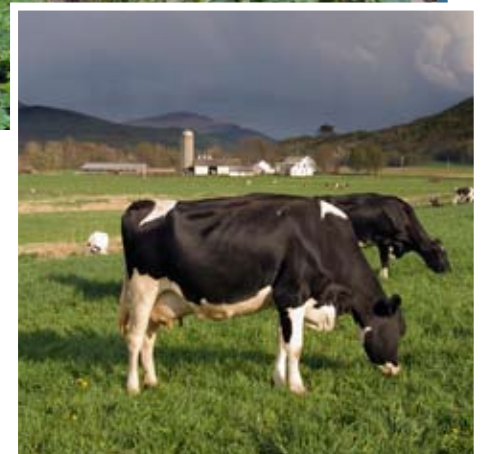


Farm to Plate Investment Program

Interim Report to the Legislature

and

Vermont Sustainable Agriculture Council's Annual Report
to the Vermont Legislature



January 18, 2010

Submitted by:

Vermont Sustainable Jobs Fund and
Sustainable Agriculture Council

Table of Contents:

- 1. Transmittal Letter.....1
- 2. Farm to Plate Investment Program – Update on Progress To Date.....2
 - a. Creating a Strategic Plan for Vermont’s Farm and Food Sectors.....2
 - b. Our Approach to Food System Development: “Soil-to-Soil”.....4
 - i. Food system diagram (draft).....5
 - c. Process to Date.....6
 - d. Next Steps.....10
- 3. Vermont Sustainable Agriculture Council Annual Report.....11



Ellen Kahler, Executive Director
Vermont Sustainable Jobs Fund

3 Pitkin Court, Suite 301E | Montpelier, VT 05602 | www.vsjf.org

Farm to Plate Investment Program - Interim Report



Vermont Sustainable Jobs Fund

Accelerating the Development of Vermont's Green Economy

January 18, 2010

To: Vermont General Assembly and Governor James Douglas

From: Vermont Sustainable Jobs Fund and the Vermont Sustainable Agriculture Council

Act 54 from the 2009 Legislative Session created the **Farm to Plate Investment Program** and directs the Vermont Sustainable Jobs Fund (Sec. 35. 10 V.S.A. chapter 15A § 330), in consultation with the Vermont Sustainable Agriculture Council and other stakeholders, to develop a 10-year strategic plan to strengthen Vermont's farm and food sector.

This Interim Report serves to update the Legislature and Administration on the activities and progress made between July 1 and December 31, 2009 by the Farm to Plate Investment Program and contains the annual report of Vermont Sustainable Agriculture Council.

On behalf of the Board and staff of the Vermont Sustainable Jobs Fund, we would like to thank members of the Legislature and Administration for supporting the development of the Farm to Plate Investment Program. Specifically, we'd like to thank: Speaker Shap Smith, Senate Pro-Tem Peter Shumlin, Rep. Warren Kitzmiller (and everyone on his committee), Rep. Caroline Partridge (and everyone on her committee), Rep. Chris Bray, Rep. Will Stevens, Rep. Jason Lorber, Rep. David Zuckerman, Rep. Floyd Nease, Senator Vince Illuzzi (and everyone on his committee), Senator Sara Kittel (and everyone on her committee), Senator Hinda Miller, Senator Tim Ashe, Secretary Roger Allbee and Secretary Neal Lunderville. This program would not have been made possible without the broad support and active involvement of the above mentioned individuals and likely many other House and Senate members we were unaware of who played a role.

We'd also like to thank Vermont Businesses for Social Responsibility and Rural Vermont for their active and vital role in helping to secure passage of this important initiative.

Farm to Plate Investment Program – Update on Progress To Date

Creating a Strategic Plan for Vermont’s Farm and Food Sectors

Vermont has a rich agricultural history. Yet 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, and global competition. There are also many signs of expansion and opportunity, especially for diversified farm operations and organic dairies.

The explosion of interest in local food and the hundreds of organizations, programs and volunteer driven activities which now exist, has led many to call for a coordinated statewide plan for making new, strategic investments in our farm and food sector. Many believe that farming and food production are already a vital and growing part of the state’s economy, with even greater potential. In fact, jobs throughout the entire food system¹ represent 20% (or 54,334) of all private sector jobs and are connected to 31% (or 9,166) of all private establishments.²

Building on what Secretary Roger Allbee calls a “renaissance in Vermont agriculture,” the Farm to Plate Investment Program (F2P) will create a **strategic plan** for agricultural economic development to achieve the overarching goals of strengthening our local food system and stimulating economic development in Vermont’s farm and food sector. This will in turn **create jobs** in the farm and food economy, **improve access to healthy local foods**, and **expand local and regional markets** for Vermont products. A key component of F2P is to identify infrastructure investments and public policy recommendations which will support new and existing agricultural enterprises that increase local resiliency in today’s changing economic and global times.

The primary deliverable for this program will be a comprehensive 10-year Strategic Plan for Agricultural Economic Development in Vermont which will contain, at a minimum, the following components:

Baseline/Existing Conditions, SWOT³, Trends

- ▶ An inventory of Vermont’s food system infrastructure by gathering existing data, studies, and analysis;

1 See page 4 for more discussion on the definition of a food system.

2 Vermont Department of Labor (2007 QCEW) and the 2007 Census of Agriculture.

3 SWOT = Strengths, Weaknesses, Opportunities, Threats.

Farm to Plate Investment Program - Interim Report

- ▶ In-depth research to identify gaps in the infrastructure and distribution systems and ways to address these gaps – e.g. food aggregation facilities, light processing, storage and new distribution models;
- ▶ In-depth research to identify opportunities for increasing food security and local food access for low-income Vermonters;
- ▶ Identification of all the organizations and their programs which serve the farm and food sector in Vermont.

Blueprint for the Next 10 Years:

- ▶ Goals, objectives, and strategies for strengthening Vermont's farm and food system over the next ten years;
- ▶ A prioritized list of investments which, if made, would help implement goals and substantially strengthen Vermont's food system over the next 10 years;
- ▶ A list of policy changes needed to support the growth and development of Vermont's food system over the next 10 years;
- ▶ Suggestions for how to improve coordination and collaboration among stakeholder organizations;
- ▶ GIS based maps that visually depict basic demographic, land, infrastructure and related resource data, and the opportunities for infrastructure investment;
- ▶ A local food expansion plan (i.e. identify ways to further expand the availability of locally produced, affordable food).

Potential Impacts of Implementing This Plan and How to Measure Progress Over Time

- ▶ An economic impact analysis (using the REMI model) of the anticipated increase in the number of jobs and revenue that would result from fully implementing the strategic plan;
- ▶ An ecological services analysis of the anticipated improvements to air and water quality, soil health, etc. that would result from fully implementing the strategic plan (*planned if funding can be found*);
- ▶ A plan for how the Strategic Plan for Agricultural Economic Development in Vermont will be monitored and evaluated over time, including indicators and other metrics and identification of organizations who will be responsible for the on-going monitoring and evaluation.

We believe that the final Strategic Plan for Agricultural Economic Development in Vermont will be a valuable roadmap for everyone interested in growing Vermont's farm and food sector.

Overall Timeline:

July, 2009 – January, 2010	Conduct research, stakeholder meetings, 8 local food summits
February – March, 2010	Conduct working sessions on key topic areas, begin drafting strategic plan elements
April, 2010	Organize statewide local food summit to collect feedback on some elements of the strategic plan draft
May – August, 2010	Finalize strategic plan and appendices
Sept – Dec, 2010	Meet with stakeholder groups about final plan contents and possible sources of funds to implement plan
January, 2011	Present 10 Year Strategic Plan to VT Legislature and Governor

Our Approach to Food System Development: “Soil-to-Soil”

What is a “Food System”?

A “food system”⁴ is a web of activities, resources and people involved in providing human nourishment. A food system includes all processes involved in feeding a population including growing, harvesting, processing, packaging, transporting, marketing, consuming and disposing of food and food related items, right back to nourishing the soil and protecting the water we need to grow. The food system also includes the inputs needed and outputs generated at each of these steps. A food system operates within, and is influenced by, social, political, economic and environmental contexts. It also requires human resources that provide labor, research and education. Throughout this planning process we are analyzing Vermont’s farm and food sector from “Soil to Soil.” (See Food System Diagram on Page 5).

Definition of Local

Interest in “local” food has grown dramatically over the last 10 years. Public interest in buying local food is motivated by many things: food safety, supporting the local economy and local farmers, freshness and taste, and minimizing use of fossil fuels in food transport. There are many definitions of “local” influenced by measuring food miles traveled or food produced within the political borders of a state. For instance, Vermont cheeses are labeled “local” in New York City stores, but there are some Vermonters who are dedicated to eating food grown and produced within Vermont’s borders or within a 100 mile radius. In the 2007 National Farm Bill, Congress defined local products as ones that are raised, produced and distributed with a locality or region and are transported less than 400 miles from their origin or within a state (Section 6015 of the 2007 Farm Bill). However, the Farm to Plate Investment Program **defines local as Vermont + 30 miles**, a distance that was defined by the Vermont Legislature in 2007.⁵

⁴ http://en.wikipedia.org/wiki/Food_system

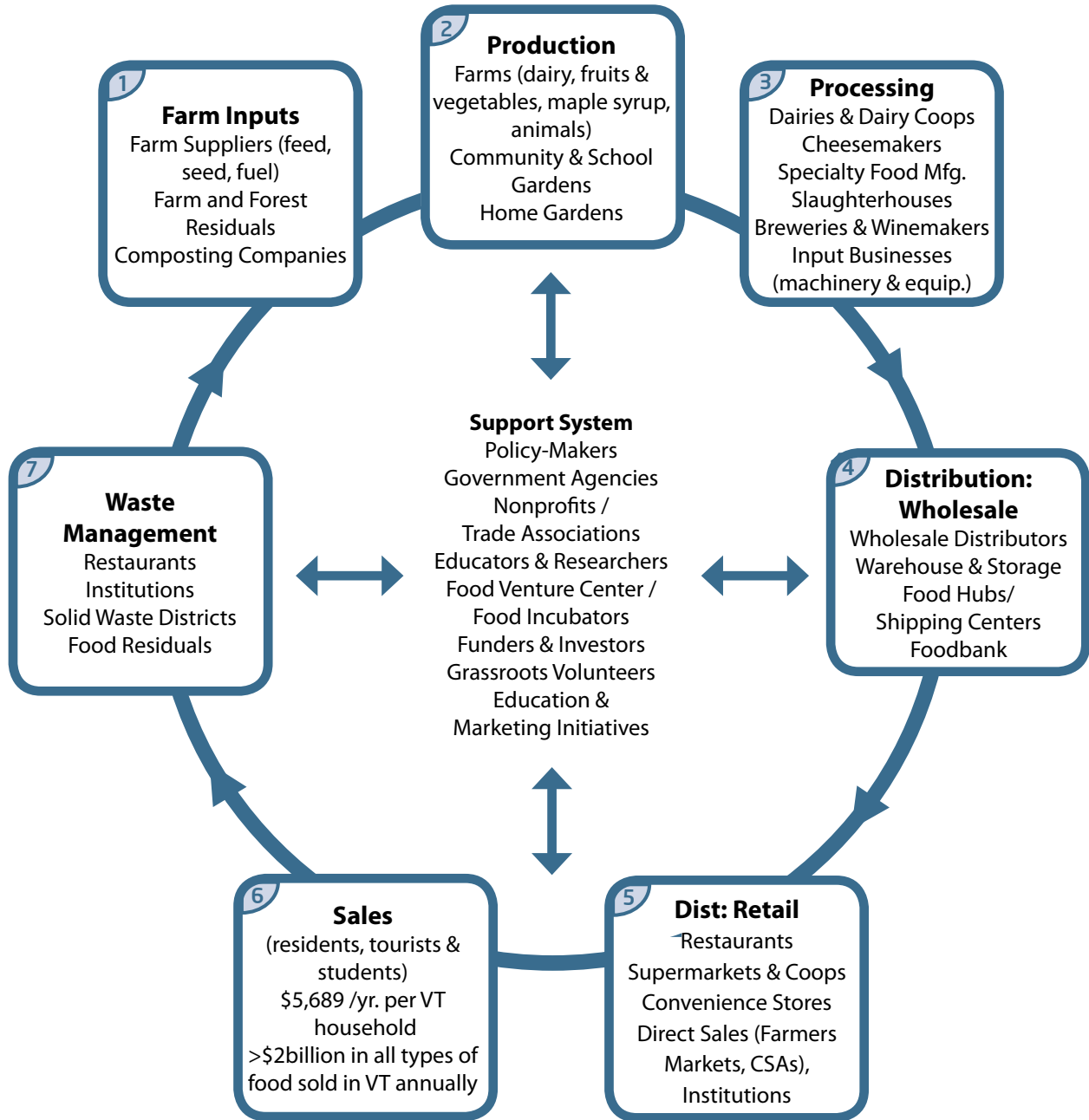
⁵ Vermont Statutes Title 9: Commerce and Trade, Chapter 63: Consumer Fraud, 9 V.S.A.; 2465a. definition of local and locally grown.

Farm to Plate Investment Program - Interim Report

Food System Diagram

This draft diagram attempts to provide a graphic tool to better understand the components of a food system. An important part of our research is focusing on quantifying the number of jobs, number of establishments (businesses and farms), and the overall economic impact of our food system in Vermont.

Food System Diagram



Farm to Plate Investment Program - Interim Report

Definition of Regional

Vermont's farm and food economy depends heavily on markets outside of Vermont. While national and international markets exist for Vermont products, the Farm to Plate Investment Program **defines regional to include all of New England, New York and southern Quebec**. There are also different regions within Vermont which we will try to represent in the plan because of the level of organizing and food system improvement projects underway within these regions.

Diverse markets are an asset for any farm and food economy. Local food systems are strong on relationships and identity, and can affectively support smaller farmers, but are limited in volume, availability, product range and affordability. Direct marketing works best at very local levels. Regional food systems are less strong on relationships, though the Vermont Brand plays a strong role for product sales in the region. Regional food systems have greater scale, greater product range, greater market options, and greater overall economic impact. Ultimately, the plan will emphasize the importance of considering **all** possible markets for Vermont products, especially throughout New England, New York and Quebec.

Process to Date

The Farm to Plate Investment Program aims to maximize the amount of food produced and purchased locally. And, it seeks to understand and align the Vermont farm and food sector to fully develop connections to regional markets. What follows is an overview of our activities over the past 6 months, since launching this program:

- ▶ Visioning and values statements were drafted, after consulting the overarching values articulated in the Council on the Future of Vermont's final report.
- ▶ A draft outline of the strategic plan was developed to help guide our stakeholder engagement process and research.
- ▶ A **Strategic Plan Process Team** was formed to advise VSJF staff and consultants on the overall approach to developing a strategic plan and stakeholder participation processes, and to assist in developing the plan's content and desired outcomes. Process Team members serve on behalf of Vermont agriculture and food systems as a whole, rather than their own organization's interests. The VSJF is also working in close collaboration with the Sustainable Agriculture Council during the development of the Plan. (See Process Team List on Page 7).
- ▶ **Kit Perkins** was hired as the Farm to Plate Project Manager to work with the rest of the VSJF staff on this initiative.
- ▶ A scope of work and 6 researchers were engaged to assemble basic farm and food sector data and to conduct in-depth research on Vermont's current and emerging food distribution, process and storage infrastructure and on food security / food access issues for low-income Vermonters. (See Research Team on Page 7).

Farm to Plate Investment Program - Interim Report

Farm to Plate Strategic Plan Process Team members meet monthly and assist VSJF staff in developing the strategic planning process we are employing. Members include:

Roger Allbee*	Secretary, VT Agency of Agriculture, Food & Markets
Marie Audet	Blue Spruce Farm, Bridport
Stacy Burnstein	Castanea Foundation
Megan Camp*	VT-FEED, Shelburne Farms
Guy Choiniere	Choiniere Family Farm, Highgate Center
Eric Clifford	Clifford Dairy Farm, Starksboro
Paul Costello	VT Council on Rural Development
Brian Dunkiel	Shems Dunkiel Kassel & Saunders
Amanda Ellis-Thurber	Lilac Ridge Farm, Brattleboro
Bill Schubart	Worth Mountain Consulting
Will Stevens*	Golden Russet Farm, Shoreham
Ryan Torres*	VT Community Foundation
Steve Voigt	King Arthur Flour
Tom Vogelmann*	UVM College of Agriculture & Life Sciences
Enid Wonnacott*	NOFA-Vermont

* also a member of the Sustainable Agriculture Council

Farm to Plate Researchers

Linda Berlin	UVM Center for Sustainable Agriculture
Louise Calderwood	Everything Agriculture
Greg Georgaklis	Verdant Valley, LLC
Doug Hoffer	Independent policy analyst
Virginia Nickerson	Nickerson Consulting
Rachel Schattman	UVM Center for Sustainable Agriculture

Thus far, researchers working on distribution, processing and storage issues have conducted lengthy interviews with 70 farms and businesses, including 17 outside of the state. Additional interviews still need to be completed over the next month.

Farm to Plate Investment Program - Interim Report

- ▶ Staff and interns are currently reviewing previously released reports and studies to ensure that good ideas and recommendations are not overlooked. This includes a review of similar studies conducted in other states in the USA.
- ▶ Staff has been conducting a substantial stakeholder outreach process which has included:

Lengthy interviews with 105 people representing 45 organizations including, for example, the Green Mountain Dairy Cooperative Federation, Rural Vermont, Fletcher Allen Health Care, UVM, Organic Valley Farmers, Vermont Land Trust, City Market/Onion River Coop, Regional Development Corporations, Rutland Area Food and Farm Link, VHCB Farm Viability Service Providers, Yankee Farm Credit, Vermont Grocers Association, Highfields Institute, etc. An additional 35 people will be interviewed in the next month.

Staff have attended 10 key organizational meetings such as the Farm Bureau Annual Meeting, Vermont Community Development Association, Dairy Marketing Services Annual Farmer Appreciation Day, VAAFV Local Foods Matchmaker Event, Vermont Hunger Task Force Meeting, etc. We will be participating in the Vermont Farm Show, NOFA Winter Conference, and the Vermont Pasture Network's Annual Grazing and Livestock Conference over the next month.

8 Local Food Summits with 727 participants have been held.

18 focus groups in 6 regions on 3 different topics with 146 participants have been conducted.

73 general input surveys have been collected.

1,300 Vermonters have received our monthly E-Newsletters with updates on the Farm to Plate process and we have received significant feedback and input via email, phone calls, and letters.

93 farmers we have been spoken to / or received surveys from

337 unique organizations have had some amount of contact with the Farm to Plate Process

863 unique organizations in the farm and food database have been assembled

Not only will these surveys, interviews and events help to determine the contents of the strategic plan for Vermont's farm and food sector, but they have also provided an opportunity for participants to learn more about what is happening in their region related to farms and food production. These events are strengthening recent efforts by the Vermont Food Centers to build regional collaboration and coordination within the food system in their area of the state.

Farm to Plate Investment Program - Interim Report



Break-out group at the Addison Food Summit

The VSJF would like to thank the following organizations for helping to organize and host the 8 Local Food Summits that took place between November 10, 2009 and January 15, 2010, including:

► **Addison**

ACORN- Addison County Relocalization Network
Addison County Economic Development Corporation
Addison County Local Food Collaborative
VT Land Trust

► **Bennington**

Transition Town Manchester
Walloomsac Transition Forum
St. Peter's Episcopal Church
Bennington County Meals Program

► **Central VT**

Central Vermont Food Systems Council
Food Works at Two Rivers Center

► **Chittenden-Franklin-Grand Isle County**

Intervale Center
NOFA - VT
Shelburne Farms
South Hero Land Trust
UVM Center for Sustainable Agriculture
UVM Extension

► **Northeast Kingdom**

Northeastern Vermont Development Association
Center for an Agricultural Economy

► **Rutland**

RAFFL- Rutland Area Farm and Food Link
Poultney Mettowee Natural Resource Conservation

► **Upper Valley**

Vital Communities: Valley Food & Farm

► **Windham**

Windham Area Food Systems Collaborative
NOFA - VT
UVM Extension
Community Food Security Project of Post Oil Solutions

Farm to Plate Investment Program - Interim Report

Funding & Finances to Date:

Revenue to support the project to Date:	
ARRA Funds	\$100,000
Leverage Funds	\$114,000
Total	\$214,000 (received & pledged)
Actual expenses through 12.31.09:	\$120,313
Funds Still Needed through 8.30.10:	\$37,820
Projected Funds Needed 9.1.10 – 12.31.11:	\$100,000
ARRA JOBS RETAINED:	2.2 FTE

Funding to date has generously been provided by: VT Legislature, Act 54, ARRA – State Stimulus Funds, VT Agency of Agriculture, Food & Markets, VT Community Foundation, High Meadows Fund, John Merck Fund, Growald Family Fund, Eagleridge Fund, Jane B. Cook 1983 Charitable Trust, Anonymous (2).

Next Steps

Over the next 12 months, the staff and Strategic Plan Process Team will be writing and vetting the draft and final plan with stakeholders, will be building support for the plan's recommendations and investment priorities, and will share all the information gathered with our partners, such as: those involved with developing the new VT Agriculture Development Corporation; the Board of Directors of the newly formed Vermont Agriculture Innovation Center at the VT Agency of Agriculture, Food & Markets; the VT Sustainable Agriculture Council; the Agriculture Committees of the Vermont Legislature; private investors; federal and private foundation funding sources; and the hundreds of organizations that exist to support Vermont's growing farm and food sector.

Specific short-term tasks include:

- ▶ Conducting working sessions to develop goals, objectives, strategies and recommendations on 6 topics areas
 - February** – dairy and technical assistance programs for farmers and entrepreneurs
 - March** – distribution systems and new farmer access to land and financing
 - May** – overall farm and food system coordination, communication and leadership and building a consumer education campaign
- ▶ Organizing a Statewide Local Food Summit in April with the Sustainable Ag Council
- ▶ Completing the Strategic Plan and numerous other documents including:
 - o goals, objectives, strategies and who will be responsible for implementation
 - o policy recommendations
 - o priority investments
 - o how the plan will be monitored, tracked, revised – who will “own” it?
 - o REMI analysis of economic impacts of potential investments

Vermont Sustainable Agriculture Council

Annual Report to the Vermont Legislature

In 1994, Vermont's legislature established the Vermont Sustainable Agriculture Council (SAC) (6 VSDA, Chapter 209). The purpose of the Council is to identify needs, set goals, select priorities and make annual recommendations regarding sustainable agriculture research, demonstration, education and financing. An annual report containing recommendations is required to be submitted to the Vermont Legislature, the University of Vermont and Council members.

During 2009, the SAC collaborated with the Vermont Sustainable Jobs Fund (VSJF) to implement the Farm to Plate Initiative with the goal of developing a ten-year strategic plan to strengthen Vermont's farm and food sector. In previous years, the SAC conducted additional research funded jointly by the Agency of Agriculture and University of Vermont Extension, but this funding was unavailable in 2009 due to budget challenges. The SAC has helped to accomplish goals of the Farm to Plate Initiative during the past six months by:

- ▶ Providing planning support for the eight local food summits held across the state;
- ▶ Representing the SAC at each local food summit, introducing the mission of the SAC and facilitating small group discussions;
- ▶ Conducting research on access to local foods by food insecure households; and
- ▶ Supporting efforts to develop a bibliography of local foods-related research conducted in Vermont in recent years.

We are currently working with the VSJF to plan a statewide local food summit to be held in April, 2010. Once the ten year strategic plan for local agriculture has been finalized, the SAC looks forward to working with the VSJF and other farm and food sector stakeholders to implement the plan.

Background on SAC

In 1994, the Center for Sustainable Agriculture was established at UVM and began providing staff support to the SAC. During its first decade, the VT Sustainable Agriculture Council had no operating budget. After developing a list of eight priorities, the Council focused on educational activities and supported program development primarily focused on enhancing sustainable production practices with farmers and their customers. Council members continued to provide recommendations to the VT Legislature on an annual basis. However, most organizations involved in promoting sustainable agriculture did so through grassroots efforts with funds generated by the non-profit community and federally funded initiatives.

In 2002, a Sustainable Agriculture Network (SAN) was funded by foundation donations to the VT Sustainable Jobs Fund and was chaired by the Center for Sustainable Agriculture at UVM. This network was made up of a wide cross section of community and statewide non-profits who shared a common vision. Together, they were able to share limited funding and resources with a mission of supporting a more unified and focused strategy for developing local

Farm to Plate Investment Program - Interim Report

food systems, connecting consumers with local farmers and their products, and increasing the income of the Vermont agriculture communities. Initially, SAN established a goal of increasing the sales of Vermont's farm products by 20% by 2008. However, we quickly realized that there was no baseline for measuring such increases.

By 2004, a revised Memorandum of Understanding for the Sustainable Agriculture Council was developed which provided a limited amount of funding from UVM Extension and the VT Agency of Agriculture, Food and Markets to focus on sustainable agriculture research priorities. The Council broadened its membership to include the remaining members of SAN such as the Intervale Center, Vital Communities and the VT Sustainable Jobs Fund. At a special celebration attended by both Governor Douglas and UVM's President Fogel, the Council clarified its objective to "research and identify obstacles necessary to create effective incentives for public agencies and institutions to buy local food." The Council realized that more baseline data was needed on both institutional and consumer buying habits in order to measure success. Key within this effort was active support for Vermont's Farmers Markets and Community Supported Agriculture through NOFA-VT, and leadership to re-establish the USDA's and VT Agency of Agriculture, Food & Market's role in developing infrastructure for processing, slaughter, and the distribution of farm products.

The results of this initial research led to the 2005 report entitled "Generating Wealth from The Land" which identified that Vermont ranks first in the USA in per capita direct sales from farmers to consumers, with \$9.57 million in sales annually. Furthermore, the overall impact of Vermont's agriculture was \$2.5 billion dollars, rather than the \$490 million identified in the USDA Census of Agriculture.

In 1997, direct farm sales to Vermont consumers were estimated at \$6.79 million. It is exciting to note that the 2007 USDA-Census of Agriculture reports that direct farm sales to Vermont consumers rose to \$22.8 million, representing a 138% increase since 2002. Over the same time period, the average annual sale of farm products sold directly to the consumer increased to \$95.10 per household from \$39.76.

In 2008, the Senate Agricultural Committee led an effort which resulted in the Legislature passing a resolution instructing the VT Sustainable Agriculture Council to annually make recommendations that would "promote Vermont's agricultural economy and food security through the production, storage, processing, distribution and consumption of locally grown food products." Simultaneously, the Governor's Council on Climate Change included a goal "to increase sales and consumption of local farm products by 50% and increase storage and processing capacity of locally grown farm products by 20% above current levels by 2012.

Vermont's commitment to the Farm to Plate Investment Program is poised to increase the focus and provide momentum of a sustainable farming and food system over the next decade.

For more information:

www.vsjf.org

www.uvm.edu/~susagctr/?Page=susagcl.html



Vermont Sustainable Jobs Fund

Accelerating the Development of Vermont's Green Economy