# **Notes from Strategy Session 3: Developing Food Hubs**

# Selected Strategy

Food Hub Statewide Initiative

# Strategy Context (Description, existing and potential contributors, potential questions/concerns)

- MDARD- RFP out soon on value/added Ag and Regional
- Technical Assistance (2 new hires)
- Center for Regional Food Systems: Launching statewide food hub learning network
- National Food Hub Collaboration: will provide technical support to the Statewide Initiative

# Key good Food Charter Goals and Priority Actions served by this Strategy

Goal 4) 80% of Michigan residents will have easy access to affordable, fresh, healthy food, 20% of which is from Michigan

# Other Important Notes

Who owns/operate a Food Hub?

# Key Charter Goal Indicators, types of data, ways to measure:

## Goal 4:

- 1) Increase # of underserved residents purchasing good food
- 2) Increase number of food hubs selling to underserved markets
- 3) Map of where retailers, producers, markets are in MI-> define "easy access"

#### Goal 1:

- 1) Increase # institutions purchasing local food
- 2) Increase # of growers selling thru food hubs

#### Goal 4) Data/Measurements

- Risk assessments; system to ID MI products;
- Retailer measures; HMIS; food thru food banks, EBI purchases market assessments

### Goal 1) Data/Measurements

- Reporting from institutions; existing data collections; state database; clear definition of local
- Dollar value or pounds of food sold; track baseline and change in shipments to institutions increase in acreage of specialty crops; survey of schools participating in farm to school; accountability of self-assessments by institutions.

# Key Priority Action Steps

### **Food Business Districts**

- Food hubs can be anchors of districts
- locate business districts where they will be most useful to producers and consumers
- Land use/zoning are there barriers to creating these districts?
- Infrastructure Analysis (roads, water, etc.)

- Tax incentives for Business Districts
- Zoning/ordinance language template
- Repurpose existing infrastructure
- Develop templates based on rural and urban areas

### **Collective Purchasing Power**

- Make compelling argument for engagement w/ FH's
- Overall marketing strategy for Food Hubs
- Create networks of growers/grower collectives
- More contract templates around purchasing

## Expand and Increase Methods to bring healthy foods to underserved areas

- Develop entrepreneurship skills
- Offer culturally appropriate foods
- Engage and build upon existing community orgs (churches, neighborhood associations, etc.)
- Create cultural, youth-sensitive packaging
- Ensure that individuals in underserved areas have the resources to take advantage of good food (classes, workshops, seminars)
- Ask people in these areas how they want to access good food
- Pay attention to include Michigan tribal communities

## Next Steps

- Launch Statewide Food Hub Network
- June 18<sup>th</sup>-Lansing
- Release RFP
- Add Participants to Network
- Start Food Hub list serve

## *Timeline*

2012-2014

# Contact Person (s) and Communication Channel

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# **Strategy Session Recap**

#### **Overall Goal of the Day**

The overall goal today is to address how we can move forward with the statewide initiative and to come up with steps we can take in terms of priority actions.

#### Who is in the room?

- Farmers/food processors/distributors: about 6-8
- Food educators or food advocates: about ¾ of the room

- Funders or financers: about 4
- Government agency: about 6
- Also: institutions, food banks, food retailers, public health, land trusts

In front of you, you should have a NGFN Food Hub Collaboration Handout for reference during the conference and beyond includes:

- Regional food hub definition
- Regional food hub characteristics
- What is the NGFN Food Hub Collaboration?

#### Opening the floor: what is happening in your community around food hubs?

- Executive Director, Food Bank Council of Michigan:
  - Has been talking to food hub planners to ensure that each writes into their plan a designated source for all leftover food. Would be more than willing to come to any community to help with this planning process
- Gordon Muller from Grand Rapids:
  - o Grand Action is creating a market similar to Eastern Market. Hub, business incubators,
- The Silver Spork:
  - Order online and distribute from various locations
- The Conservation Fund:
  - Just hosted Great Lakes Food Hub Network in Southwestern Michigan
- Terry McLean, MSU Extension educator:
  - o In the process of doing a feasibility study for an incubator kitchen
- Ken:
  - Reminder: let's not forget about food webs that have been formed over the past 10
    years (the informal networks in communities). Let's not let them get lost in the process
- Joan (Allen Neighborhood Center, Lansing):
  - Currently operating a 10-yr-old pantry, 9-yr-old farmers market and 6-yr-old garden house. About 1/3 of the way through construction on a food hub that will house incubator kitchen, cold storage, and a site for aggregation and distribution of food
- Traverse City:
  - Redeveloping the state mental institution for aggregation, distribution, and possibly aquaponics

#### Food Hubs at the State Level

- Michigan legislature has put \$2 million in budget for value-added agriculture.
- Handouts are available that include information about technical and financial support available through MDARD.
- The grant is for value-added food processing and for regional food systems. This will be housed at www.michigan.gov/mdard
- Nancy (MDARD): The money is for both value-added agriculture and regional food system development. It is broad, and hopefully it's as inclusive as possible
- Question: Why is this catching on now? Where does this come from? Why are food hubs so relevant at this moment?

Marty: with the KYF2, the USDA has identified aggregation and distribution as a key limiter to getting good food to people. Kathleen Merrigan established a food hub sub-committee that identified what food hubs exist and what needs to happen to establish more of them. This is an opportunity to get more local food into the marketplace.

## "Fruit and Vegetable Industry Cluster – California" handout

- A food hub is about the processing and aggregation and distribution, but there are many other partners that come into play. Oftentimes, they are located in our immediate communities.
- Metaphorically, if food hubs are seeds, we cannot simply spread seeds and hope that they grow. Food hubs must have fertile soil, so-to-speak, or the right environment to thrive. This is why we want to create a statewide network that includes food hub innovators and the organizations that work them. We want to create space for people to learn, build trust, and innovate together.

## **Afternoon Session**

## Recap of morning session:

Our top two GFC goals related to food hubs: Goal #4 and Goal #1. This afternoon, we will be identifying and prioritizing measures, indicators of success, and ways to make progress on our goals.

Goal #4: Eighty percent of Michigan residents will have easy access to affordable, fresh, healthy food, 20 percent of which is from Michigan sources.

#### **Possible Indicators:**

- Increased sales of good food through EBT
- Increased acceptance by farmers of EBT
- Increase in number of food hubs serving underserved populations
- More farmers markets accepting EBT
- Geographically speaking, does the majority of the population have easy access to good food? (must define easy access)
- Increased consumption of fruits and vegetables
- Increase specialty crop production

Goal #1: Michigan institutions will source 20 percent of their food products from Michigan growers, producers or processors.

### **Possible Indicators:**

- Increase total sales of good food (based on sales receipts)
- Increase in number of growers selling through food hubs
- Increase in the number of institutions purchasing local food
- Increase of Michigan food aggregators that are selling Michigan products to large supermarkets in Michigan
- Establish the baseline: does each institution need to achieve 20 percent, or is the 20 percent collective?

- Transparency in labeling "Michigan" products
- Increase in amount of Michigan-grown food processed in Michigan
- Make GAP and "safe" certification more available to small and mid-sized farmers
- Increase in seasonal extension production and therefore in amount of seasonal consumption [point: this one seems to be the only one on this list that is purely *indicator* oriented, whereas the rest seem like implementation strategies]

Now we will chose priority actions related to each goal [Participants vote for their top two indicators for each goal]. We will brainstorm ideas about data collection and measuring success of the priority actions.

# **Goal #1**: Number one priority action: increase in number of institutions purchasing local food

#### **Data Collection:**

- Work with existing data collections
- State system accumulating data
- Reporting from institutions

#### Measurements:

- Pounds of food or dollar value of food
- Institutions track from where their food was based
- Increase in acreage of non-commodity crops
- Survey of schools participating in farm-to-school
- Accountability of institutions

# **Goal #4**: Number one priority: Increase in number of underserved residents purchasing good food

#### **Data Collection:**

- System to identify Michigan grown product
- Assessment of food assistance purchases (SNAP, Double Up Food Bucks)

#### Measurements:

- HMIS (Homeless Management Information Systems) database
- Collect data from wholesalers and grocers
- Collect data from farmers markets
- Rapid assessment of farmers markets

We have now voted on three priority actions. Our top three choices are:

# 1) Food Business district: a zoning districts or designated area of a municipality where food businesses could cluster together

## What can we do to make this happen?

- Food hubs can be the anchors of food business districts
- Locate these business districts where they are most useful for producers and consumers
- Look at land use and zoning impediments to see if there are barriers to creating these districts
- Infrastructure analysis

- Work with local or county government to create tax incentives for these business districts
- Zoning and ordinance language template
- Utilize existing infrastructure: repurposing strategies for all food innovation districts
- Develop templates based on both rural and urban needs

# 2) Encourage institutions to use their collective purchasing power to influence the food supply chain to provide healthier food and more foods from Michigan

## What can we do to make this happen?

- Make the business case for buying from food hubs: make a compelling argument for institutions to engage with food hubs
- Overall marketing strategy for food hubs
- Approach the growers (given the shortage in supply) to see if they can produce for the institutions and other end buyers interested in dealing with food hubs
- More contract templates around purchasing
- Build networks of growers who can approach food hubs/institutional buyers
- Provide opportunities for small farmers to form collectives
- Modify existing models of collective purchasing power to food

# 3) Expand and increase methods to bring healthy foods to underserved areas

# What can we do to make this happen?

- Develop entrepreneurship skills
- Offer foods that are culturally appropriate to the populations you're serving
- Engage and build upon existing organizations that represent communities (churches, neighborhood organizations, etc.)
- Create culturally and youth sensitive packaging
- Ensure that families in underserved areas have the resources to take advantage of good food (classes, workshops, etc.)
- Ask people in underserved communities how they want to access good food
- Include tribal communities in Michigan

# Overview of the day

We established that we want to develop a statewide network of food hubs. We identified two goals and three priority actions to accomplish these goals in the statewide food hub network.

### *Next steps:*

Statewide food hub network's first official meeting is on Monday, June 18. There is a \$2 million grant program for value-added agriculture and regional food development. Official release should be soon.

For information from a nationwide survey of food hubs, visit <a href="www.foodhub.info">www.foodhub.info</a> (includes information about business structures)

# Comments on the day:

- Next time, devote more time to 'what are food hubs?' to establish a baseline so everyone understands what a food hubs is
- We have to pay attention to who is *not* in the room today. This is about farmers, but there aren't very many of them represented here today
- Would have been helpful to hear some background information/some sort of a timeline to show what a successful food hub looks like and has been through.
- Very engaging day!
- As we return to our communities, it's important to remember the inclusivity of this kind of work, being sure to include groups of varying socioeconomic status, race, sexual orientation, etc.
- This inclusion pertains to the language we use as well. 'Food Hub' is a new term; we must be careful to include language that even those who don't strategize at conferences can understand.