REGIONAL PRIORITY PROJECT PRIORITIZATION PROCESS

PROJECT INFORMATION FORM

IF ADDITIONAL SPACE IS REQUIRED FOR ANY RESPONSE OR YOU WANT TO SUBMIT ADDITION DOCUMENTS , CLEARLY IDENTIFY THE DOCUMENTS WITH THE PROJECT NAME AND EMAIL THEM TO FKENNEY@ADDISONCOUNTYEDC.ORG.

DOWNLOAD AND SAVE THIS DOCUMENT TO YOUR COMPUTER, COMPLETE THE FORM, THEN CLICK THE SUBMIT BUTTON.

PROJECT NAME:

Champlain Valley Food Hub

TYPE OF PROJECT:

- [x] Infrastructure:
  - [ ] Water
  - [ ] Wastewater
  - [ ] Broadband
  - [ ] Transportation
  - [ ] Public Facility
  - [x] Other: Food System
- [x] General Development:
  - [ ] Industrial
  - [x] Commercial
  - [ ] Residential
  - [ ] Mixed
- [ ] Site/Facility Development for Specific Business
- [ ] Workforce Development
- [x] Business Development
- [ ] Other:

PROJECT SPONSOR:

Organization Name	ACORN Network
Organization Mailing Address	PO Box 404, Bristol, VT 05443
Organization Email	info@acornvt.org
Organization Phone	802-382-0401

Contact info for the person submitting project information:

Name	Lindsey Berk
Title	Executive Director
Mailing Address	8 Rossiter St, Brandon, VT 05733
Email	lindsey@acornvt.org
Phone	802-382-0401

PROJECT PRINCIPAL(S) (if different than above):

Person 1:

Name	
Title	
Organization	
Mailing Address	
Email	
Phone	

Person 2:

Name	
Title	
Organization	
Mailing Address	
Email	
Phone	

PROJECT DESCRIPTION (5000 Characters):

ACORN is applying for funding to build a zero-carbon food hub in Middlebury, the seat of the Champlain Valley's robust agricultural region.

The Champlain Valley Food Hub will be a centralized digital and physical space that facilitates the sales, aggregation, and distribution of locally produced food products to local wholesale markets. There is also the opportunity to partner with urban-focused businesses such as Farmers to You that bring Vermont products to metropolitan areas. The Food Hub will have cold and dry storage capacity, serve as an address for freight deliveries for remote farms, and serve as a distribution space for ACORN's Farmacy Food is Medicine program as well as create other aggregated CSA opportunities. The Food Hub may also include space for a commercial kitchen for new and emerging food businesses, such as a tortilleria that would be used by the migrant Latinx community.

The Champlain Valley Food Hub will work in conjunction with ACORN's Online Wholesale Market that uses the Local Food Marketplace platform to aggregate specialty crop producers' inventory online to make it easier for wholesale buyers to purchase products and receive one invoice. In November 2021, ACORN hired a part time market manager for the platform, has secured bookkeeping assistance and has funds for another part time support staff to help with distribution to wholesale buyers as needed.

The Champlain Valley Food Hub will:

• Create a value based supply chain (VBSC) that "maintains the identity of the farmers who grow or raise a product, and that preserves the social, environmental, and community values that are incorporated into production." (UC Sustainable Agriculture Research and Education Program, 2017). VBSCs allow farmers to maintain ownership over their brand and production values because the distributor and the buyers help to carry the farmer's story forward. Producers accessing the values-based supply chains are building their own brand, story, and Values-based Distribution Networks position with a web presence, labeling, personal contact with buyers, and many other techniques.

• Establish an aggregation point with cross-docking and storage to increase sales and distribution of locally produced foods, with the goal of making local food more accessible and affordable to area residents.

• Purchase a refrigerated truck to facilitate the distribution of aggregated orders to wholesale buyers along the Route 7 Corridor.

• Develop an e-commerce bulk market for local foods where producers can sell surplus produce to buyers at a discounted price.

• Create the ability for consumers to purchase food in bulk at wholesale

PROJECT LOCATION (3000 characters):

Provide the physical location of the project and/or the area to be served by the project

With its access to Routes 125, 7 and 30, ACORN has identified Middlebury as the ideal location for a food hub in Addison County, which will serve the whole Champlain Valley, from southern Chittenden County to northern Rutland County. Participating producers also agree that regular trips to Middlebury are already part of their schedules and would be the most convenient location for this space. Middlebury is the location of ACORN's Farmacy Food is Medicine program, as well as Middlebury College, Addison Central School District and Porter Hospital, all of which would be some of the major institutional buyers of the online market.

Specific physical requirements for the food hub space will be access for trucks and access to a loading dock. A keypad locked vestibule that allows 24 hour access to delivery and pick-up is also desired.

Through the feasibility study, we will also determine how a centralized food hub

PROJECT PURPOSE AND BENEFITS (3000 Characters):

Describe the purpose and benefits to the region of the project. Describe if/how the project builds capacity within the region for improved regional development/economic development/ community development, including: advancing workforce development; expanding entrepreneurship efforts; supporting or enhancing existing business clusters, or other economic impacts within the region.

A centralized aggregation site will allow farms to meet volumes demanded by wholesale buyers.

ACORN's online wholesale market addresses the purchasing challenges for the immediate future, and a Champlain Valley Food Hub will aggregate local products in the region and streamline distribution. This Hub would make the supply chain more transparent, increase access to local markets, increase producers' sales, and increase productivity due to more reliable wholesale demand. This stable flow of income will increase the net income for participating producers, allowing them to be able to purchase more inputs and hire more labor to ultimately strengthen the local economy. Lastly, buyers at anchor institutions (school districts, hospitals, colleges) will source more local food, creating a more equitable and just food system.

This physical space will allow local food products to be aggregated, stored and distributed. This project offers the possibility for small farmers to reach wholesale buyers in a streamlined manner, saving time and money while shortening the supply chain, making local food more accessible to a wider sector of the community. Ideally this space will be powered by renewable energy and an EV delivery vehicle will be used to further reduce the carbon emissions of the local food system. Having a more localized distribution network will lower the costs of food and help make it easier for producers to transport their products.

Measurable benefits include:

- Increase in local food sales for the online wholesale market and for the

PROJECT TIMELINE, MILESTONES, AND STATUS (3000 Characters):
Describe the project timeline, the current status of the project, and impediments to proceeding. Include factors such as site control, engineering and design, financing/funding identification and commitment, and permitting. Clearly identify where the project is in the timeline and what work remains.

Ten years ago ACORN attempted to create an online market to overcome the barriers of wholesale buying. In the 2012 Addison Wholesale Collaborative report, we wrote that to "fully achieve the benefits of a buyer-seller network requires a larger user group than was available in Addison County at the time of the pilot. We have shown a spotlight on the path forward and will proceed ahead in collaboration with... other regional partners." In retrospect, the AWC was too early. The local food system, on both the supply and demand side, was too thin to support it.

From 2012-2020, ACORN hosted many farmer meetings, focus groups, and interviews to learn what obstacles farmers were facing, as well as opportunities for growth. We learned that farmers are interested in connecting with other farmers in a number of ways: bringing food to NYC or Boston, filling larger institutional buys, and selling locally-grown meat collectively. They are interested in increasing local sales, creating an online sales platform, and new opportunities to sell or donate surplus produce, especially when the season is erratic (a simplified market for seasonal fluctuations).

PROJECT PRINCIPAL EXPERIENCE/PARTNERSHIPS (3000 Characters):
Describe project principal(s) experience, ability to complete the project, and describe any projects partnership(s) and how the partnership(s) will help ensure success.

The ACORN Network, founded in 2009, is a non-profit with the mission to promote the growth and health of local food and agriculture in Vermont's Champlain Valley by providing support to farmers and food producers, engaging in food education and ensuring access to healthy food for all members of our community. ACORN, at its core, is nimble, a catalyst for developing local, sustainable and collaborative solutions that adapt to current times.

ACORN's Board of Directors is composed of a variety of people with a wide spectrum of expertise: current and retired food producers, employees of UVM-Extension, the Middlebury Natural Foods Co-op, Vermont Land Trust, and a worker-owner of the Anti-Oppression Resource and Training Alliance (AORTA).

ACORN's Executive Director, Lindsey Berk, will spearhead this project along with a steering committee comprised of community members, ACORN Board members and food producers. An ACORN steering committee that includes Amanda Landry, Scott Greene, Alex Arroyo and Jonathan Corcoran is working with Lindsey to move the food hub forward.

Key members from the community (all of whom have written letters of support) will be invited to be part of the core team: Fred Kenney of Addison County Economic

PROJECT SUPPORT AND REGIONAL NEED (4000 Characters):
Describe how the project is consistent with identified local and regional goals, advances regional needs identified in plans, reports or public forums, and describe the community support and engagement. Include reference and link to the municipal and/or regional plan, report, or forum identified. Also describe how the project leverages regional human, social, financial, cultural, and/or physical capital, and supports, compliments, or enhances existing efforts.

The Food Hub tackles many of the priorities identified in our region; greenhouse gas emission reduction, increased access to local food, and improved farm viability. It is important to note the majority, if not all, of the food producers that partner with ACORN include various aspects of regenerative agricultural practices as part of their core business models.

The Champlain Valley Food Hub addresses four of Vermont's Climate Action Plan strategies:

- "Reduce greenhouse gas emissions from the transportation... and agricultural sectors"
- "Encourage smart growth and related strategies,"
- "Achieve long-term sequestration and storage of carbon and promote best management practices to achieve climate mitigation, adaption, and resilience on natural working lands;"
- "Build and encourage climate adaptation and resilience of Vermont communities and natural systems."

The state legislature funded the second 10 years of Farm to Plate in 2020. The Food Hub directly addresses goals 1, 2, 3, 6, 10, 11, 12 and 14 (of 15 goals) announced in the recently published Farm to Plate Strategic plan for a resilient local food system.

The Food Hub would also help reduce Greenhouse Gas emissions from two of the three highest emission sectors of Addison County, agriculture and transportation, according to CEAC's recent Greenhouse Gas Inventory Report for the county.

The 2019 Local Food Wholesale Market Assessment Report published by Vermont Farm to Plate offered a solution to the state's distribution challenges by stating that there is "potential for other intermediated market players – aggregators, processors, distributors, food hubs etc. – to continue to disrupt the marketplace with innovative product and logistical solutions that can supply local food that authentically represents the values consumers are in search of." These intermediated markets are part of a value based supply chain (VBSC).

In September 2021, Rural Vermont recommended to the VT Climate Council that the state invest in "strategically located, local, regional infrastructure related to food processing... and food storage. COVID has provided us a lived experience of systems disruption on a global scale - and it has significantly affected demand

PROJECT COST, IDENTIFIED AND COMMITED FUNDS/FINANCING, AND FUNDING GAP:

Provide the total project cost and complete the simple sources and uses chart.

Total Project Cost: 250,000

Sources:

Source	Amount
Specialty Crop Block Grant	58300
	0
Total Sources:	58300

Uses:

Use	Amount
Personnel	71600
Administration	42400
Support Services	20000
Buildings and Grounds	116000
Total Uses:	250000

Funding Gap: 0

Note: Uses must exceed sources or there is no funding gap

Budget Narrative (3000 Characters):

Describe the amount of funds/financing that have been identified and include a clear status of the funds (Received, committed, applied for, identified, etc.) including the dates of receipt, commitment, application, expected distribution, etc. Clearly identify any funding gap.

ACORN has secured $58,300 in funding from the USDA's Specialty Crop Block Grant program for 30 months, supporting the establishment of the online wholesale market with the Local Food Marketplace platform and the hiring of two part-time employees. We also received $20,000 as part of the Agency of Agriculture's Working Lands Enterprise Fund Service Provider Grant to write a feasibility study and develop a business plan in 2022. This will identify the specific costs and market size of the food hub with the online wholesale market.

We are in the process of signing an MOU with CVOEO to share warehouse space on Exchange Street. CVOEO's cost of renting this space is approximately $2,500/month, which is what ACORN had priced out prior to CVOEO signing their lease.

Capital funding will go to renting or buying a small commercial warehouse and outfitting it with cold and dry storage. Rough estimates of equipment range from $13,000 - $25,000. The 2015 budget developed for the Addison County Food Commons in Greg's Meat Market shows initial capital funding needs, to cover total operational costs, staff, equipment, rent, utilities and support services, to be around $250,000. This includes one year salary for a full time Operations Manager and two part-time positions. Once the business plan is developed, we will be able to formally identify specific costs and revenue streams, but we know that to make the food hub as economically viable as possible, we will need to develop multiple funding revenues including the use of a margin on goods sold through the online market, producer membership fees, pay per service fees, community philanthropy and grants.

A robust and engaging marketing plan to reach potential new local buyers and increase demand among eaters is also central to the success of this market. We will rely on collaborative marketing efforts with the Department of Tourism, Agency of Ag, Chamber of Commerce and Economic Development Corporations, all participating food businesses, churches, libraries, schools and our local news media. We would also need funding for a paid advertising campaign using social media, Front Porch Forum, radio, newspapers, printed flyers and yard signs. ACORN would like to hire a local social media and advertising consultant.

Specialty Crop Block Grant, Committed and Partially Received, Expected Distribution October 2021- March 2024: $58,300

JOB CREATION (4000 Characters):

Provide the number of full-time jobs to be created and/or retained by the project, a description of the benefits package to be offered to the majority of the new/retained jobs, and the average wage of the jobs to be created/retained.

This will be determined by the feasibility study and business plan, but we envision at least two full-time jobs (Operations Manager and a Sales/Marketing Manager) as well as a delivery driver. Right now we have funding to support those two positions part time until March 2024. The average wage would be at least $20/hour to attract and retain talented employees.

CLEAR FORM

PRINT FORM

SUBMIT PROJECT