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Tools for Community Self-determination

Promising Community-Based Food System Initiatives

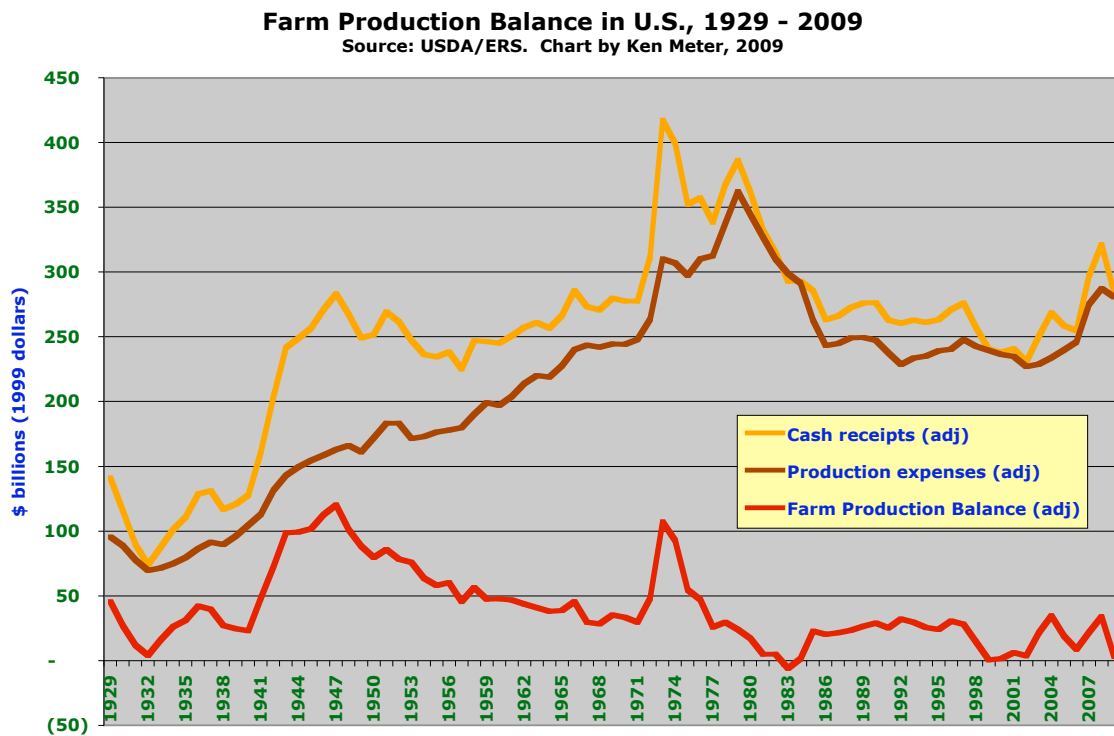
By Ken Meter — May, 2010

The purpose of food systems is to build health, wealth, connection, and capacity in our communities. The current food system fails on all four counts. Happily, a vibrant “local foods” movement is emerging across the U.S., which insists on more direct connections between farmers and eaters. It would more properly be considered a “community-based food movement.” The movement is already more widespread, in terms of numbers of people and communities involved, than the civil rights movement.

The purpose of this paper is to outline several of the most promising community foods initiatives I have had contact with. These will be outlined briefly below. Yet first, a few basic facts about the food system will help show the importance of these local foods efforts.

Food has become a leading cause of death, rivaling tobacco. A high-calorie diet, combined with a lack of exercise, accounts for one-fifth of the annual deaths in the U.S.¹ Six of the fifteen leading causes of death are related to faulty diet and low physical activity.² Food-related health conditions such as heart disease and diabetes represent six of the ten leading causes of death nationally. The medical costs of treating diabetes in the U.S. total \$147 billion annually.³

Wealth is certainly built by our current food system, yet primarily for the intermediaries who buy primary farm products, process them into convenient consumer items, and distribute them to retail outlets. Farmers themselves face troubling uncertainty. Nationally, the farm production balance (net cash income; see chart below) when adjusted for inflation stands lower than 1932 levels, in the middle of the Great Depression. Even during the most recent “prosperous” year farmers enjoyed, 2007 (the best year since 1974), net cash income was less than in 1929 — after nine years of a farm depression. According to Secretary of Agriculture Tom Vilsack, 89% of the income earned by farm families is earned off the farm.⁴



Source: USDA Economic Research Service

Another purpose of a food system, to build connections among producers and consumers, is also frustrated by the prevailing food industry, which separates farmers from eaters so significantly that supply and demand cannot balance. Farmers respond to market signals from brokers and buyers; consumers learn to eat what advertisers persuade them to eat. USDA data show that 80% of the retail value of food — nearly \$800 billion annually — is drawn by middlemen, while farmers earn only 20% of the retail food dollar.⁵

These “supply chains” have been built to concentrate economic power in the hands of a few. Concentration in the food industry is so steep that 85% of our food industries lack competitiveness. This concentration forces consumers to pay higher prices than they should.⁶

This distance has other consequences, as well, eroding our capacity to handle food safely. Many urban consumers — even grocery checkout workers — cannot identify the fresh food items that appear on supermarket shelves, let alone knowing where it is sourced. Many believe, for example, that milk comes from waxed cartons on store shelves, having no idea that cows are part of the equation. More ominously, America loses 5,000 people each year to food poisoning,⁷ showing how far we have fallen from knowing how to handle food safely.

Given food’s importance to hospitality at home, as well as to ethnic and cultural identity, our lack of knowledge of the sources and safety of our food supplies fosters a critical loss of social connection.

The rapidly emerging community-based food movement shows all the signs of being able to achieve the four purposes listed above.

Accordingly, it has been pioneered by consumers who began to demand a stronger connection to the farmers who raise their foods – what has been called “food with a farmer’s face on it.”⁸ In the United States, direct sales of food from farmers to consumers tripled from \$400 million in 1992 to \$1.2 billion in 2007, while the number of farms selling direct rose 58%, to 137,000 farms. Increases have been strongest in California, New England, the Pacific Northwest, and the Minneapolis-Madison-Chicago region.

Similarly, organic food sales have risen 16% per year for over seven years — often leading growth in supermarket food sales. Organic Valley has grown tremendously in the two decades since it was launched, tracking \$532 million in sales in 2009.

Yet this is also a business movement, one that has not typically started in farm communities. The leading entrepreneurs of this movement do business for broader purposes than mere profit — they work toward a “triple bottom line” which assesses progress in social and environmental measures, as well as economic.

These businesses are forming a new economy characterized by strong relationships of trust with both suppliers and consumers. These firms recognize that the strength of their business is limited most critically by society’s ability to take in new information, to work together to create new meaning, and to frame resilient strategies in an uncertain time.

Each firm recognizes it is deeply dependent on other firms in its region, and certainly will not stand merely on its own. Each works consciously to create intentional business networks with other nearby firms, so that money will cycle through the local region, and both skills and social connectivity will be built among residents. These clusters also raise economic multipliers.

Business clusters have long been advocated by Michael Porter of Harvard University, yet they have flourished before he turned his attention to them. The auto industry, for example, has made use of a clustering strategy to ensure that the diverse and geographically dispersed elements of automobile manufacturing are coordinated for just-in-time shipping. The Italian fashion industry is another example of a context in which clustering has proven effective: larger firms with international reach will hire out home-based workers in very small towns to produce specific items, such as collars, both because these cottage workers can produce efficiently, but also as a matter of ensuring that remote towns gain economic benefits and maintain historical skill sets.

Yet there are also more home-grown models. The Twin Cities co-operative movement created a cluster of co-operative businesses in the 1970s. Although there has been considerable consolidation among co-ops, Minnesota still boasts 10 percent of the nation’s co-operative grocers, with total sales surpassing \$120 million. One of these co-ops has now started a co-operative food distribution service, replacing a distributor that was purchased by a private firm a number of years ago. Other co-operative, collaborative, and community-based businesses also thrive in the Midwest.⁹

Even private firms engaged in pioneering local foods work have taken on attributes of the community-based economy. Many collaborate in packing, storage, and distribution to reduce shipping costs. One meat processor in Minnesota helped two related firms spin off. Chefs, grocers, and distributors have networked formally with nonprofits and public officials.¹⁰ In Iowa, small pork producers and processors have begun to exchange information so that all may become more competitive as a sector.¹¹

Following are several examples of especially informative or pioneering initiatives. Unless otherwise noted, each is drawn from interviews with program principals or statements posted by each initiative on its own internet sites. This should not be viewed as an exhaustive list. Food businesses are emerging so rapidly that no such compilation can be kept current for long. The following examples were selected based on direct experience with each effort.

1. Communities of Practice

Ames, Iowa: Leopold Center for Sustainable Agriculture

Many local foods initiatives gain limited success because they are unable to cohere as a social endeavor over time. Basic trust is never built, or people are coerced into partnerships by circumstance rather than patient construction of trust. One of the most far-ranging efforts to build a strong network of food leaders has been created by the Leopold Center for Sustainable Agriculture, an independent organization based at Iowa State University. Leopold benefits from far-ranging legislation passed more than a decade ago. This clever funding mechanism assesses a tax on farm pesticides. Proceeds from this tax are distributed to both the grain industry for research, and also to the Leopold Center to promote sustainable agriculture. One of the central strategies pursued by Leopold is to convene a series of “value chain” partnerships addressing specific topics such as growing regional food systems, helping pork producers move toward sustainability, or increasing fruit and vegetable trade. These working groups meet together as a “community of practice” to learn from each other how to work more effectively. Small research grants focus the attention of each group on specific steps forward; the group works collaboratively to evaluate research results and incorporate new findings into next phases. This makes the movement in Iowa one of the most broad-based in the country. The genius behind this cluster of organizations, Rich Pirog, is associate director of the Leopold Center.

2. Urban Agriculture

Detroit, Michigan: Garden Resource Collaborative

A network of Michigan organizations collaborates to strengthen Detroit’s community gardens, creating more self-sufficiency for gardeners, and also delivering food on a commercial scale to local residents. The Collaborative works with nearly 900 gardens across the city. Input costs are reduced or localized by buying seeds in bulk and packing them for use by specific gardens; by saving seed from one year to use in the next year’s planting; by raising over 200,000 seedlings for transplant, by creating compost, and by sawing wooden plant stakes from scrap lumber. A co-operative distribution service has formed, which GRC leaders claim has sold \$43,000 of produce from community gardens to city customers. This

strategy is based on close community organizing in inner-city neighborhoods. Discussions encompass personal attention to diet and gardening choices, and is centered around 8 neighborhood cluster groups. Each pays attention to four overriding themes: resources, education, connection and economics. The initiative grows out of decades of groundwork by community organizers in inner-city Detroit.

Brooklyn, New York: Added Value

By placing new topsoil on a blacktopped parking lot that had fallen into disuse, Added Value has launched a reknowned urban farm that engages over 150 inner-city youth in the process of raising 12 tons of fresh produce per year. These products are sold through a farmers' market, through shares in a community supported agriculture (CSA) farm, and to local restaurants; considerable food is also donated to local food pantries for distribution to low-income residents. Added Value sells \$70,000 of food per year, with proceeds dedicated to paying stipends for youth involved in the effort. They estimate this carries an overall economic impact of \$120,000 in their city. They have also logged 38,500 hours of volunteer labor contributions (valued at \$10 per hour, this would of course be worth nearly \$400,000). Their composting operation accepts food waste from local restaurants, grocers, and households, and converts this waste into organic soil for raising vegetables. Executive Director Ian Marvy, a former probation officer, describes how he has flourished at the urban farm after leaving his law-enforcement position several years ago. After many cycles of supervision and arrest, he realized he was more or less supervising repeat incarcerations of the same people, few of whom improved as a result of being jailed. Now he sees tangible progress in the lives of youth who work with him at the farm.

Milwaukee, Wisconsin: Growing Power

The widely acclaimed Will Allen, winner of the prestigious McArthur Fellowship, runs an intricate food production, training, and inspiration center called Growing Power in Milwaukee. After Allen retired as a professional basketball player, he bought an urban greenhouse and converted it into a training facility. "Our goal is a simple one: to grow food, to grow minds, and to grow community," he says. Having grown up on a farm, and as owner of five other farms nearby, Allen is able to impart exceptionally credible knowledge to participating inner-city youth, largely African-American, Latino, and Hmong. Inside the greenhouse and out in the farmyard, youth learn ecological cycles by managing a diverse farm operation, feeding food scraps to earthworms whose waste is dried and pelletized into commercial-scale fertilizer for Wisconsin farmers, feeding fish on green plants, raising chickens and goats, and fertilizing green plants with waste from the fish pond. The city of Milwaukee hauls food waste directly to the farm as a donation, to be composted into farm nutrients which are applied to vegetable farms; upon harvest these produce items are sold through a farmstand on the property, to gourmet restaurants, and through CSA shares. At last measure, in 2008, Allen said the farm sold \$200,000 of produce through these channels. It also has been highly successful in fundraising to sponsor youth training, urban agriculture and local food system training events around the U.S. Allen is also designing innovative new production schemes, such as a proposed five-story greenhouse that will be heated with solar energy, hopefully providing a low-cost way of producing significant urban harvests.

Philadelphia: Greensgrow Gardens

A little over a decade ago, Mary Seton Corboy and her husband were comfortable owners of a fine restaurant in suburban New Jersey. They had enjoyed the challenge, but felt something was missing in their lives. Each felt an urge to work in the inner city, to help make conditions better. They settled on the idea of starting an urban farm. When Mary approached city officials in Philadelphia with the idea of leasing a polluted former factory site, staff were so pleased someone wanted to make a positive contribution that they offered her a 99-year lease for the one-acre site for one dollar. The couple built new cement platforms to contain the industrial waste, and filled these forms with organic soil. They installed metal hoop frames and covered them with plastic to make “hoophouse” greenhouses. Further, they elevated hydroponic growing tables over the ground. By isolating the plants in this way from the legacy of contamination, they were able to assure their customers they could provide high-quality, organic produce. Working with 75 farms in their region, many of whom had supplied food to their former restaurant, Mary has been able to use their site as a drop-off point for farmers selling fresh foods to Center City restaurants. Using USDA plans, the farm built a simple, well-insulated, roughly 100-square foot wood-frame shed to provide a cool storage area. An off-the-shelf air conditioner maintains the space at 37 degrees year-round. Another outbuilding stores food at ambient temperature. Between the greens, vegetables, and flowers they grow in this urban oasis, along with the foods they broker for their farm partners through both a CSA operation and to restaurants, the couple reported sales of \$650,000 in 2008.

3. Urban Agriculture Infrastructure

Flint, Michigan: local food initiatives

Having lost 16,000 jobs over the past several decades as auto factories have closed their doors, Flint has a wealth of empty land. Some neighborhoods are so sparsely settled that a previous mayor gained wide visibility in the national press for advocating that entire neighborhoods simply be shut down, with their residents moved to more densely populated areas, to save the city the costs of maintaining services. Yet to local food leaders, a vastly different vision has occurred: most of the city’s vacant land has previously been purchased by a community land trust, which now owns 19% of all the land in the city. Defunct houses have been cleared off, and sod restored. These vast open areas have both topsoil above and water mains below. In this view, these urban acres amount to irrigated land that could be profitably farmed. One nucleus of activity has been sparked by Jacky and Dora King, who run a karate school in inner-city Flint. Jacky set up a hoophouse on one urban lot, and invites his students to work the land with him, both to learn the skills of farming, but also to gain work experience they can use to land a job when they join the labor market. This cluster of youth has begun to sell food at a recently revitalized farmers’ market, as well as to local restaurants. Staff at the Ruth Mott Foundation have supported this work, and also advocate that food processing businesses be established near the farmers’ market, in order to encourage urban food production, and to form a cluster of interrelated food businesses. Leaders of the local business community at first balked when they were asked to support agriculture, which was seen as a low-value occupation. Yet when they viewed the loss of millions of dollars of consumer dollars that leaks from the Flint economy as consumers purchase food from distant sources, the vision of urban farming began to appear more

fruitful. Even further, it has been argued that the city could even create manufacturing jobs around a crop of new farmers, producing farm inputs like compost, urban scale farm equipment, and even the hoop houses themselves.

Boulder County, Colorado: Investment in open space creates options for agriculture

Over the past several decades, Boulder County has invested over \$350 million to protect open space from development. In order to create an economic incentive for protecting these lands, the county has set aside the most arable land for agriculture. This places the county in the position of serving as landlord to a discrete set of ranches and farms. Much of their acreage has been rented out to farmers who plant sugar beets. When these farmers petitioned the county for the right to grow genetically modified beets on county land, commissioners realized they had no policies that would guide them in making this decision. So, they asked the county food policy council to provide a recommendation regarding the farmers' request. After lengthy and emotional deliberation, the food policy council decided that raising GMO beets was not advisable. The following week, USDA overturned a previous ruling that had approved the use of modified sugar beets, saying that the agency had acted in haste in approving the product. In the next phases, food policy council leaders hope to frame a more comprehensive policy that would promote food production for local residents.

4. Processing and Distribution networks

Eau Claire, Wisconsin: Producer's and Buyers Co-operative

Rick Beckler, Director of Hospitality Services for Sacred Heart Hospital in Eau Claire, Wisconsin, as food service director for a Franciscan hospital with a social mission, had been given orders to purchase from local farms when possible. He began by purchasing trout, buffalo, fruit, and vegetables from nearby producers. Yet few of the farms had returned to offer more products, and he wondered why. He finally confronted the growers at their annual winter "value-added" meeting. "I'm spending \$2 million each year on food, and I'm tired of sending that money out of the region. I want to buy from you folks," he said. He pointed out a couple of the farmers at the meeting, adding, "I've bought from you before. Why haven't you come back to sell me more?" The answer, it turned out, was that many of the farmers were inexperienced in marketing, but also had little time to focus on new sales. They were too busy farming. Beckler realized that to fulfill his mission, he would have to help start a new intermediary that could convey food from these farms to the hospital, but also to nearby schools and universities. Although Beckler is proud to be buying food from 21 local farms, he does not have the time to meet with each of them every week. He needed a brokerage that could convey food from all of these farms — and it had to keep in constant communication with all parties as markets fluctuated. The farmers were happy to sell to such a brokerage, but did not want to set up an antagonistic relationship with the hospital as "producers" with different needs than the "buyers." All agreed to adopt a hybrid co-op model that works well in Europe. In this model, the producers and buyers would join the same co-op board. They would invite their distributor and their trucker to join, as well. Fair prices would be negotiated by all parties together, hoping to address a cluster of outcomes — that farmers and laborers were well paid, that environmentally sound practices were

followed, and that buyers were charged affordable rates. Rather than setting themselves up to have conflicting interests, they established reasons to collaborate. Now they work together to build a distribution system that would have stability and resiliency, since it would take the needs of all parties into account, and be able to adjust to changing conditions. Sacred Heart hospital has committed to spending 10% of its food budget through the co-op. Other institutional buyers are also being sought.

Viroqua, Wisconsin: Western Wisconsin Local Foods Initiative

When a major national firm closed its factory suddenly in 2009, the town lost 85 of its best jobs overnight. The factory had been a profitable printing and packaging facility, but corporate owners decided they could save money by relocating the operation to a similar factory they already ran in another state. Yet this cost-saving gesture by the firm provoked a huge loss to the community. Sue Noble, director of economic development for Vernon County, called up the firm's CEO and asked, "What are you going to do for us, now that you have taken some of our best jobs out of town?" The executive was a bit befuddled at the request, but finally relented, asking, "What would you like me to do?" Noble replied, "Sell us the building." He ultimately decided he would. Now Vernon (County) Economic Development Association is the proud owner of a 100,000 square-foot building, certified clean enough for food processing, which will stand as the central institution of the region's food self-sufficiency effort. Two produce distributors have already decided to locate in the building, leasing equipment that will be held by VEDA. Hospitals and schools in the area have committed to purchasing food from the distribution center. Other food processing and manufacturing businesses will locate in the former factory as conditions allow. Leaders researched the distribution options available to them and decided to start their own hybrid co-op, modeled after the Eau Claire co-op mentioned above. The nearby \$532 million co-op of co-ops, Organic Valley, has offered to be a partner. Setting up this storage and distribution system, leaders argue, will provide the infrastructure that will help make local food trade more efficient — and will simultaneously allow growers to have more reach into metropolitan markets in Chicago, Milwaukee, Madison, and the Twin Cities.

Northfield, Minnesota: "Home on the Range" Co-op

Latino immigrants to Minnesota are working with their Anglo neighbors in rural Minnesota to assemble a producer's co-op that will produce free-range chickens for Twin Cities markets. Regi Haslett-Marroquin, who spearheads the effort, envisions dozens of scattered one-quarter acre chicken barns scattered across the countryside. Each would be built by hand using simple wood frames, covered in plastic sheeting to create a warm living space for the chickens. Using sprouted seeds, grasses, grains, and intensive management practices, Marroquin hopes to create nutrient-rich soil as the foundation for producing enough chickens that a new immigrant family would be able to build up savings after a few cycles of chicken production. Each farm would plant companion crops such as hazelnuts, tomatoes, corn, and apples to make use of the nitrogen fertilizer provided by the chickens in their waste. This would in turn create more integrated, diverse farm operations. Someday, Marroquin also envisions a Latino-owned processing plant, so these chickens would be packed by Latino owner-operators and shipped to Twin City consumers. This production model is still being tested, but if it works well it is entirely applicable to urban as well as rural

settings. The co-op is partnering with a nearby grass-fed beef distributor, Thousand Hills Cattle Company, to ship its products in 2010.¹²

Sodexo (Minnesota, one of many U.S. regions)

As an outpost of a national food distributor with \$8 billion in sales, the Minnesota office of Sodexo has attracted significant attention as a champion of locally sourced foods. Featured by the Food Alliance Midwest as a key partner, Don Kulick has demonstrated that a large firm can make a significant impact by building relationships of trust with its customers. [Kulick was promoted to a different position since this interview was completed.]

One of Kulick's first victories was to assist the Morris campus of the University of Minnesota to source food locally. Since then Sodexo Minnesota has expanded to about 75 accounts carrying local or sustainably raised products. This, he says, includes forty corporate food services, twenty hospitals, twelve colleges, and four schools in Minnesota, Iowa, the Dakotas, Nebraska, and Wisconsin. He also has begun to open accounts with other distributors, such as Bix Produce, Albertsons, Axdahl, and Sysco.

"Whatever is available, I try to buy all of it," Kulick says. "I say I want it to be sustainably raised, not just local." He estimates the firm's total sales of sustainable local foods as nearly \$180,000 in 2007. In his experience, local produce sells for the same price as California products, while organic produce costs two to three percent more.

Kulick also devotes his attention to helping each of his outlets become more sustainable in other respects. He sources "spudware" utensils for Carleton College that are made from potato starch, green cleaning agents and supplies from Ecolab, and compostable supplies from other firms. He has developed a software template that assists a food service manager to make decisions in their kitchen. If the manager inputs what his priorities are (organic, sustainably raised food, local food, or overall environmental impact) this program will help them identify what costs would be involved in pursuing each strategy.

He also works with corporate chefs to find creative ways to promote healthy eating. At West publishing, the kitchen features a sushi bar. At another firm, boxes of free fruit are available during the entire workday, to foster healthy snacking. With several colleges, Sodexo has launched a "Balanced Way" approach to food service, where students are served set portions that include a healthy balance of different nutrients. "We think this is helping reduce students' protein intake, and it certainly reduces waste," Kulick says.

At the Morris campus, with substantial assistance from local farmers, Kulick has worked with the head of the food service to host regular local foods dinners featuring products from nearby farms. This has become the pioneering campus in the University of Minnesota food system to show the viability of local food sourcing, and certainly helped pave the way for the Twin Cities campus to follow suit.¹³

Sysco

As one of the largest distribution firms in the nation, Sysco is perhaps the most ubiquitous wholesaler around. Many small-town groceries and restaurants are served by the Sysco

truck, which delivers both food items and essential related supplies (such as napkins, packaged condiments, paper cups, and plasticware).

Sysco supplies 400,000 customers, including hospitals, restaurants, schools, colleges, hotels and motels. With 51,000 employees at 170 distribution centers, its sales topped \$35 billion in 2007. Capital expenditures topped \$550 million.

“We have about 600 different suppliers,” says Twin Cities representative Jeff Larson. “Roughly half of them supply us with food.” This is low-margin, day-by-day delivery that may lack glamour but reliably serves a substantial portion of the state’s population. “We’re constantly moving foods such as potatoes, peppers, sweet corn, cabbage, and squash. We buy lettuce, tomatoes, and oranges seasonally. We buy locally when available, but also rely on regular suppliers in California, Florida, and Arizona.” The firm also imports foods, Larson says, based on policies set by headquarters in Houston.

Among the Minnesota growers, he says, are potato producers in the Anoka sandplains near Elk River and Becker, the Red River Valley, with others in North Dakota and near Rice Lake, Wisconsin. Cabbages are sourced from Gary Paul in Apple Valley, Axdahl Farms in Stillwater, and Vine Valley in Becker. John Gilbertson of Scandia ships the firm sweet corn.

“Our growers are pretty solid,” Larson adds. “They have to be pretty large scale to handle all of Sysco.” Still, the firm also makes sure it has multiple sources, in case there is bad weather or an outbreak of disease at one supplier. “We sell 300 boxes per week of green peppers from one guy alone.” Larson continues. We can carry as much as 3,000 pounds of sweet corn each week during harvest time.

Key to these large supplies is advance communication. “Our growers know what we need before they plant. We should not have a shortage.” Typically, Sysco does not rely on written contracts, counting on “good relations through the years” to ensure loyalty from the producer. If one grower experiences unexpected difficulty, “We just move to a different source.”

Sysco gained quite a bit of visibility when its CEO Richard Schnieders said that he wanted the firm to be able to source small lots from small producers. At the Practical Farmers of Iowa conference in 2003, he said he hoped the firm would develop the capacity to ship a single case of food from the grower to any store in its system. This raised the hopes of many farmers.

Yet, the official Sysco account of the meeting only cites Schnieders statement that “The biggest problem for sustainable agriculture is building its own supply chain. He said that groups like PFI and the Leopold Center [at Iowa State University] are needed to help build the infrastructure that could supply and deliver the product [to Sysco]. “In the area of food service, your product fits the bill,” he said. “Once you have the infrastructure to supply and deliver it, your product can be connected to our network. Our customers want your product and we can get it to them.”

The release continued, “I see enormous opportunities for sustainably raised products in the food service business,” Schnieders said. “Food service operators are always looking for new

products to set themselves apart, so there's a constant demand for differentiated products. We welcome working with farmers who work in an environmentally and ethically sensitive manner.”¹⁴

Albuquerque and Santa Fe, New Mexico: La Montanita Co-op

Co-op trucks circumnavigate New Mexico for La Montanita's Co-op Distribution Center (CDC), which not only delivers food to member stores and other customers, but also picks up produce from farms on its route. The CDC hauls food from over 700 regional producers, delivering to over 30 stores, restaurants, and institutions. All told, La Montanita sells \$28 million of products in a year to its nearly 16,000 members. About 20% of the food sold at the store is locally produced, membership coordinator Robin Seydel says. The co-op handles at least 1,000 local products year round, with others on a seasonal basis. Its distribution center handles \$2.5 million of food (64% local) and also plays a key role in starting new food businesses — by arranging business loans, distributing new products, and mobilizing member investments.

Tulsa, Oklahoma: Co-operative food distribution

Another sparsely populated state, Oklahoma, has given birth to a new hybrid coop model, in which producers and consumers share leadership in a single business. The Oklahoma Food Cooperative, operating without a storefront, has amassed \$500,000 of sales since opening in 2003, and runs a distribution network of its own that carries 3,500 foods and other items to remote locations across the state one day each month. The firm sells only Oklahoma products, primarily from small farms. OFC helped inspire similar efforts in Nebraska, Kansas, Texas, Michigan, Pennsylvania, and Idaho, says co-founder Robert Waldrop.

Oakland, California: grocery store operates without a storefront

An urban food coop, People's Grocery in Oakland operates without a storefront. In its early years, it has focused on getting fresh foods directly to inner-city residents by distributing boxes filled with fresh produce, as a way of both assisting low-income residents and building a retail operation without the demands of property ownership or management.

5. Finance & Investment

Slow Money: Hiawatha Fund (Minnesota), La Montanita Co-op (New Mexico), The Carrot Fund (New England)

Financial dilemmas also pose obstacles for the growth of local food enterprises across the U.S. Often, lenders do not know the emergent food businesses well enough to feel qualified in making loans; those who do may find that secondary market buyers will reject the loans for being unconventional. Moreover, many of the struggling new businesses cannot afford new debt. They are already overleveraged, and need more assets on their balance sheet, rather than new liabilities. Moreover, considerable evidence shows that when farmers and

local businesses pay interest to outside financial centers, this creates one of the most glaring channels that drains wealth away from rural and inner-city communities. In any event, investors often shy away from investing in local food firms because they seek a higher return. In response to these dilemmas, local food and energy leaders have begun to shape more localized investment opportunities. Characterized as “Slow Money,” echoing the “Slow Food” movement, these citizen initiatives call for investors to be patient with their capital: to invest on favorable terms, expect a fairly low but steady return, and to invest with a “triple bottom line” in mind rather than quick profits or majority ownership. In Minnesota, the Hiawatha Fund has attempted to create patient investment vehicles that resemble equity investments. Hiawatha has also worked to create a state investment tax credit for up to three regional funds in the state. La Montanita has invested in several food processing firms and farms, and has explored the creation of a New Mexico investment fund. Carrot Fund offers loans to local farms on more favorable terms than local banks, and underwrites bank loans.

6. Urban planning initiatives

Cleveland: a visionary planning document

A bright, four-color brochure outlines the potential for urban agriculture in Cleveland, Ohio, which also holds vast acreage of unused land — often brownfield sites of former factories. Nevertheless, a vibrant popular coalition has worked with city officials to produce a bold vision for urban agriculture in these underutilized spaces. “Reimagining a More Sustainable Cleveland” [http://www.cudc.kent.edu/shrink/Images/reimagining_final_screen-res.pdf], adopted by the City Planning Commission in 2008, calls for the city to create an ongoing initiative to strengthen urban food production. The booklet includes sample prototype farms that could be created on urban lots, and identifies regions of the city where food production would be most likely to thrive. The goal established by this document is that every city resident would live within one half mile of a community or market garden. The report further calls upon the city to explore the creation of a municipal composting site, and suggests the integration of garden space into neighborhood planning.¹⁵

Richmond, California: General Plan Update

Although still under consideration, an update to the city’s comprehensive plan was developed by the city in partnership with the county health department. Perhaps its most central achievement is to establish a goal for the city “to ensure that all Richmond residents have access to affordable and nutritious food.”¹⁶

Waterloo, Ontario: Waterloo Region Official Plan DRAFT (2009)

The province of Ontario requires its regions to develop legal documents that guide the growth and development of the community; because of residents’ strong interest in localizing food supplies, the Region of Waterloo plan has placed great emphasis on food. Several years ago, a study quantified the large amounts of vegetables that are imported from elsewhere, despite the fact these same vegetables are produced by farms in the region. Using this data, local leaders have encouraged the Public Health office to write plans that ensure a

stronger local agriculture, including urban food production in backyards, rooftop gardens, and community gardens.¹⁷

Several cities establish urban gardening or farming zones

Several U.S. cities have established specific zones for urban gardening or commercial farming. Some of the cities that have done so include: Boston, Cleveland, Chattanooga, Montreal, and Washington, DC. Several other cities have established zones where animal production is allowed, or regulations governing urban animal production.

7. State legislative Initiative

Missouri: Proposed Urban Agriculture legislation

Missouri Rep. Jason Holsman has proposed a bill proposing calling for the state of Missouri set up an Urban Agriculture Task Force. The measure passed the Missouri House on March 22 with a unanimous vote, and now faces consideration in the State Senate.¹⁸

8. One extraordinary international example

Belo Horizonte, Brazil: Popular Restaurants

Perhaps the most advanced work in the Americas by a municipality in constructing a local food system is being accomplished in Belo Horizonte, Brazil, the provincial capital of Minas Gerais. With 2.5 million people, the city is the third largest in Brazil. The comprehensiveness of the vision adopted by Belo Horizonte is staggering, especially in comparison with the early efforts of U.S. cities. Inclusive in its attention to diverse populations in and near the city, the vision also encompasses a cluster of interrelated efforts that will bring growth and lend economic stability over time.

This work was launched around three “popular restaurants” where, for less than 50 cents, low-income residents are able to purchase healthy, cooked-from-scratch meals composed from local farm produce. Not only does this provide residents with solid nutrition for daily meals, it also creates a community gathering point, and of course supports local farmers. The restaurants—owned by the city—serve 12,000 people daily, and have become so effective that many middle-class professionals also eat their lunches there. This makes the restaurants cross-cultural gathering spaces. They have been emulated in other cities, and by at least one private firm. The city was featured in *Yes!* Magazine last November.

Yet this is only one manifestation of a strategy that emerges out of a commitment the city made in the early 1990s that having access to healthy food was a right of citizenship. Expressing that vision, the city opened public farmers markets where farmers can capture more of the retail value of their products. The city also opened “ABC” grocery stores where prime sites are opened for food entrepreneurs to sell food to residents; in exchange, the grocers sell 20 staples at below-market prices, and can be required to offer fresh produce through mobile farmers’ markets in low-income neighborhoods.

The city also contracts with a local university to track prices of 45 key food items sold in the city. These surveys are reported at bus stops and in the media, so consumers can travel to stores offering the best prices. This also creates a climate of transparency, making it more difficult for middlemen to manipulate pricing, once again insuring farmers get a fairer share.

Combined with commitments from schools to purchase school lunches, nutrition and cooking classes for low-income residents, community and school gardens, this emerges as a very comprehensive approach to addressing hunger. Simultaneously, it also builds the local economy, and reduces public welfare costs.

Impacts have been potent. Between 1993 and 2002, Belo Horizonte was the only locality in Brazil in which consumption of fruit and vegetables increased. The city estimates that 40% of the city's population has benefited from these food security efforts. Infant mortality fell 50% since initiation of program. One 1999 sampling showed that infant malnutrition was cut in half.

This cluster of activity is overseen by a 20-member municipal food agency involving citizens, labor, businesses, and churches. *Yes!* states that the total cost of the initiative is about \$10 million annually, less than two percent of the city budget.

¹ McGinnis, J.M. & W.H. Foege (1993). "Actual causes of death in the United States." *Journal of the American Medical Association* 270(18):2207-12; and Mokdad, A.H; J.S. Marks, D.F. Stroup, & J.I. Gerberding (2000). "Actual causes of death in the United States." *Journal of the American Medical Association* 291(10):1238-45 [with published corrections in JAMA (2005), 293(3), 293-294.]

² Heron M., D.L. Hoyert, J. Xu, C. Scott, B. Tejada (2008). "Deaths: preliminary data for 2006." *National Vital Statistics Report* 56:16. Viewed July 31, 2008, at http://www.cdc.gov/nchs/data/nvsr/nvsr56/nvsr56_16.pdf.

³ Centers for Disease Control and Prevention.

⁴ Comment made in a presentation to the 2010 "Home Grown Economy" forum sponsored by Rep. Collin Peterson, Marshall, Minnesota, February 16, 2010.

⁵ USDA Economic Research Service: Marketing bill and farm value components of consumer expenditures for domestically produced food goods.

⁶ Heffernan, William & Mary Hendrickson (2002). "Concentration in Agricultural Markets." *Natiojnal Farmers Union*. Available from the Agribusiness Accountability Initiative at http://www.agribusinessaccountability.org/pdfs/48_Concentration%20in%20Agricultural%20Markets.pdf, viewed April 26, 2004. Other researchers further note that food prices are consistently higher due to this concentration of power. Lopez, Rigoberto A; Azzam, Azzeddine M; & Lirón-España, Carmen (2002). "Market Power and Efficiency: A Structural Approach." *Review of Industrial Organization* 20:115-126.

⁷ Walters, Jonathan (2001). "Spoiled Food Federalism" in *Governing Magazine* (formerly *Congressional Quarterly*), May, 12.

⁸ Meter, Ken (2003). "Food with the Farmer's Face on It" Media guide produced for W. K. Kellogg Foundation. <http://www.crcworks.org/fface.pdf>.

⁹ Meter, Ken (2009). "Mapping the Minnesota Food Industry." Crossroads Resource Center. Available at <http://www.crcworks.org/mnfood.pdf>.

¹⁰ Meter, Ken (2009). "Mapping the Minnesota Food Industry." See link above.

¹¹ Pirog, Rich (2010). Comments at a University of Minnesota forum on foodshed assessment by Pirog, the Associate Director of the Leopold Center for Sustainable Agriculture, March 16, 2010.

¹² See <http://www.crcworks.org/poultrycoop.pdf>.

¹³ Excerpted from Meter, Ken (2009). “Mapping the Minnesota Food Industry.” See link above.

¹⁴ Excerpted from Meter, Ken (2009). “Mapping the Minnesota Food Industry.” See link above.

¹⁵ This write-up makes use of material developed by Kimberly Hodgson, Manager of the Planning and Community Health Research Center for the American Planning Association: “Planning for Urban Agriculture” presentation, February 20, 2010.

¹⁶ This write-up makes use of material developed by Kimberly Hodgson, Manager of the Planning and Community Health Research Center for the American Planning Association: “Planning for Urban Agriculture” presentation, February 20, 2010.

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¹⁸ See <http://wednesdaysun.com/201003311660/news/house-approves-holsmans-urban-farming-bill.html>.