

A SUMMIT ON SCALABLE SOLUTIONS TO CREATING COMMUNITY FOOD SYSTEMS

Presented by Central Appalachian Network in partnership with the United States Department of Agriculture SPONSORED BY: THE EDUCATIONAL FOUNDATION OF AMERICA, FOUNDATION FOR A HEALTHY KENTUCKY, AND SUGARBUSH VALLEY IMPACT INVESTMENTS

CAN PAD ---- Food & Ag Systems Working Group

			Res and a second	(C)
Internal	Learning Hub	Clearinghouse	Think Tank	Relationships Define type of relationships
Identify milestones that lead to vision and a tracking system to measure progress against the vision/objectives	 Host regular peer-learning meetings to: Present information on active projects Showcase successes (case studies, flash talks, etc.) Discuss challenges in each region and/or state and learn from one another Present information on and discuss new/nascent/conceptual projects and how they fit within the Central Appalachian ecosystem 	Develop a library of replicable projects, practices, lessons, learning, and tools Develop tools like an adapted version of <u>this</u> division tree for MPAD strategy	 Hold regular strategy meetings discuss: What is needed and where Identify the most cost-effective and efficient solutions that require minimal financial & human resources Leverage multi-use facility strategies Discuss different scales of projects (e.g. microprocessors) that are appropriate for Central Appalachia 	Develop relationships with funders so they might direct orgs and other folks working on infrastructure, MPAD work to this working group
Create a rough theory of change from which this group will work- vision, approach, values, etc.	Hold set of annual training series for folks with boots on the ground in MPAD work	Create a central communications and filing system (on website?) where all collaborators can share resources, network	Identify and map the landscape, assets, gaps, etc.	Build relationships with systems thinkers (e.g. MIT LL + ARC drone utilization; Wallace Center)
Develop a master calendar of events, meetings, trainings, and other happenings	Hold peer feedback sessions where folks can receive and give feedback, hear experiences of others, and get advice on their work	Promote work on members' and partners website- grow engagement with this group	Build relationships with emerging actors	Build relationships with emerging actors; How do we activate relationships we already have?
Develop metrics and evaluation systems for region -wide system analysis and building as well as ecosystem analysis and building	Share what worked, what didn't, hear from folks who met barriers	Use CAN website as clearinghouse resource	Develop tools, like this one	
	"Public-facing," topic-focused training	Show existing collaborations in the region		

Infrastructure takes many forms in Appalachia

- Community gardens
- Produce Auction
- Farm incubators
- Farmers markets, pop-ups & mobile markets
- Social enterprise retail stores
- Commercial community kitchens
- Kitchen incubators
- Food enterprise centers & accelerators
- Meat & dairy processors
- Mills for grains and legumes

PAD Infrastructure Pivots during COVID Illustrates a foundation of resilience

- Farmers market increased access and sales
- Meat processing demand grew for sales & distribution of regional meat products both wholesale and direct
- Increased purchasing from food banks & schools
- Healthcare partners stepped up
- New food businesses launched to create specialty products
- New community capital solutions emerged

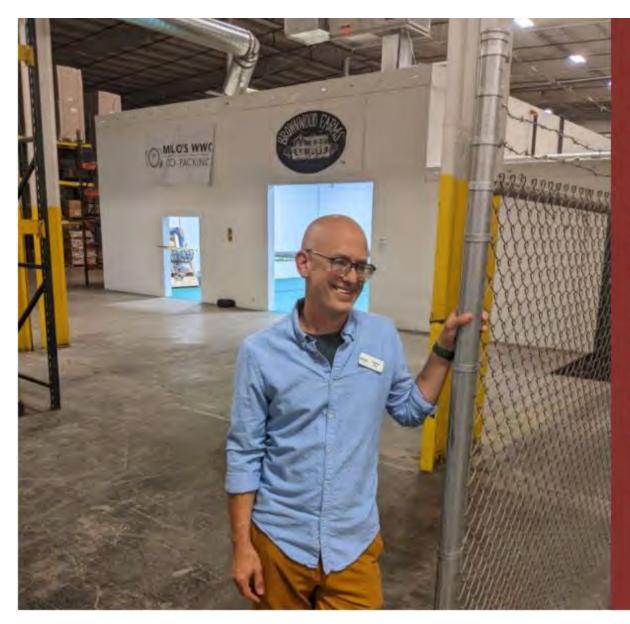
PAD Infrastructure in Central Appalachia



Mountain Harvest Kitchen – Unicoi, Tennessee

Chesterhill Produce Auction – Morgan County, Ohio

PAD Infrastructure in Central Appalachia



What's New at Milo's? Big Expansion!

October 19, 2022

Posted: October 8, 2022 by ACEnet at Big Expansion News with Milo's Whole World Gourmet – ACEnet (acenetworks.org)

ACEnet Food Ventures tenant Milo's Whole World Gourmet, LLC, is a fast-growing manufacturer of branded and private label specialty foods located in southeast Ohio. Founded in 2003 by Jonathan Leal and his team, Milo's ...

READ MORE



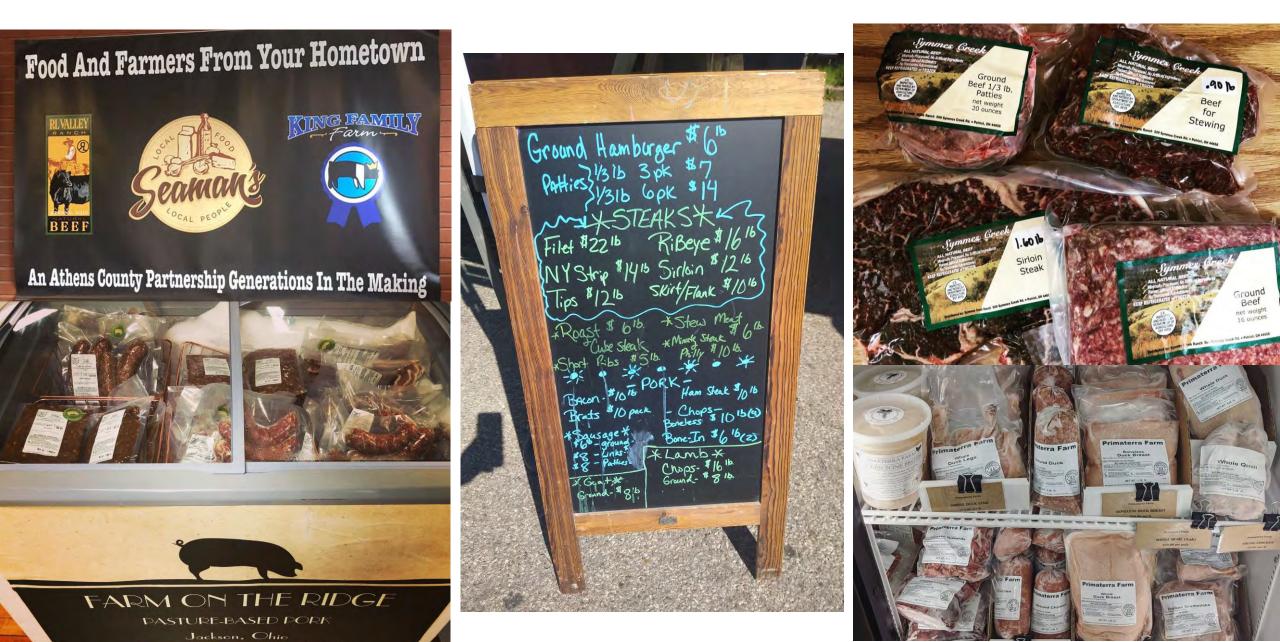
Mobile Markets & Online Ordering



Food Bags Distributed w/ Healthcare Partners



Increased Meat Sales at Local Groceries & Markets



Infrastructure + Human Capital make a Difference

PAD infrastructure is not enough, real resilience and long-term sustainability is founded in our human capital

COVID & Climate pivots were grounded in networks, the relationships of trust at the local, sub-regional & regional level

Investments in infrastructure must be married to building stakeholder and staff capacity: the people power acts as the fuel

\$30 million+ in Federal, State, Local, & Private Investments







DOUBLE

YOUR

BREATHITT COUNTY

FARMERS MARKET



Clockwise from top left:

PA.

DOUBLE

- Sugar shack at SouthDown Farm; Letcher County
- Making chow chow at CANE Kitchen; Whitesburg
- Pikeville Farmers Market pavilion
- Healthy food access at Breathitt County Farmers Market
- Old Homeplace Farm; Clay County
- Meal kit made with minimally processed, local produce; Perry County



Farmers Market Support Program

DOUB

Farmers Market Support Program provides farmers markets with technical assistance, resources, and networking to create a profitable market outlet for farmers.

51 farmers markets supported in 2022

Kentucky Double Dollars incentivizes the purchase of Kentucky produced fruits and vegetables, meat, eggs, and dairy by SNAP, WIC, and Seniors participants.

70 participating outlets in 2022

Fresh Rx for MOMs is fruit and vegetable prescription (FV Rx)program for Mothers on Medicaid.

FRESHRX FOR MOMS

11 participating farmers markets in 2022

2021 COVID-19 MITIGATION

A Guide to Farmers Market Operations & COVID-19

A guide written in 2020 to help markets think through how they should respond to COVID-19. <u>**4 updates**</u> to the guide in 2021 as CDC and KDA recommendations changed.

Famers Market Chats Facilitated <u>1 Zoom</u> conversation among farmers market leaders to share best practices, ask questions, & support one another.



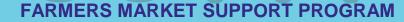
GUIDE FOR FARMERS MARKET

OPERATIONS AND COVID-19

DOUBLE

COVID-19^{Grants} to farmers markets to assist in their COVID-19 Emergency Funds Funds Funds Funds

Ready to shop Step in line



Testimonial "Overall, I feel that having these supplies available has especially helped our Senior and SNAF participants. Many who use the Kentucky Double Dollars tent for heir transactions will use the sanitizer. -Berea Farmers Market

2021 COVID-19 MITIGATION

FARMERS MARKET SUPPORT PROGRAM



Clockwise from top left:

- Knott County Farmers Market pavilion
- Rocket Farms; Letcher County
- Hensley Farm; Clay County

- Bullmare Farms; Magoffin County
- The Adams Family Garden; Knott County
- Hurt Farms; Perry County
- Back Farms; Breathitt County

CENTRAL APPALACHIAN FAMILY FARM FUND Grants for Southeast Kentucky farms now available

> Apply today at <u>https://tinyurl.com/</u> <u>CentralAppFFF</u>

Collaborative Human Capital = Effective, Timely Response

Central Appalachian Family Farm Fund:

- Collaboration of the Foundation for Appalachian Kentucky
- & Community Farm Alliance
- 140 applications
- \$354,000 awarded to 94 farms in 10 impacted counties

Equipment Repair & Refurbishment:

- Facilitated by the Kentucky Horticulture Council (KHC) in collaboration with other
- Will utilize small engine repair classrooms to repair/refurbish small farming equipment damaged in flood

East Kentucky Canning Coalition:

- Facilitate by Grow Appalachia, Community Farm Alliance, Northfork Local Food, and local farmers markets
- Connecting home gardeners with replacement produce and canning supplies to be able to put back for the winter

Other activities:

- Soil and water testing led by Grow Appalachia & KHC
- Online Food + Ag Recovery Resources Guide

(Second Chance Homestead; Perry County-Two months after the flood)



FLOOD RELIEF

Thanks to support from The LEE <u>Initiative, World</u> Central Kitchen, Grow Appalachia, and **Community** Farm Alliance, Eastern KY farmers impacted by the July 2022 floods were able to continue to earn money and customers received free fresh fruits & vegetables, eggs, and meat.

FARMERS MARKETS

BREATHITT COUNTY

3215 Quicksand Road Jackson, KY 41339 Wednesdays 3pm - 6pm Saturdays 8am - 12pm

LETCHER COUNTY

38 College Drive Whitesburg, KY 41858 Saturdays 9am - 12pm

KNOTT COUNTY

Knott County Extension Office Parking Lot 149 Parks Branch Road Hindman, KY 41822 Tuesdays 4pm - 6pm

PERRY COUNTY

200 Main Street Hazard, KY 41701 Thursdays 4pm - 7pm Saturdays 8am - 12pm



Flood Relief: EKY Canning Collective



October:

• 2600#s of food procured and distributed to gardeners in flood impacted areas in EKY.

November:

 93 bushels of beans distributed to 45 households for canning, freezing, drying

FARMERS MARKET SUPPORT PROGRAM

FREE PRODUCE

World II Central Kitchen

LUN 16

THANK YOU TO OUR DODORS

FARMER-to-FARMER Feeding-EKY!

Farmers from outside flood-impacted areas contributed produce so **farmers markets would stay open** and customers could continue to have access to fresh, local food.

OUTCOMES across all 4 markets

- 32 farmers participated in the free markets
 - across the four counties.
- Estimated around 1000 customers were served.



James Holliday Knott Co. Farmers Mkt.

"I was getting ready to harvest about 40 dozen corn to (take to) the farmers market. After the flood, it looked like it had been rolled over with a blacktop leveler. This free market has helped me out because I lost my income. It's stressful and it's tiring but it's satisfying to give it to people knowing that they lost their farms and gardens."

"I lost all of my garden in the flood. I lost my beans, my corn, my tomatoes, my potatoes, everything. So, what little I can get back (from the Free Farmers Market) I'm so appreciative for."

-Customer, Knott Co. Farmers Market





January 26, 2023 CAN Food and Ag Working Group Summit

Appalachian Harvest Food & Herb Hub™

An Evolution - Past, Present, Future

Kathlyn Terry Baker, CEO Brittany Woodby, Regional Sales & Account Manager Katie Commender, Agroforestry Director Appalachian Sustainable Development APPALACHIAN Sustainable DEVELOPMENT LIVING BETTER. LOCALLY

Appalachian Harvest Food & Herb Hub



- Established in 2000
- Revenue Generated: >\$30MM; annual sales ~ \$3.2MM
- Markets: large wholesale buyers (e.g. grocery store chains, produce brokers) and smaller local buyers (e.g. schools & smaller supermarkets)
- Products: primarily fresh, whole produce (organic and conventional); added herb processing infrastructure in 2017; added beef in 2022
- Infrastructure
 - \circ 15K sf facility ~ 1/3 cooled
 - 2 tractors, 3 refrigerated 53' trailers, 1 refrigerated box truck

Timeline Appalachian Harvest Food Hub

- 2000: Established food hub in, Stickleyville, VA, initially to help transitioning tobacco producers
- 2007: Facility burned total loss
- 2008: Built new facility in Duffield, VA
- 2009: Expanded support to include non-organic producers; began educating farmers on food safety, as certification was beginning to be required by large wholesalers
- 2011: All producers required to be GAP certified; lost most smaller organic producers as a result. Break \$1MM annual sales

Timeline Appalachian Harvest Food Hub

- 2016: started working with partners to develop the Central Appalachian Food Corridor; received \$1.5MM POWER grant to support its development; annual sales exceed \$2MM
- 2018: Received second \$1.25MM POWER grant to expand the Corridor; annual sales exceed \$3MM
- 2020: Received USDA RFSP \$1MM grant to expand the Corridor
- 2022: Total sales for AH since inception top \$30MM; begin selling locally raised beef

The Central Appalachian Food Corridor





Corridor Partners

APPALACHIAN SUSTAInable DEVELOPMENT LIVING BETTER. LOCALLY









Southwest VA Farmers' Market

₽ GROW OHIO VALLEY







CARD

Kentucky Center for Agriculture and Rural Developmen





Corridor Successes

•Creative use of infrastructure

- •Support services for farmers transitioning to wholesale markets
- •Food safety, organic and Forest Grown Verified, Point of Harvest certification support for producers
- •Toolkits and videos
- •Expansion to new partners, areas, and products

Corridor

Challenges

*Must get to scale in order to break even

•Higher costs of serving smaller, dispersed, markets, and producers – balanced with the need to not neglect rural or less affluent customers

 Balancing supply and demand across a broad footprint

•Building multiple market channels concurrently and bringing together numerous partners to make it all happen

•Topography and geography

Food Access

Food Access Programming

- Purchased and donated over 1.5MM pounds of seconds produce
- Partnered with 25 food pantry partners to get over 5MM pounds of healthy food to those in need in 14 months during covid
- Teaching "small to tall" to be self-sufficient and feed themselves



Challenges & Solutions

With 23 years of experience, the Appalachian Harvest Food Hub team has overcome various challenges since its inception and created solutions that helped broaden our partnerships, footprint and financial returns for our producers.

We will highlight 3 specific scenarios, that had a large impact on our mission, our economic growth, and our future business strategies.

"Life is full of challenges, but I always have the Three Ps: passion, patience and persistence. And the fourth one is pizza."

~ Butch Hartman

Challenge #1

Major Flows by FAF Truck Through the State of Kentucky: 2012



Note: Major flows include domestic and international freight moving by truck on highway segments and between places typically more than fifty miles apart. Source: U.S. Department of Transportation, Federal Highway Administration, Office of Freight Management and Operations, Freight Analysis Framework, version 4.3, 2017.

Limited Access to Kentucky Growers

<u>Challenge:</u>

Kentucky growers have some of the best quality produce in the region and had larger scale operations to meet market demand. With limited working capacity due to logistics around Kentucky, Appalachian Harvest was only able to pick up specific crops, such as winter squash, two or three times per year. There was not enough adequate infrastructure available to aggregate into a more feasible truck route.

Resolution:

Partner with an existing entity in Kentucky that was: a) close to a cluster of growers, b) had docking capacity, & c) storage space. The answer for us was God's Pantry Food Bank in Lexington, KY. Not only were we able to increase the truck pick up days to 2 times *per week*, we also expanded the variety of produce being offered into larger markets for Kentucky grown produce.





Challenge #2

Challenges:

Rising fuel costs.

The lack of available CDL drivers in our region.

Dylan has completed his third groundwork term, and is now a full-time employee with Appalachian Harvest. Dylan was accepted into the career works program and received a grant through them to attend the Class A CDL truck driving program, which he completed and now is a Class A CDL driver. He will continue his driving career with Appalachian Harvest in the box truck and tractor trailer doing local and regional runs. Outside of work, Dylan spends his time being a great dad to his daughter, Paisley, and on his motorcycle.

Fuel Costs & CDL Drivers

Resolutions:

Appalachian Harvest looked at 3 areas that could help offset fuel cost increases while only passing along a minimal price increase to our customers.

- Increase the backhauling opportunity for trucks during the harvest season. While regional loads that pay well are still hard to find, we were able to find more in the Florida region. This seems to be our biggest payout with loads up to \$3.00 per mile. During the off-season, we utilize backhauling to keep drivers and trucks on the road.
- 2. Being more deliberate that every truck leaving our dock was full.
- 3. Continually running route feasibility analysis and filling in the gaps that are identified.
- 4. Expanding our Groundwork program to incorporate a CDL pathway for participants.







Challenge #3

Challenge:

The vast amount of farmland in the region is used for cattle farming. These farmers were being left out of the the functions that the food hub had to offer.

Farmers were spending a large amount of their time and profits trying to access markets for processed beef and/or transporting their cattle to large auctions, which typically forced local beef to be sent outside of our area. Due to the small amount of processing facilities and their

capacity, farmers were finding it difficult to even book slots at these facilities.

Leaving Meat Producers Behind

Resolution:

Partner with the newly launched USDA inspected beef processing facility in Lee County, VA. Launch Appalachian Harvest Beef line. Sell & deliver beef in a pilot program that will roll into a year round product line for our buyers.





Opportunities for Growth & Expansion

From our learning experiences, we are able to confidently look forward to expansion and growth opportunities in our area and within the region.

We will highlight 3 specific areas that we will be focusing on in 2023 that have great potential for growth & expansion for Appalachian Harvest, our partners, our growers, and our buyers.

"Most people miss Opportunity because it is dressed in overalls and looks like work."

~ Thomas A. Edison

Opportunity #1 Strengthen and Expand Partnerships

UPPORT

PALACHIA

Supporting

Agricultural

Production

п

Meeting Market Demand

Expanding

Food Enterprises

Innovating

Distribution

- In Kentucky, we were able to partner with KCARD and God's Pantry Food Bank under the Corridor Project. With the success we have had over the past few years, the food hub hopes to increase the amount of growers and produce variety coming out of this region. The box truck, that the ARC helped us procure, will be a key component as we work to scale up growers to meet our buyer demand.
- In West Virginia, our partnership with the Regional Food System Program has allowed us to sell, purchase, aggregate, and deliver food throughout Ohio, West Virginia, Kentucky, and southwest Virginia. This includes sales to schools, food banks, locally owned retailers, and mid-tier grocery store chains. In 2023 we will be shifting focus to a larger sales presence on current routes and expanding on the farm to school programs.
- Our partners and our team are identifying gaps in local produce and value-added products to incorporate additional partners to strengthen our offerings to our customers.





Opportunity #2 Helping & Mentoring Those in Our Region

- The Appalachian Harvest Food Hub staff offers Good Agricultural Practices (GAP) training for farmers who are either looking for a review of best practices or those looking to become certified. This class covers all points specific to GAP certification, and each participant receives a GAP Manual that auditors are already familiar with and find easy to navigate. The training and manual covers sections like Harvest Logs, Sign in Sheets, and Best Practices on a variety of processes. The farmer will leave the class ready to start implementing their training and their manual into practical use to becoming GAP certified.
- Upon request, we coordinate Harmonized GAP and FSMA training with our staff or one of our partners.
- Our Grower Manager and Ag Education team can help with continued mentoring through our Beginning Farmer Program and larger scale crop production planning.

For more information please contact:

Food Safety: Robin Robbins <u>rrobbins@asdevelop.org</u> Ag Education: Jenni Roop jroop@asdevelop.org Larger Scale Farm Needs: Adam Pendleton apendleton@asdevelop.org

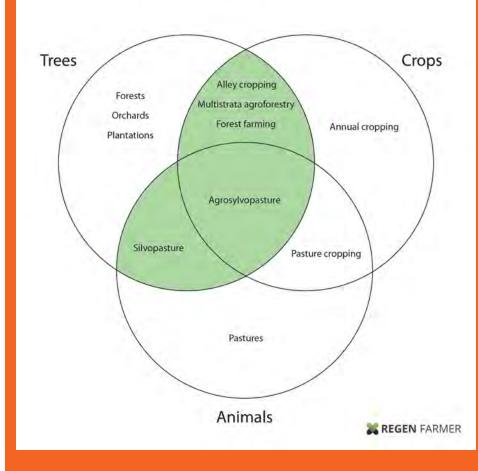
Opportunity #3 Beef Market Expansion



- Increase regional food security and increased food hub sales volume, profit, and number of year-round offerings, benefiting consumers, farmers, and the local economy.
- Play a critical role in making deliveries to small rural purchasers (e.g. school systems and small retailers) financially viable.
- Increase the value and volume of each delivery, ensuring mid-tier markets are serviceable over the long term.
- Lay the foundation for substantial expansion of regenerative agriculture practices and the premium pricing connected to them by end use customers and major retailers.

Opportunity #4

Intersections with Agroforestry



Appalachian Harvest Herb Hub

.............

LIVING BETTER, LOCALLY

OUR VISION

........

Web: https://asdevelop.org/herbhub

Appalachian Sustainable Development envisions a thriving and sustainable herbal economy in Central Appalachia, where plant conservation is achieved through cultivation. The Appalachian Harvest Herb Hub in Duffield, VA is a shared use facility that helps medicinal herb farmers sustainably grow, harvest, process and sell forest botanicals and field grown herbs to premium markets.

HOW WE CAN HELP YOU

	Cost-Share	Processing	Marketing
propagation, processing, certifications a and more to	Limited funding available for planting stock and certifications that offer premium market access	Commercial washing, drying, and resizing equipment to reduce costs and increase efficiencies	Aggregation and marketing services to meet volume minimums and connect with premium markets





US. DEPARTMENT OF AGRICULTURE



National Agroforestry Center

Alley Cropping

Case Studies in Appalachia



In this alley cropping system, hay is grown between rows of chestnut. Courtesy photo by Ethan Strickley, Swallowtall Forest Farm.

Table of Contents

Benefits and Limitations (2) Design Considerations (3) Management and Changes Over Time (3) Project Overview (3) Among the Oaks Herb Farm (4) Southern Ohio Chestnut Company Home Farm (6) Alley cropping is an agroforestry practice that involves planting rows of trees and/or shrubs to create alleys within which agricultural or horticultural crops are produced. It is particularly appealing to producers interested in growing multiple crops on the same land to manage risk and improve whole-farm production and profitability. Alley cropping is also supported by the USDA Natural Resources Conservation Service as a Conservation Practice (311). NRCS describes alley cropping as having several conservation purposes, including reducing surface water runoff and erosion, improving soil health, altering subsurface water construct re water table dorths, enhancing wildlife and

www.fs.usda.gov/nac/resources/publications



POINT OF HARVEST "KEEP IT WILD"

We are creating a new program, called Point-of-Harvest (PoH), that will offer free training to wild harvesters and buyers of woodland roots, barks, and more. PoH will be designed to help participants access premium priced markets once developed.

TRAINING

- plant identification
- propagation & stewardship
- sustainable harvest
- post harvest handling
- storage & processing

OPPORTUNITIES

- · premium priced markets
- increased land access
- program & industry recognition
- master wildcrafter certifications
- teaching, training & leadership

HOW TO GET INVOLVED

We want to hear from you to help shape the program so it meets your needs! To learn more about how you can participate in the PoH program, and to complete a short input survey, please visit our website at: appalachianforestfarmers.org/point-of-harvest

The PoH motto is *Keep It Wild*! Please help us spread the word with other wild harvesters and buyers in your community!







https://www.appalachianforestfarmers.org/point-of-harvest

USDA Climate Smart Commodities Grant

- Agroforestry technical and financial assistance for alley cropping and silvopasture implementation
- Market climate smart commodities (i.e. medicinal herbs, woody cut florals, silvopasture raised meat)



Silvopasture raised meat brand





Stay Connected! www.asdevelop.org





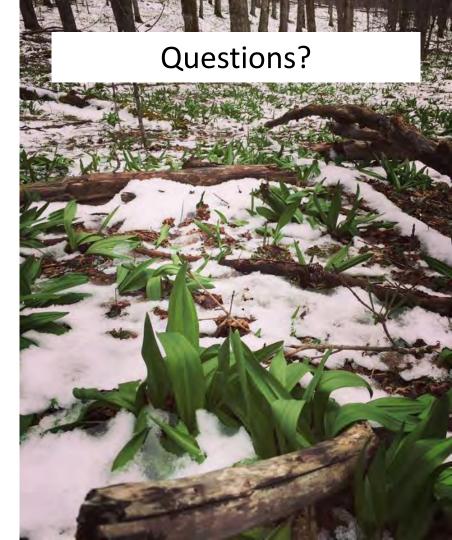


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Meat Processing Facilitation at ACENet

Adam Kody Food Enterprise Coordinator



Meat Processing at ACEnet Food Ventures Center



Pork & Pickles owner Becky Clark, butchering in the ACEnet Food Ventures Center in Athens

Retail Exempt Meat Processing

- Allows small producers to process raw animal products without oversight by ODA Division of Meat Inspection
- Animal must have been slaughtered at ODA or USDA inspected facility before further processing
- Process is inspected by ODA Division of Food Safety
- End product must be sold directly to end user
- Allows up to 25% of gross sales for each product to be sold to restaurants



Limitations to Retail Exemption

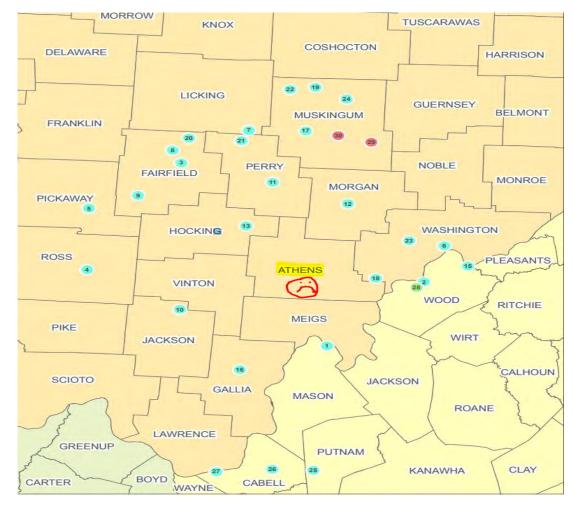
Regulatory Limitations

- Lack of access to wholesale and retail markets
- Limited access to restaurants and institutional buyers
- Fewer number of products that could be produced (smoked, fully cooked, cured, etc.)
- No sales across state lines (30 minutes from WV border)
- Stamp of inspection adds legitimacy

Processing Space Limitations

- Shared use space means high risk for cross-contamination
- Huge need for dedicated meat processing equipment
- Functionality of Food Ventures Center made appropriate cleaning challenging (no trench drain/grease trap)
- Lack of dedicated storage for whole animals or large primal cuts

Limited Number of Processors in Southeast Ohio



A Community Need Existed

- Project was funded from several sources
 - USDA
 - ARC (Appalachian Regional Commission)
 - Nelsonville Osteopathic Heritage Foundation
 - ~\$240k funded between those partners
- ACEnet invested ~\$75k into project



APPALACHIAN Regional Commission



Food & Farm Enterprise Center Divided into Two Separate Production Rooms

Meat Processing

- Licensed and inspected by ODA Division of Meat Inspection
- Approved HACCP plans for Raw Intact, Raw Non-intact, and Heat Treat, Not Fully Cooked, Not Shelf Stable products
- Weekly utilization by two producers: Pork & Pickles and Farm on the Ridge
- Featured Equipment:
 - Band saw
 - Meat Grinder
 - Mixer
 - Sausage stuffer
 - Vacuum sealer
 - Scale + label printer
 - Blast chiller (soon enough...fingers crossed)

Produce Processing

- Licensed and inspected by ODA Division of Food Safety and FDA
- Diversity of products, including pickled produce, cheese repackaging, botanicals and dietary/herbal supplements
- Utilized by four producers
- Featured equipment:
 - VCM (Vertical Chopper Mixer)
 - Infrared cooktops
 - Convection oven
 - Vacuum sealer

Meat Processing Facility



First Production





Meat Processing Room Surprises and Challenges

- Labeling was biggest initial hurdle
 - Letters of Guarantee, labels for each ingredient, statement of identity, "common name" of products, turnover time
- Amount of required staff time
 - As HACCP certified individual, Chris or myself must be present and maintaining production logs
- Inability to ship products across state lines
- Inspector must stop by on each production day (few exceptions)

- Lack of available hours
 - State inspectors "open hours" are 8:30-5:30pm, Monday-Friday
 - If producing outside those hours, inspectors must be paid time and a half
- Less interest among the farming community then expected
- Only allowed to do raw, not ready-to-eat products in production room

USDA Cooperative Interstate Shipment (CIS) Program

- Promotes the expansion of business opportunities for state-inspected meat and poultry operations
- Allows state-inspected plants to operate as federally-inspected facilities and ship across state lines or even internationally
- Plant's day-to-day operations do not need to change
- Ohio is one of eight states currently participating in program and was first to sign agreement
- West Virginia is one of 27 states that meets FSIS requirements for "at least equal to" regulatory guidelines but has not yet signed an agreement with USDA to take part in CIS program



How Do We Respond? Challenges Overcome and Goals for the Future

- Much better understanding of labeling process and working relationship with inspector has led to quicker turnaround time and efficiency $\sqrt{}$
- Earned CIS stamp of inspection in June of 2020 \surd
- Encouraging processors to become HACCP certified; considering incentive-based approach
- "Co-butcher" working in processing room with farmers
- Phase 2 build-out for smoking, curing, fully-cooked, etc.





AdamK@ACEnetworks.org

Adam Kody Food Enterprise Coordinator



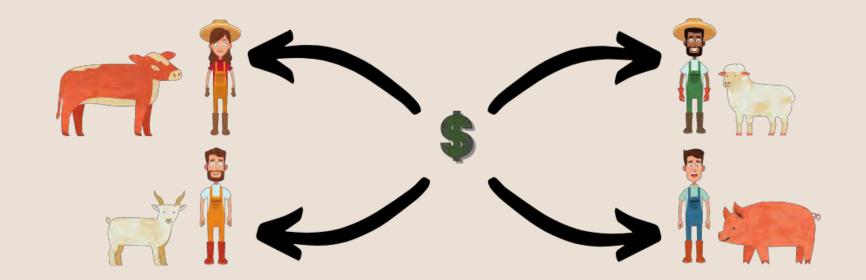
Appalachian Producers Cooperative

A New Meat Processing Facility for Washington County





Cooperative Ownership

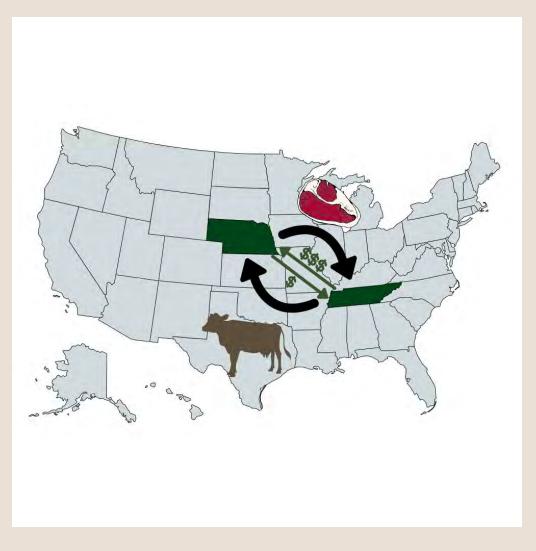


Other Available Funding



- Washington County ARPA \$2 million
- ARC POWER: **\$1 million**
- USDA Meat & Poultry Processing Expansion Program (MPPEP): 20% of project costs (~\$2.4 million)
- TDA ARPA: TBD (\$1 million)
- Other USDA Grants (\$0.5 1 million)

Meat processing in tn



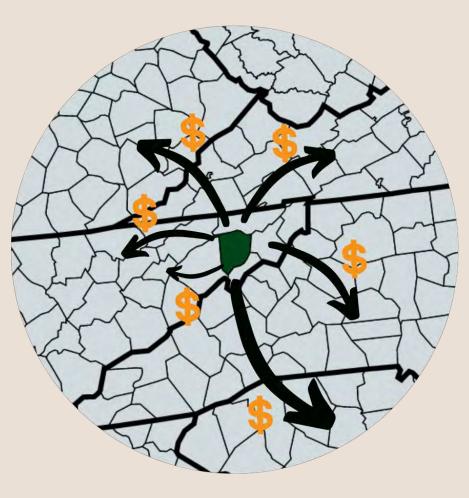


- 94% of cattle are sold and shipped for finishing processing out of state
- Calves sold at commodity prices
- Value added meat products are shipped and sold back at premium prices

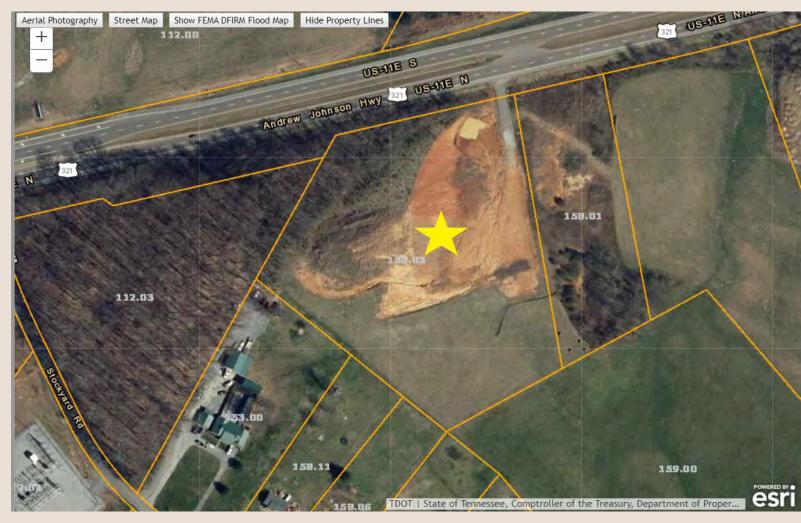
Meat processing in tn

- Remaining 6% are processed at small local facilities outside of Wash Co.
- Demand for local meat has increased but processing capacity has not
- Farmers are waiting 12+ months for appointments or driving 100s of miles
- All of this is revenue going outside of the county





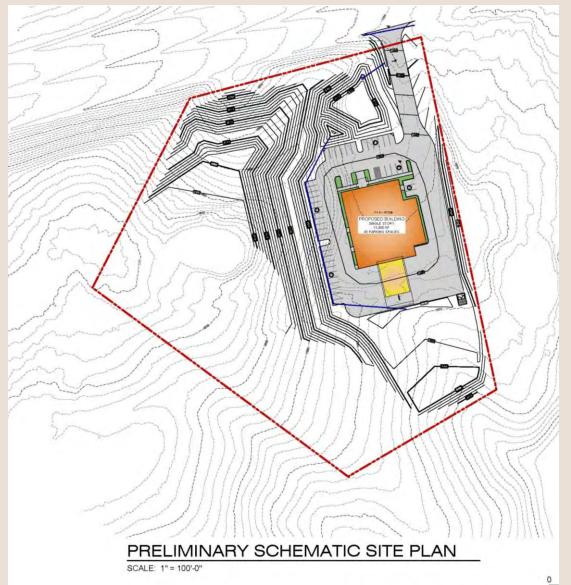
Location & other details





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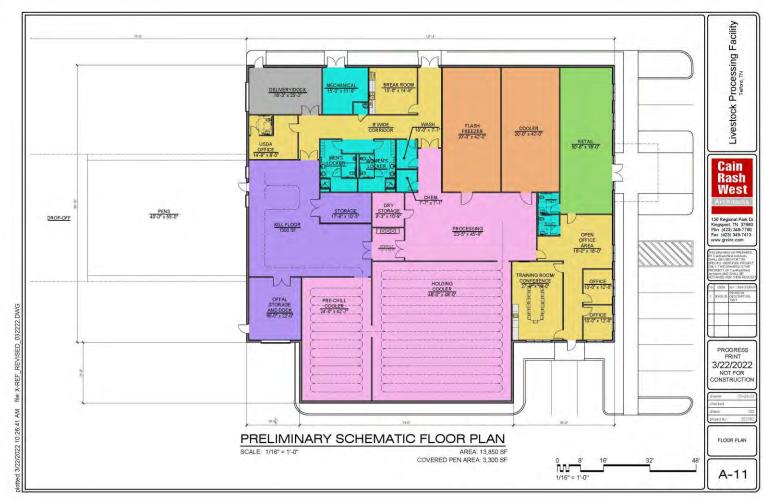
Location & other details







Location & other details



Investing in food system infrastructure



- \$4.3 million in annual processing fees and meat sales stays in Washington County
- Meet strong demand for local food
- Economic multiplier of Agriculture
- Impacts on other economic sectors

Tourism Benefits

- By creating higher and more reliable incomes for farmers, we are supporting the transition of farms and farmland to the next generation of farmers
- Farmland stays in farming, preserving wide open vistas
- A vibrant local food system attracts tourists and new residents, creating a more livable community





Partner Community → Value Chain Capital[™] Cluster Initiative Food Business Development From Field to Fork

Business lending to advance equity and help communities flourish.





A special thank you to our funders & grantors over the years:

 Appalachian Regional Commission, Claude Worthington Benedum Foundation, EDA Rural Jobs Accelerator, USDA Rural Community Development Initiative, USDA Local Food Promotion Program, USDA Rural Business Development, U-Haul Foundation, One Foundation,
 Just Transition Fund, Truist



About Us

- Special initiative of PCAP:
- Serving West Virginia
- Flexible and responsive TA
- One-to-one coaching and business development
- WV network support
- Capacity building for WV non-profits and orgs







Technical Assistance & Training



 Local food & farm businesses along the value chain -

- Examples:
 - Individual business TA: marketing, accounting & bookkeeping, business planning, a&e design
 - Intermediary TA: feasibility studies, financial modeling, kitchen design, organizational management, strategic planning, legal services

Network Support

- WV Processing, Aggregation, & Distribution Network (WV-PAD)
- Ag Action Networks

- TA & funding support to local producer-focused Ag Action Networks
- Coordination, facilitation, and backbone support of WV-PAD Network since 2017





Capacity Building



- Fiscal sponsorship of West Virginia Forest Farming Initiative (2019-2020):
 - Received second Benedum award in 2023 = growing!

• Partner on grants including:

- USDA Increasing Capital, Land Access, and Markets grant with New Roots Community Farm; Sprouting Farms; Five Rivers Cooperative; Foodshed Capital; WV Agrarian Commons
- Coordinate food & farm events with partner orgs



Swift Level Fine Meats Lewisburg, WV

Sector: retail & wholesale deli meats, smoked meats, handmade sausages, charcuterie, seafood, value-added foods

TA: workforce development training and business assessment with Range Meats Academy; additional training scheduled for 2023 will include meat-cutting and merchandising





- Woman-owned business
- Sourcing from more than 75 area producers
- Voted WV's Best Butcher Shop!



www.swiftlevelfinemeats.com



Deans Gap Farm Fort Seybert, WV

Sector: retail & direct smoked meats, antibiotic-free poultry, high tunnel raised produce, BBQ, catering

TA: logo and website development with Ajuga, Inc. Training on website and social media management and optimization; joint project with Woodlands Development Group's Mon Forest Initiative

Highlights:

- Small family farm
- Nearly 3 decades in the poultry business
- Catering events of all sizes







The Billy Motel & ISH Davis, WV

Sector: restaurant, bar & lodging

TA: architectural design services for dining room expansion with To Be Done Studio; joint project with Woodlands Development Group's Mon Forest Initiative

Highlights:

- Post-covid expansion
- Menu that features world cuisine
- Livable wages higher than typically seen in restaurant sector



www.thebillymotel.com



New Roots Community Farm Fayetteville, WV

Sector: non-profit aggregator, distributor, educator, vegetable production farm, & community space

TA: accounting support with Adam Wakefield CPA; legal review services with Larry Harrah Law; feasibility study with Kitchen Table Consultants; concept planning and market research with Rooted Community Consulting & Lost Creek Farm

Highlights:

- Community-owned farm
- Developing a multi-use event space; New River Gorge Ag & Culinary Center
- Leveraged VC2 resources with an Opportunity Appalachia grant for a&e services



www.newrootscommunityfarm.com



Mountain Harvest Farm Morgantown, WV

Sector: retail, wholesale, and aggregated CSA; diversified small family farm producing naturally-grown produce

TA: one-to-one bookkeeping support and training with Kitchen Table Consultants

Highlights:

- Small diversified family farm leasing a historic farm in Morgantown
- NRCS recipients of the 2022 National Hispanic Farmer of the Year Conservation Award
- CSA with 200 members aggregating from 13 farmers in the Mon County area



www.mountainharvestfarmllc.com





PCAP Lending

Amount

- \$25,000 \$1 million*
- Senior or subordinated debt

Uses

- Real estate
- Business acquisition
- Fixed assets (ex. Equipment)
- Working capital to grow sales
- Energy efficiency upgrades or renewable energy installations (solar)

*\$1 million - \$2.5 million w/SBA 504 or USDA B&I programs

Interest Rate

- Fair: 6% 9%
- Priced based on risk and loan program
- Higher than banks/traditional lenders

Terms

- Working capital.... up to 5 years
- Equipment..... up to 10 years
- Real estate..... up to 20 years No prepayment penalties



Targeted Technical Assistance

- Renewable Energy & Efficiency
- Building Equity Fund
- WV Women's Business Center
- WV Recreational Economies Initiative
- WV Capital Access Program
- WV Local Food Value Chain Initiative
- WV Downtown Redevelopment Initiative



WV WOMEN'S BUSINESS CENTER

The WV Women's Business Center is funded in part by the US Small Business Administration





Why Invest in Initiatives?

The initiatives we choose to focus on are ones we see as creating wealth and opportunity for individual entrepreneurs AND the larger community.

CAN Value Chain Data

Investments into Local Food by PCAP/VC2, 2009-2019







Business lending to advance equity and help communities flourish.

Technical Assistance:

Liberty Newberry Program Manager, VC2 libertynewberry@vc2.org

Lending:

Justin White Senior Business Lender, WV *jwhite<u>@partnercapital.org</u>*

Kevin O'Connor SVP & WV Market Manager <u>koconnor@partnercapital.org</u>

Visit us online partnercapital.org | @partnercap



What is needed to build/strengthen the PAD infrastructure in your region?

people infrastr awareness of m strategic impler producer tech support tur awareness collo skills training education impro multi-us truck-to-tru m financial support S micro-aggregation

legislat	tive advocacy
ructure	production coordination
narket opps	science-driven data
mentation	more gap certified farms
nding	stakeholder coordination
aborat	tion
oved roads	collaborativo planning
se facilities	collaborative planning
uck docking	coordination
narket cluste	er developmnt
storage infra	structure
gregation	U



