

2014

Deep South Local and Regional Food Systems Resources for Farmers, Aggregators and Distributors



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 WALLACE CENTER
WINROCK INTERNATIONAL

CONTENTS

Introduction	3
Farmer Training Materials	4
Training Courses with MSAN	4
Beginning Farmer Programs	4
Farm Legal Issues Webinars	4
Farm Operations	5
Hoop Houses.....	5
Wells and Irrigation Systems	6
Field Preparation	7
Seed Suppliers	7
Joint Purchasing of Fertilizers and Chemicals	Error! Bookmark not defined.
Post-Harvest Handling and Food Safety	8
Cooling and Refrigeration.....	9
Pricing Information	9
GAP Certification: Good Natured Family Farms Group GAP pilot project	9
Value-Added Processing.....	9
Financial Management and Business Plan Tools	10
One page business plan	10
One page financial plan	10
One page risk management plan.....	10
New American Foodshed Guide Decision Tree	10
Model Business Plan for Season Extension with Hoophouses	10
AgPlan	10

US Small Business Administration	10
Business Plans and Financial Statements: Templates	11
Appalachian Sustainable Agriculture Project Farm Business Resources.....	11
Addressing Capital and Resource Challenges.....	11
Market Access Tools	11
Increasing Farmer Success Compelling Stories	11
NGFN Food Hubs and Farm to School Webinar.	11
Increasing Farmer Success in Local Food Markets in the Deep South: Mississippi and Alabama: Challenges and Opportunities in the Fruit and Vegetable Market	11
Ready to Grow: A Plan for Increasing Illinois Fruit and Vegetable Production.....	12
NGFN Webinar “It’s Viable, Now What? From Feasibility Study to Business Plan”	12
MarketMaker	12
Farmer Connect	12
Funding Opportunities	12
Guide to USDA Funding for Local and Regional Food Systems	12
USDA Regional Food Hub Resource Guide	13
National Good Food Network Webinar: Financing Food Hubs	13
Community Development Financial Institutions Fund	13
Emerging ChangeMakers.....	14
Investment Capital.....	14
Guiding Principles: A Value Chain Partnership Charter.....	15
Healthy Food Systems: A Toolkit for Building Value Chains.....	15
Food Hubs and Values-Based Supply Chains.....	15

INTRODUCTION



The demand for local food has been on the rise nationally, but the agricultural system of the Deep South region has left many farmers at a strategic disadvantage in terms of access to resources, information, financial investments, and markets. In Mississippi and Alabama, many farmers earn \$10,000 or less annually in farm sales, while 12-14% of the population remains food insecure, and unemployment rates range from 7-10%. These communities have some of the highest rates (and in Mississippi, *the* highest rates) of obesity, diabetes, and other diet-related diseases in the United States.

Between 2011 and 2014 the Wallace Center provided grants and technical assistance to the Deep South through its *Increasing Farmer Success in Local Food Markets in the Deep South*:

Mississippi & Alabama project. This work is designed to strengthen the capacities of limited resource and historically disadvantaged farmers and farmer groups to meet the fresh produce supply needs of local/regional wholesale and institutional markets, institutions, and foodservice buyers; and facilitate farmers' success in accessing new markets by developing supply chain relationships. The project focuses on addressing barriers that these farmers face including access to information about production, aggregation, distribution, food safety, among other issues.

This handbook is intended to serve as a resource guide for farmers, aggregators, and distributors of sustainable food to build or strengthen a values-based food supply chain for their products in the Deep South. To that end, it is a compilation of resources and tools related to farmer training; farm operations; financial management and business planning; market access; and business planning with a focus on Mississippi and Alabama. Anyone involved in local food production or sourcing is encouraged to utilize this handbook, and to share it with others that may also find it useful. Through this and other technical assistance efforts, the Wallace Center seeks to build capacity for sustainable food systems and healthy communities to thrive in the Deep South.

FARMER TRAINING MATERIALS

TRAINING COURSES WITH MSAN

The Mississippi Sustainable Agriculture Network has launched a [Comprehensive Training Course on Sustainable Agriculture](#), including a series of presentations to provide farmers, gardeners, and consumers resources and knowledge to strengthen sustainable farming practices on their farms and throughout their community.



BEGINNING FARMER PROGRAMS



The number of [beginning farmer and rancher programs](#) is growing nationally. Farmer to farmer mentoring is important to show young farmers profitability and lifestyle benefits and can help diminish negative perceptions of farming. The [Alabama Sustainable Agriculture Network's Farmer-to-Farmer program](#) links experienced producers to new farmers for one-on-one training, business planning, workshops, and other mentoring opportunities.

Alcorn State University Extension and the Mississippi Small Farm and Agribusiness Center provide numerous programs to promote sustainable small farms in Mississippi. [Alabama A&M University's Small Farms Research Center](#), Alabama Cooperative Extension, Tuskegee University, and the [Federation of Southern Cooperatives Land Assistance Fund](#) also offer training programs. USDA is expanding its [Strike Force Initiative](#), which increases the focus of technical programs for underserved farmers in several Southern states, including Mississippi.

The [Gaining Ground Sustainability Institute of Mississippi](#) and the [Alabama Sustainable Agriculture Network](#) have technical experts in their respective states.

FARM LEGAL ISSUES WEBINARS

The nonprofit [Farm Commons](#) provides proactive legal services for sustainable producers, legal education resources, and education for attorneys on issues related to community-based farmers. In winter 2013-2014 Farm Commons hosted eight webinars on a variety of legal issues faced by farmers who sell direct to consumers such as Food Safety Liability and Regulations, Adding Value to Farm Products, and more. [Webinar descriptions and recordings are available here.](#)



TRAINERS' RESOURCE GUIDE



The [Trainers' Resource Guide](#) is a carefully selected collection of resources for trainers of beginning farmers and ranchers, although farmers may access these tools and resources directly as well. The Trainers' Resource Guide is part of the Evaluating and Improving Educational Instruments and Outreach (EIEIO) project carried out by project partners as a result of a grant from the USDA NIFA Beginning Farmer and Rancher Development Program (BFRDP).

The BFRDP grants support the development of educational outreach curricula, workshops, educational teams, training, and technical assistance programs to assist beginning farmers and ranchers with creating and managing successful farm and ranch enterprises.

FARM OPERATIONS

HOOP HOUSES

The USDA–Natural Resources Conservation Service (NRCS), through its state Environmental Quality Incentives Program (EQIP), provides cost-share incentives to socially disadvantaged, beginning, and limited resource farmers, and reimburses them up to 90% for hoop houses through their Seasonal [High Tunnel Initiative](#). NRCS accepts and processes EQIP applications on a continuous basis, but states may establish deadlines for one or more application periods in which to consider eligible applications for funding. High tunnel suppliers are also listed on the [MSU Extension website](#).

- [Mississippi](#) EQIP program including local contact information
- [Alabama](#) EQIP program including local contact information

Additionally, the Deep South Food Alliance in Safford, Alabama, an initiative of the United Christian Community Association, will begin constructing low-cost hoop house kits in 2014. For more information contact Andrew Williams at andrewwilliams66@yahoo.com.



Andrew Williams of the Deep South Food Alliance

Victor Khan, a researcher and instructor at Tuskegee University, focuses on growing systems utilizing plastics for the early production of vegetables, Walk-in-Tunnels, and soil solarization, a non- chemical disease control method suitable for small farm operations. Mr. Khan offers hoop house training and alternative hoop house plans known as the “Tuskegee Model Tunnel House.” These plans can significantly reduce the cost of erecting a hoop house. The model costs



Victor Khan in a high tunnel demonstration. Photo: SSAWG

between \$1,500 and \$1,600 for all materials, whereas NRCS kits are \$6,300 and more. At no charge Mr. Khan can provide plans for Tuskegee Model Tunnel Houses, on-site and tunnel management advice and guidance to farmers, and planting plans. Victor Khan can be contacted at 334-315-2963 or at khanvak10@hotmail.com.

WELLS AND IRRIGATION SYSTEMS

Irrigation is critical in the South. The NRCS, through its state offices, provides cost share up to 90% for installing a well and irrigation. A common well can cost approximately \$5,000 depending on the water depth. In some cases the well may need a booster to cover a large area of land. More information can be found [here](#), and Irrigation and Water Management contacts are listed [here](#) by state.

- [Mississippi](#)
- [Alabama](#)

Additionally, Dr. Jason Krutz, irrigation specialist with Mississippi State University’s Delta Research and Extension Center, can offer guidance on irrigation systems to Mississippi farmers. Dr. Krutz can provide guidance on irrigation tools including the Mississippi Irrigation Scheduling Tool, evapo-transportation monitors and thermal canopy sensors. Dr. Krutz is based out of Stoneville, MS and is available at 662-686-3271 or at jkrutz@ext.msstate.edu.



MS Irrigation Specialist Dr. Jason Krutz.
Photo: MSU

In Alabama, farmers can connect with Wesley Porter, who was recently hired as the Alabama Cooperative Extension System's irrigation specialist. Mr. Porter can help tailor irrigation



AL Irrigation Specialist Wesley Porter
Photo: Albany Herald

systems to the specific needs of producers. He also promotes the adoption of variable rate and standard irrigation scheduling methods, which contributes to more judicious water use. He can be reached at (264) 884-6162 or by email at:

wmp0008@aces.edu.

Also, farmers can utilize the [Alabama Agricultural Irrigation Information Network](#) (AAIIN). The network shares information developed under the Alabama Irrigation Initiative and other appropriate, farmer-useful irrigation information.

FIELD PREPARATION

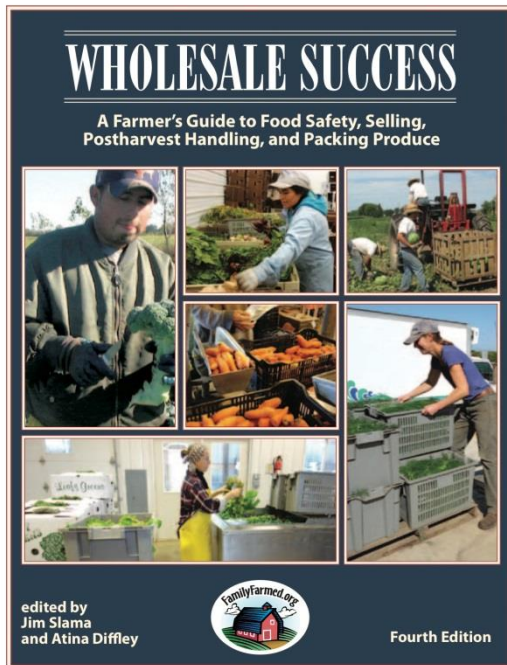
Mississippi State University extension offers equipment for mulching and preparing beds, laying pipe, and covering beds with plastic sheeting in one pass over the field. Farmers can look to their [county office](#) for support.

SEED SUPPLIERS

A number of local seed companies sell quality seeds, including Kelly Seed Company in Hartford, Alabama (334-588-3821), Johnny Green Seed in Birmingham, Alabama (205-326-0405), and [Central Seed and Supply](#) in Springville, Alabama. Some farmers rely on specialized nurseries to produce seedlings in flats for transplanting, such as [Champion Seed Company](#). This can be less expensive than direct seeding for certain high-value produce like 1,000 watermelon seedlings for \$18. Sources for organic vegetable, flower, herb, and cover crop seeds are available [here](#). Seed and plant vendors of conservation plants are located [here](#), including information on plants for conservation use in Mississippi.



POST-HARVEST HANDLING AND FOOD SAFETY



FamilyFarmed.org has developed a manual, *Wholesale Success: A Farmer's Guide to Food Safety, Selling, Postharvest Handling, and Packing Produce*, which offers crop profiles for 103 specialty crops, including specific harvesting, cooling, storage, and packing information. Manuals can be purchased via the FamilyFarmed.org website. Click [here](#) to access the order form.

North Carolina University Extension's [Fresh Produce Safety Portal](#) offers resources on postharvest equipment, handling and cooling, quality and testing, storage and transportation, and packing facilities. Resources are for both large- and small-scale farmers. The University of California, Davis, offers an online [Postharvest Technology Center](#) with information on

short courses and workshops, a bookstore, fact sheets, newsletter, and much more. The Center's [Small-Scale Postharvest Handling Practices: A Manual for Horticultural Crops](#) is a resource targeted specifically at small-scale farmers.



FDr. Barakat Mahmoud, MS
Assistant R/E Professor of
Food Science

Free food safety (GAP) workshops are regularly available for farmers through Alabama and Mississippi Extension offices. In Mississippi, farmers can contact Dr. Barakat Mahmoud at 228-762-7783 ext. 301 or by email at bm547@msstate.edu, for more information. Mississippi farmers who successfully pass the certification class can apply for a cost-share program through the Mississippi Department of Agriculture and Commerce to help cover the cost of the initial audit. For more information about this program, contact Michael Lasseter at 601-359-1120 or michaell@mdac.ms.gov. In Alabama, farmers can contact Dr. Jean Wease, Extension Food Safety Specialist, at (334) 844-3269 or by email at weesesj@aces.edu.



AL Extension Food Safety
Specialist Dr. Jean Wease.
Photo: ACES

Additionally, there are plans for the [fresh vegetable processing facility](#) in Marks (Quitman County, MS), to be used to educate farmers on sanitation and post-harvest handling techniques.

COOLING AND REFRIGERATION

Crop cooling and refrigeration is part of a certification (good handling practices) program for produce. In many locations in Mississippi, [Davis Refrigeration and Electrical](#) in Jackson can assess the efficiency of cooling facilities.

Farmer Paul Hoepfner-Homme of Victory Garden Vegetables in Cobourg, Ontario, provides clear and straightforward step-by-step instructions for constructing a walk-in cooler using an air-conditioning unit, a *CoolBot* device, and a few other hardware materials. The cooler can do double duty by serving as a root cellar in the colder months. Watch the video at the [Victory Garden Vegetable's site](#).



PRICING INFORMATION

The USDA Agricultural Marketing Service provides current, unbiased [price and sales information](#) to assist in the orderly marketing and distribution of farm products.

GAP CERTIFICATION: GOOD NATURED FAMILY FARMS GROUP GAP PILOT PROJECT

Recently, produce buyers have increasingly demanded demonstration of Good Agricultural Practices (GAP) from growers, which can create significant obstacles for small and mid-range operations. The “group approach” strategy emerged to address market requirements for third party GAP verification. A [pilot project](#) with Good Natured Family Farms is underway to convert its individual farm GAP program to the group approach.

VALUE-ADDED PROCESSING

[The Value Added Producer Grant \(VAPG\) Program](#) helps producers enter into and increase their value-added processing and/or marketing activities with the goals of creating new products, expanding marketing opportunities, and increasing producer income. Beginning, socially-disadvantaged, small and medium-sized farms and ranches may receive priority. For 2014, grants are available up to \$75,000 for planning grants, and up to \$200,000 for working capital grants, with a 100% cash or in-kind matching requirement. Additional information, eligible activities, and past examples can be found on the [NSAC website](#). Contact information for each state, as well as information about the programs within each state, can be found [here](#).

FINANCIAL MANAGEMENT AND BUSINESS PLAN TOOLS

ONE PAGE BUSINESS PLAN

The [One Page Business Plan](#) is a quick way to get you started off in the right mindset with some core questions and answers. Then you need to get more detailed with a complete business plan.

ONE PAGE FINANCIAL PLAN

The [One-Page Financial Plan](#) helps beginning farmers and ranchers scope out the basic costs of their businesses, and the bottom line amount of money they will need to make a go of it. First and foremost, the plan helps entrepreneurs build a no-surprises budget.

ONE PAGE RISK MANAGEMENT PLAN

The [One-Page Risk Management Plan](#) helps current and aspiring farmers and ranchers focus on the risks their businesses face, and those actions that can be taken to mitigate those risks.

NEW AMERICAN FOODSHED GUIDE DECISION TREE

The [Decision Tree](#) in this Field Guide sets out some of the fundamental business choices a farm or ranch enterprise will make. Examples include choices about legal business structure, the different markets that suit the business and its products best, and how to navigate the food value chain of facilities, services, and business relationships that food, farm, and ranch entrepreneurs need to succeed.



MODEL BUSINESS PLAN FOR SEASON EXTENSION WITH HOOPHOUSES

This [business plan](#) is an excellent resource for growers considering a hoophouse.

AGPLAN

[AgPlan](#) helps rural business owners develop a business plan for free.

US SMALL BUSINESS ADMINISTRATION

The SBA offers [resources](#) on creating your business plan.

BUSINESS PLANS AND FINANCIAL STATEMENTS: TEMPLATES

[Templates](#) for developing business plans and financial statements.

APPALACHIAN SUSTAINABLE AGRICULTURE PROJECT FARM BUSINESS RESOURCES

[Business Planning](#)

[Accessing Capital](#)

ADDRESSING CAPITAL AND RESOURCE CHALLENGES

A collection of helpful reports, articles, and guides to financing resource, including a business plan worksheet. [Resource page.](#)

MARKET ACCESS TOOLS

INCREASING FARMER SUCCESS COMPELLING STORIES

Through providing food for farm-to-school programs, expanding wholesale markets, and developing new projects and training programs, organizations involved in the Increasing Farmer Success in the Deep South project are improving agricultural viability in the Deep South. [Read the compelling stories here.](#)

NGFN FOOD HUBS AND FARM TO SCHOOL WEBINAR.

Food hubs hold great promise to help farm to school programs and food service professionals get good, healthy, local, whole foods to our nation's students.

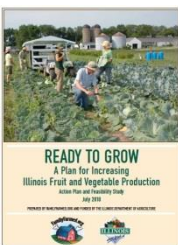
[Webinar recording.](#)



INCREASING FARMER SUCCESS IN LOCAL FOOD MARKETS IN THE DEEP SOUTH: MISSISSIPPI AND ALABAMA: CHALLENGES AND OPPORTUNITIES IN THE FRUIT AND VEGETABLE MARKET

[The report](#) explores on-farm, market and infrastructure barriers that small farmers face in accessing markets for fresh, local produce in the Deep South, and shares pragmatic interventions and insights that can shape the success of developing local food systems in the region.

READY TO GROW: A PLAN FOR INCREASING ILLINOIS FRUIT AND VEGETABLE PRODUCTION



This [feasibility study and analysis](#) addresses the barriers that keep growers from entering or increasing production for wholesale markets in Illinois; devises workable solutions to resolve those barriers; and assesses the feasibility of increasing production substantially enough to encourage the development of food systems infrastructure in Illinois.

NGFN WEBINAR “IT’S VIABLE, NOW WHAT? FROM FEASIBILITY STUDY TO BUSINESS PLAN”

On [this webinar](#), Jim Epstein of Blue Ridge Produce Company discussed how they moved their food hub from feasibility study to Business Plan.

MARKETMAKER

[MarketMaker](#) is a national partnership of land grant institutions and State Departments of Agriculture dedicated to the development of a comprehensive interactive data base of food industry marketing and business data, and offers ways for farmers to connect with new markets and consumers.

FARMER CONNECT

The Farmers Market Authority in Alabama offers “[Farmer Connect](#),” a website that connects farmers with local chefs, restaurants, other farmers, and potential consumers who want Alabama-grown produce.



FUNDING OPPORTUNITIES

GUIDE TO USDA FUNDING FOR LOCAL AND REGIONAL FOOD SYSTEMS

This guide begins with a general overview of the USDA’s structure, followed by descriptions and details of fifteen grants and programs that are relevant to local and regional food systems development. Each program description also includes a case study of a real-world regional food system project that received program funding. [The guide.](#)

USDA BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM

The Beginning Farmer and Rancher Development Program (BFRDP) is a competitive grant program administered by the National Institute of Food and Agriculture (NIFA) that provides grants to support the development of educational outreach curricula, workshops, educational teams, training, and technical assistance programs to assist beginning farmers and ranchers with entering, establishing, building and managing successful farm and ranch enterprises.

Applicants for the BFRDP must be collaborative state, tribal, local, or regionally-based networks or partnerships of public and private groups. Networks or partnerships may include:



United States Department of Agriculture
National Institute of Food and Agriculture

community-based organizations, non-governmental organizations; cooperative extension; relevant USDA and state agencies; and community colleges. These networks or partnerships in turn use the BFRDP funding to provide the training and assistance to beginning farmers and ranchers.

The BFRDP sets aside 25 percent of the yearly funds for projects serving limited resource and socially disadvantaged farmers and ranchers, including minority, immigrant, and women farmers and ranchers, as well as farmworkers desiring to become farmers in their own right.

BFRDP grants have a term of 3 years and cannot exceed \$250,000 a year. Eligible recipients can receive consecutive grants and must provide a cash or in-kind contribution match that is equal to 25 percent of the grant funds provided. Projects funded can serve farmers who are not beginning farmers, provided that the primary purpose of the project is fostering beginning farmer opportunities.

USDA REGIONAL FOOD HUB RESOURCE GUIDE

[This guide](#) provides sources of funding within the federal government (pp 34-59) and sources of funding from foundations and nonprofits (pp 60-70).

NATIONAL GOOD FOOD NETWORK WEBINAR: FINANCING FOOD HUBS

[Slides from this webinar](#) offer an example financing plan from one food hub (pp 53-54) and grant, loan, and other funding opportunities (pp 63-92).

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

This site offers a [bank of resources](#) pertaining to Financing Healthy Food Options.

EMERGING CHANGEMAKERS



An opportunity exists to collaborate with [Emerging ChangeMakers](#) to facilitate groups to obtain loans and investments. Emerging ChangeMakers can identify potential sources of grant and debt capital, and collaboration is possible in 17 counties of the Black Belt Region to initiate loans from TruFund Financial Services. Find out more about their [Impact Investing Initiative](#) here.

INVESTMENT CAPITAL

[Farm Credit](#) and [Farm Security Agency](#) have programs for first-time farmers that may help limited-resource producers get started in farming. USDA offers other [grants and loans](#) for farmers. Some examples of lending institutions are [Hope Community Development Authority](#) in Biloxi, Mississippi; [Southern Bancorp](#) based in Arkansas; and [Shreveport Federal Credit Union](#) in Shreveport, Louisiana.

[Shreveport Credit Union](#) is a source of loan funds to agricultural producers in the Delta region of Mississippi. The credit union has an office in Marks, Mississippi. The lending limit is \$75,000 and the current interest rate is 3%.

[Alcorn State University](#) offers limited resource farmers access to operating capital. Credit limits are \$25,000 to an individual farmer and \$50,000 to a cooperative. These loans have a short payback period.



[Whole Foods Market's Local Producer Loan Program](#) provides up to \$10 million in low-interest loans to small, local producers. Loans range from \$1,000 to \$100,000 and can be used for purchasing more animals, investing in new equipment, or converting to organic production. Whole Foods minimizes the fees, interest rates and paperwork that can often get in the way of a small local farm or business taking the next step to expand its operations.

[ALA-TOM Resource Conservation and Development \(RC&D\) Council](#) has a small revolving micro-loan program to help small, limited resource farmers either continue to farm or begin farming.



ALA-TOM loans to farmers in the following nine Alabama counties: Choctaw, Clarke, Washington, Monroe, Conecuh, Wilcox, Marengo, Perry and Dallas. Typically, they lend annually and loans are up to \$5,000 per farmer. The ALA-TOM RC&D Council makes direct loans to farmers, cooperatives, and value-

added agribusinesses. The interest rates charged are less than charged to the typical high-risk borrowers that this program targets.

- [TruFund Financial Services](#) is a national nonprofit organization based in Birmingham that offers affordable financing to small businesses and nonprofits in the Birmingham/Tuscaloosa area, Mobile, Huntsville, Selma, Montgomery, and their surrounding areas, as well as in New York and Louisiana. Contact information: Birmingham: (205) 715-2710, Alabama@trufund.org
- Belle Chasse, LA: (504) 392-2454, Louisiana@trufund.org
- New Orleans: (504) 293-5550, Louisiana@trufund.org
- Baton Rouge: (225) 284-1355, sbillups@trufund.org

GUIDING PRINCIPLES: A VALUE CHAIN PARTNERSHIP CHARTER

[This document](#) lays out Guiding Principles intended to outline a common line of action to provide healthy produce and other good food from sustainable farms into local and regional food service distribution. The document is intended to be signed by grower, aggregator and distributor in a value chain trust relationship.

HEALTHY FOOD SYSTEMS: A TOOLKIT FOR BUILDING VALUE CHAINS

[This toolkit](#) is designed to help new and emerging healthy food system value chain efforts. While it draws heavily from the experience of Appalachian Sustainable Development, including particularly its Appalachian Harvest network, it also includes ideas, challenges and insights from other value chain and food system initiatives, both within Appalachia and other parts of the country. The toolkit is intended to be a hands-on resource which can help spur new thinking, help refine plans, and perhaps help guide implementation of new and emerging food system initiatives.

FOOD HUBS AND VALUES-BASED SUPPLY CHAINS



The UC Sustainable Agriculture Research and Education Program (SAREP) has been researching food hubs and Values-Based Supply Chains (VBSC) to help develop marketing channels that provide greater economic stability and viability to small- and mid-sized farmers and food producers as well as fresh, high-quality food to consumers. The [publications listed here](#) explore opportunities and challenges for food hubs and VBSC implementation, and can be used as resources for participants interested in orienting their work toward values-based marketing and distribution.