stakeholders to create contracts and bidding processes for local food (a practice that is commonly used to contract for processed/packaged products that meet institutional specifications). USDA’s Farm to School program offers guidance on how school districts can specify local products in their bids.

## Infrastructure

- Facilitate coordination of existing resources (e.g., food hubs, Cooperative Development Centers, public/private commercial kitchens) to help producers connect along the supply chain with the actors that can transport, store, refrigerate, process, and/or package products. In some communities this takes the form of a “value chain coordinator.” Regulatory changes and multi-use agreements may be needed to facilitate the use of existing public and private facilities (e.g., school kitchens during off-hours).
- Create regionally appropriate economies of scale and cost savings by identifying opportunities for product aggregation via formal (e.g., producer coops) and informal agreements.
- In communities with inadequate resources, coordinate public and private stakeholders and resources (e.g., federal grants or loans, philanthropic grants) in building new storage and processing facilities (especially for production that can be stored/frozen for sale in the winter), facilities to process locally-grown livestock, as well as facilities to host indoor farmers markets.

## Regulations

- Organize ongoing dialogue between producers, the supply chain, and local food advocates and FDA, USDA (including the Food Safety and Inspection Service and the Grain Inspection, Packers and Stockyards Administration) and other agencies to discuss regulatory challenges faced by smaller, independent operations and identify ways that these businesses could successfully meet food safety regulations and other regulations governing smaller-scale food and livestock processors.
- Provide accessible, understandable food safety professional development support, as well as legal/regulatory compliance training, delivered through trusted providers including community-based organizations and in other languages.

## Support from Nutrition, Health, and Anti-Hunger Communities

- Scale programs such as Double Up Food Bucks and Fruit and Vegetable Prescriptions (FVRx) that integrate hunger alleviation efforts with health and nutrition and economic development.
- Remove regulatory barriers and burdensome fee structures to obtaining, enhancing, and using technology (e.g., EBT machines) that make it possible to process benefits at farmers markets and other direct-to-consumer operations.
- Offer additional tax incentives to farmers who donate fruits and vegetables to food banks.
- Conduct research and collect evidence to test linkages between local food consumption and improved dietary practices and/or community food security outcomes as discussed in the 2010 USDA Economic Research Service study, *Local Food Systems: Concepts, Impacts, and Issues*.<sup>20</sup>

## Endnotes

Photo Credit: Detroit Grocer. Fair Food Network.

- <sup>1</sup>Low, Sarah, et al. USDA Economic Research Service. 2015. *Trends in Local and Regional Food Systems: Report to Congress*. Available at: <http://www.ers.usda.gov/media/1763057/ap068.pdf>
- <sup>2</sup>Packaged Facts. 2015 *Shopping for Local Foods in the U.S.* Available at: <http://www.packagedfacts.com/Shopping-Local-Foods-8684801/>
- <sup>3</sup>Low, Sarah, et al. USDA Economic Research Service. 2015. *Trends in Local and Regional Food Systems: Report to Congress*. Available at: <http://www.ers.usda.gov/media/1763057/ap068.pdf>
- <sup>4</sup>USDA Agricultural Marketing Service. 2014. *National Count of Farmers Market Directory Listings*. Available at: <http://www.ams.usda.gov/sites/default/files/media/FarmersMarketDirectoryListing.jpg>
- <sup>5</sup>USDA Food and Nutrition Service. *The Farm to School Census (2011-2012 School Year) National Overview: Bringing the Farm to School*. Available at: <http://www.fns.usda.gov/farmtoschool/census/>
- <sup>6</sup>USDA Agricultural Marketing Service. 2014. *Food Hubs: Building Stronger Infrastructure for Small and Mid-Size Producers*. Available at: <http://www.ams.usda.gov/services/local-regional/food-hubs>
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- <sup>9</sup>Compass Group. *Local Food*. Available at: <http://compass-usa.com/Pages/EatLocal.aspx>
- <sup>10</sup>Compass Group. *The NC 10 % Campaign*. Available at: <http://compass-usa.com/Pages/10Percent.aspx>
- <sup>11</sup>For example: King, Robert P., et al. USDA Economic Research Service. 2010. *Comparing the Structure, Size, and Performance of Local and Mainstream Food Supply Chains*. Available at: [http://www.ers.usda.gov/media/122609/err99\\_1\\_.pdf](http://www.ers.usda.gov/media/122609/err99_1_.pdf); O'Hara, Jeffrey K. Union of Concerned Scientists. 2011. *Market Forces: Creating Jobs through Public Investment in Local and Regional Food Systems*. Available at: [http://www.ucsusa.org/sites/default/files/legacy/assets/documents/food\\_and\\_agriculture/market-forces-report.pdf](http://www.ucsusa.org/sites/default/files/legacy/assets/documents/food_and_agriculture/market-forces-report.pdf); Diamond, Adam et al. USDA Agricultural Marketing Service. 2014. *Food Value Chains: Creating Shared Value to Enhance Marketing Success*. Available at: <http://www.ams.usda.gov/AMSy1.0/getfile?dDocName=STELPRDC5107776>
- <sup>12</sup>Walmart. 2015. *Global Responsibility Report*. Available at: <http://cdn.corporate.walmart.com/c0/24/2383f0674d27823dcf7083e6fbc6/2015-global-responsibility-report.pdf>
- <sup>13</sup>U.S. Department of Agriculture. 2015. *Know Your Farmer, Know Your Food*. Available at: <http://www.usda.gov/wps/portal/usda/knowyourfarmer?navid=KNOWYOURFARMER>
- <sup>14</sup>Cantrell, Patty and Heuer, Bob. 2014. *Food Hubs: Solving Local*. Available at: <http://static1.squarespace.com/static/520ed291e4b066a62d157faa/t/5329d88fe4b00d0eac27a82d/1395251343254/Food+Hubs+-+Solving+Local.pdf>
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- <sup>16</sup>Johns Hopkins Bloomberg School of Public Health. 2014. *Food Policy Council (FPC) Directory*. Available at: <http://www.jhsph.edu/research/centers-and-institutes/johns-hopkins-center-for-a-livable-future/projects/FPN/directory/index.html>
- <sup>17</sup>Bregendahl, Cory and Chase, Craig. *Journal of Agriculture, Food Systems and Community Development*. 2014. *Guest Editorial: Evaluation and the Local Foods Data Void*. Available at: <http://www.agdevjournal.com/volume-5-issue-1/488-guest-editorial-local-foods-data-void.html>; Lamie, David R. et al. *Choices Magazine*. 2013. *Local Food Systems in the South: A Call for a Collaborative Approach to Assessment*. Available at: <http://www.choicesmagazine.org/choices-magazine/theme-articles/developing-local-food-systems-in-the-south/local-food-systems-in-the-south-a-call-for-a-collaborative-approach-to-assessment>
- <sup>18</sup>Relevant agencies include the U.S. Department of Agriculture, Department of Commerce, Department of Treasury, Environmental Protection Agency, Department of Housing and Urban Development, Department of Defense, Department of Health and Human Services, Department of Education, Small Business Administration, and the Department of Transportation.
- <sup>19</sup>WealthWorks. *Value Chain Coordinator*. Available at: <http://www.wealthworks.org/basics/construct-wealthworks-value-chain/value-chain-coordinator>
- <sup>20</sup>Martinez, Steve, et al. U.S. Department of Agriculture Economic Research Service. 2010. *Local Food Systems: Concepts, Impacts and Issues*. Available at: [http://www.ers.usda.gov/media/122868/err97\\_1\\_.pdf](http://www.ers.usda.gov/media/122868/err97_1_.pdf)

Although all the individuals formally affiliated with AGree may not agree completely with every statement noted, they are committed to working together to find solutions to the challenges facing food and agriculture. AGree Advisors participated as individuals, not as official representatives of their organization.

## About AGree

AGree seeks to drive positive change in the food and agriculture system by connecting and challenging leaders from diverse communities to catalyze action and elevate food and agriculture policy as a national priority. AGree recognizes the interconnected nature of food and agriculture systems globally and seeks to break down barriers and work across issue areas.

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**Dan Glickman**, *Former Secretary*, U.S. Department of Agriculture

**Kathleen Merrigan**, *Executive Director of Sustainability*, The George Washington University

**Jim Moseley**, *Former Deputy Secretary*, U.S. Department of Agriculture

**Emmy Simmons**, *Former Assistant Administrator for Economic Growth, Agriculture, and Trade*, USAID

### Advisors

**Rudy Arredondo**, National Latino Farmers and Ranchers Trade Association

**Ousmane Badiane**, International Food Policy Research Institute

**Tres Bailey**, Wal-Mart Stores, Inc.

**Dave Baudler**, Cargill

**Chuck Benbrook**, Washington State University

**Gregory Bohach**, Mississippi State University

**Jim Borel**, DuPont

**Larry Clemens**, The Nature Conservancy

**Craig Cox**, Environmental Working Group

**Lisa Davis**, Feeding America

**Kristin Weeks Duncanson**, Duncanson Growers

**Bev Eggleston**, EcoFriendly Foods

**Jeremy Embalabala**, National 4-H Council

**Steve Flick**, Show Me Energy Cooperative

**Suzy Friedman**, Environmental Defense Fund

**Paul Guenette**, ACDI/VOCA

**Hal Hamilton**, Sustainable Food Lab

**Susan Heathcote**, Iowa Environmental Council

**Rain Henderson**, William J. Clinton Foundation

**Ferd Hoefner**, National Sustainable Agriculture Coalition

**Douglas Jackson-Smith**, Utah State University

**A.G. Kawamura**, Solutions from the Land Dialogue

**Shiriki Kumanyika**, African American Collaborative Obesity Research Network

**Britt Lundgren**, Stonyfield Farm, Inc.

**Philip Martin**, University of California, Davis

**Carl Mattson**, George Mattson Farms, Inc.

**Johanna Nesselth Tuttle**, Chevron

**Pat O'Toole**, Ladder Livestock Company, LLC

**Judith Redmond**, Full Belly Farm

**John Reganold**, Washington State University

**Beatrice Lorge Rogers**, Tufts University

**Kitty Smith**, Council of Professional Associations on Federal Statistics

**Rod Snyder**, Field to Market, The Alliance for Sustainable Agriculture

**Anim Steel**, Real Food Generation

**Nancy Straw**, The Ford Family Foundation

**Bob Thompson**, University of Illinois at Urbana-Champaign

**Thomas Tomich**, University of California, Davis

**Connie Veillette**, The Lugar Center

**Y. Claire Wang**, Columbia University

**Shonda Warner**, Chess Ag Full Harvest Partners, LLC

**Greg Watson**, Schumacher Center for a New Economics

**Elaine Waxman**, Urban Institute

**Betti Wiggins**, Detroit Public Schools

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