





On Our Cover: The Lordsburg Municipal School District's cafeteria received a shipment of local peaches from the Southwest New Mexico Food Hub. "We like getting fresh local food for students but, in our area, it can be a little tough getting vendors to deliver to our fairly rural schools"," said Rex Lish of Southwest Food Service Excellence (SFE) General Manager for the Lordsburg Municipal Schools District in Hidalgo County, NM. The district covers an area larger than the state of Delaware and serves 500 children a day breakfast and lunch.

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This toolkit is designed to help frontier communities revitalize their local food system. Since 2014, the National Center for Frontier Communities (NCFC) has worked within the frontier region of Southwest New Mexico to increase local food production, keep more local food within the region and optimize the operational efficiency of the food pantry system to distribute more healthy food to those in need.

Starting and maintaining a food hub in the frontier is rife with challenges and special considerations, but offers an opportunity to develop deep, impactful relationships across the food system.

This toolkit is a result of several years of in-depth research and on the ground implementation of that research into what is currently a functioning growing food hub in the frontier, the Southwest New Mexico Food Hub. This toolkit includes the essential groundwork, steps to implement and lessons learned from, perhaps, the only currently functioning food hub in the frontier.

How to use this toolkit

This toolkit outlines the steps, processes, partnerships and challenges undergone by NCFC in creating and operating a regional food hub designed to increase the amount of local food production, maximize farm generated income, ensure ready access to fresh healthy foods to those in need, and create new jobs in the frontier communities in Southwest New Mexico.

The toolkit contains seven sections outlining the specific processes NCFC used to design and operate the food hub and outlines much of the groundwork needed to launch the hub including the details of the day to day operations the hub uses to conduct operations. While much of the information herein will be useful to burgeoning food hubs in any location, the primary focus is overcoming the unique challenges faced by the smallest and most remote communities in the nation - the frontier.

II. FOOD SYSTEM LANDSCAPE OF SOUTHWEST NEW MEXICO





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FRONTIER FOOD SYSTEMS- SHARED VALUES

Frontier food systems contain everything from seed to fork in the food system and includes planning, preparation, planting, harvesting, processing, distributing, marketing, sales and gleaning. Even in a remote region, there are dozens, if not hundreds, of food system stakeholders. Literally everyone is impacted daily by the food system.

Whether people known it or not, all aspects of the food system are interconnected. In our regional food system work we are trying to localize these connections to a greater degree, meaning while much of the current national-global food system is connected by a series of large buyers, distributors and other players that work across state and national borders, NCFC is aiming to shorten these connections so that various food system stakeholders have more direct interaction with other local stakeholders to shorten the supply chain and regain a sense of community around food.

By creating one of the first food hubs in the frontier, we began to re-lo-

One of the major issues facing frontier communities today has to do with the decreasing localization of industry. When products are produced and sold within a community all of the profit stay within that community and re-circulate; this is how community wealth is created. calize our food economy by creating access to new markets and thus increasing sales potential for new and existing farmers.

LOCAL FOOD ECONOMY

To get to know the local food economy of Southwest New Mexico, a food hub feasibility study was completed in 2015 with funding from the United States Department of Agriculture (USDA). Reports had been trickling in from members of the regional food policy council for years of struggling farmers, diminishing supply at local farmers markets and regional food buyers having limited access to local foods. We utilized the feasibility study as a way of getting to know farmers in the region and what the major hurdles were to increase the local food economy in the region. Specifically, we wanted to:

- Provide a foundation on which further stages of food hub development or other regional food-based businesses could take
- Bring together regional food system stakeholders to uncover current challenges and opportunities related to the regional food business.
- Provide sound concise recommendations to inform future regional food hub activities.
- Develop connections among regional food system stakeholders, bring further legitimacy to the importance of local food policies and the power of local procurement in the Southwest New Mexico region.

The Feasibility of a Regional Food Hub for Southwest New Mexico: Ideas for Rural and Frontier Communities was conducted over a nine-month period and involved interviewing over eighteen area farmers of different sizes and specialties in order to assess their interest in and capability to contribute food to a regional food hub. Forty-two retail, institutional and school food service directors were also interviewed to assess the requirements they have of food vendors, their current participation in local food purchasing and their potential interest in purchasing more local foods from a food hub in the future.

In addition, the study reviewed existing food hub studies, local food reports and other secondary data sources in order to present the most accurate, up-to-date information related to the formation of a food hub.

While there are many food hub studies from around the country, we found southwest New Mexico is a unique geography, dominated by mountainous Gila Forest and Wilderness set next to the Deming Plains, the only open section between the Rocky Mountains and the Sierra Madres. The four-county region composed of Catron, Grant, Hidalgo and Luna counties covers almost 19,000 square miles, a region as large as the combined states of New Hampshire and Vermont. Also, the region's rurality factors heavily into the equation with a majority of the counties designated Far And Remote (FAR) Level 1 to 4, with the closest major metropolitan area located over 120 miles from Silver City, the largest county seat of the region. The food hub models' reference in the literature are often geared to urban or more populated rural environments and not applicable nor adaptable to a frontier region.

Three main questions were addressed in the feasibility study:

- 1) Is a regional food hub feasible (financially and technically, would current market options be able to support it)?
- 2) What kind of food hub would be most appropriate for the frontier region?
- 3) What would the current and future impact of a regional food hub be in terms of economy and community health?

On the next page are some of the major findings and how they have translated into real world application with the SWNM Food Hub since its inception.

New Mexico







Initial Key Finding	Updated Experience
Twelve out of eighteen farmers interviewed are interested in contributing to a food hub.	To date the food hub has sold produce of 20 different growers within the region, and we expect to engage with at least five more in the following year.
	Several farmers who were initially hesitant about working with the SWNM Food Hub changed their minds after learning about the food hub's pricing and mission focus.
There are not enough small to mid-size farmers that can make significant contributions to a food hub; there is not enough supply to generate adequate sales numbers and mitigate supply risks	Supply has been our biggest bottleneck to SWNM Food Hub expansion thus far.
There is only one retail outlet that actively sources local produce (Silver City Food Co-Op)	The Silver City Food Co-op has been one of our most regular customers. Additionally, we have conducted sales to another Silver City-based retail outlet, the county-seat and largest municipality in Grant County, on occasion. The remainder of retail locations in the region do not feel their customers would value locally-grown enough to justify the higher price.
Many farmers were interested in growing more human food but were unaware of their market options.	Through SWNM Food Hub marketing activities, we have gained entrance into dozens of new markets, including large institutions, schools and retail locations.
	Moreover, with the food hub taking a proactive role in the dissemination of information and communication with growers, we can be sure that access to these markets remains open in the future.
Many business owners were unaware of the impact that buying local foods can have on their community.	We have had one-on-one conversations with nearly 100 local markets and disseminated literature explaining the multiplier effect of local food purchasing. Many buyers became supportive of local food production, even if they couldn't justify the additional cost for their business.

FOOD PANTRIES- RISING HUNGER AND SUPPLY ISSUES

To begin to understand the history and complexities of anti-hunger work in Southwest New Mexico, we had to engage in an on-the-ground, in-depth research project of our frontier emergency and supplemental food system from both the perspective of those who work within it and utilize it on a regular basis, and its context within the greater American food banking system.

In 2015 we undertook a Health Impact Assessment (HIA) of the regional emergency and supplemental food system in Southwest New Mexico, which resulted in the following publication: HIA Improving the Quality & Quantity of Food in Southwest New Mexico Food Pantries. We know New Mexico ranks among the worst states in the nation in both hunger and poverty, both contributing factors to food insecurity, commonly understood as the inability to access sufficient quantities of healthy, safe and nutritious foods.

During this process, we engaged in a comprehensive literature and policy review, and engaged with nearly 600 food pantry recipients and over a dozen food pantry coordinators to find out how the food pantry system was working for them in the four-county region of Catron, Grant, Hidalgo and Luna counties.

Based on survey results of 538 food pantry recipients in the four-county region, food pantry recipients are likely to:

- Be age 65 or older. The four-county average for persons aged 65 and older is 24 percent; significantly higher than the state average of 15 percent. More than one-third of The Emergency Food Assistance Program (TEFAP) survey respondents reported being in this age group.
- Be disabled or have a family member who is disabled (45 percent), compared to an average statewide rate of 19 percent (NM-IBIS, 2014).
- Have children in the home (32 percent).
- Mirror the ethnic breakdown of the region with slightly more Native Americans and slightly less whites; survey respondents self-identified as 51 percent Hispanic, 29 percent white, and 7 percent Native American.
- Experience barriers to accessing nutritious food, such as insufficient money or transportation. Nearly 16 percent said that the cost of transportation often or always is a difficulty, and more than 50 percent said that they sometimes, often, or always ate less to make food supplies last.
- Lack access to a grocery store. Less than half of the respondents were within five miles of the nearest grocery store. More than 15 percent travel 25 miles or more (50 miles round trip) to reach a grocery store.

We engaged nearly 600 food pantry recipients and over a dozen food pantry coordinators.



Additionally, we learned that:

- Unemployment and poverty rates do not adequately reflect food insecurity
- Source and quantity of pantry food varies widely by county
- Many food items received and distributed lack nutritional value; cranberries and pasta for dinner?
- Nutritional standards are lacking throughout the food distribution system
- Insufficient infrastructure is a barrier to accessing healthy food

Among the top recommendations from the HIA most pertinent to the food hub were:

- Working with local food pantries in the region to increase food deliveries to, at least, twice per month;
- Providing technical assistance to rural and frontier pantries to address needs they identify as priorities. Pantry priorities will be unique to each community and may include recruitment and retention of volunteers, collecting food from local sources, fundraising, increasing storage and/or transportation capacity, or data collection and analysis;
- Partnering with local food pantries to increase the amount of food available locally;
- Collaborating with local food pantries on fundraising and grant writing efforts;
- Training food pantry coordinators how to make the healthiest purchases for their pantry customers;
- Explore the feasibility of creating a buying club for pantries within the four-county region to purchase food from food banks or other sources;
- Advocate for local investment to improve local food sustainability, access and distribution, perhaps by using capital investment funds







WHY DID WE CREATE THIS MODEL? WHAT IS THE VISION?

We call our food hub model a dual-purpose hub which means that the food hub serves both the local food economy and the food pantry system through a variety of services. This model was created after taking an extensive look at several food hubs operating around the country. We visited with two existing food hubs in more populated regions of New Mexico and comparing their market base, population, challenges, and community assets to our own in Southwest New Mexico. Finally, we meet with regional food pantry coordinators who identified the desire and need to have access to local fresh produce and share existing facilities.

The dual-purpose food hub serves both the local food economy and the food pantry system.

From the beginning we wanted to ensure that whichever model was chosen, it would have the best chance of achieving self-sustainability so the services offered by the hub could continue after initial grant funding waned. Additionally, as outlined in the studies and reports above, we had an intricate working knowledge of the services and support needed to optimize the regional food system.

Having a desire to impact the local food economy, and the emergency and supplemental food system, we designed the hub to be positioned to serve these needs using the same basic infrastructure, staff and equipment. So much of operating a food hub in the frontier requires savvy logistical planning as farmers, food pantries and markets are often geographically distant from each other.

We aimed to achieve sustainability of the core food hub operations through our market sales; with a low overhead, this reality is achievable within several years. Core operations includes marketing, aggregating, storing and distribution. Other services provided by the hub include grower training (food safety, business planning, etc.), improving grower capacity and wrap around services for recipients of supplemental food assistance. While much of the service activities will have to be subsidized by grant funding, with enough sales we can utilize any "profit" to reinvest into the food hub to continue these services.

Outlined on the next page are the dual-purpose services offered by the hub.

SOUTHWEST NEW MEXICO FOOD HUB SERVICES

Service Type	Activity	Infrastructure/ Staff Needed	Why?
Production and food business Support	Food safety consultation	Staff time	Meeting changing food safety standards can be challenging and burdensome - with different markets often requiring different standards, the food hub helps navigate this and assumes liability of products/
	Production planning	Staff time	With knowledge of market capacity, the hub can assist growers in planning what to grow that will sell well through the hub and other market channels. This process takes some of the guess work out of growing and helps assure farmers there will be minimal wasted product.
	Education and Training Events	Staff time, training location, printed material/flash drives	Through contact with our grower-base we can design specific trainings on the type of information needed by new and existing growers. This helps fill knowledge gaps and helps growers understands all aspects of running a food business.
	Marketing	Staff, design, ad/material cost	The hub markets regionally grown produce to appropriate markets across the state - marketing for regional farmers under the SWNM Food Hub reduces the burden for growers and allows the hub to aggregate produce to fulfill large orders.
	Contracted Growing/Ad- vance Orders	Staff time, mar- ket knowledge	In order to strategically increase the regional supply-chain we have begun introducing growing contracts and placing advanced orders for certain in-demand products. The contract gives the grower piece of mind that the products will be sold.
	Business Planning	Staff time, food business knowl- edge	Many growers do not have succinct business plans. They can benefit from more careful planning and execution of their operations.





Service Type	Activity	Infrastructure/ Staff Needed	Why?
Logistics	Food Pick Ups, Drop Points and storage	Staff time, transportation, Agreements with remote storage loca- tions, on-site cold storage	The hub works with growers over a large four-county region (18,756 square miles) - when picking up produce growers meet us at drop locations. This saves them time and fuel costs while allowing us to inspect produce before it is acquired.
			Additionally, many small growers do not have adequate storage space, the hub rents cold storage from a local nonprofit and stores all food to be sold on site until distribution.
	Backhauling	Agreements with backhaul providers	We utilize a backhauling service to distribute foods outside of the four-county region. This saves us staffing and mileage costs. Without this service, we would be severely limited in our market reach.
	Aggregation	Produce from multiple ven- dors	We often receive orders for products too large for any one of our growers to fill - by aggregating products the buyer can receive their full order from one vendor (the food hub) and not have to source from multiple growers. Additionally, this helps smaller growers gain access into larger markets.
Network Building – other hub services	Purchasing unsold farm- ers market foods	Staff time, transportation	As a direct response to a local community of small farmers market growers who were generally too small to provide food to the hub on a regular basis, the hub received a small foundation grant to purchase unsold food from a farmers' market and distribute it to local food pantries. This project benefits the farmers by encouraging them to grow more food to bring to market and ensured that they would not have unsold products. We anticipate this project to transition into more food hub growers.
	Connecting network growers to other regional and statewide events	Staff time, email, phone calls	There are often conferences, events, socials, and education and training opportunities around the state. We forward this information along and, occasionally, help growers travel to these events through mileage reimbursements and/or lodging costs.
			Frontier growers are often left out of the mix when it comes to network building events, we close that gap and ensure opportunities to access them.

Service Type	Service Activities	Infrastructure/ Staff Needed	Why?
Capacity Building	Fundraising consultation	Staff time	Raising enough funds to operate a frontier food pantry can be extremely challenging as it requires networking, writing skills and the ability to connect with potential funders to know available opportunities and resources.
			Additionally, most food pantry coordinators are volunteers and have very limited in the amount of time they have available for food pantry activities.
	Volunteer Recruitment and Retention training	Staff time	A major common issue amongst food pantries is recruiting and retaining the volunteers necessary to conduct food pantry activities.
			We explored the core reasons behind why people volunteer and the most successful practices used by our regional food pantries.
Bulk Buying	Increasing the amount of food available at distributions	Staff time, transportation, storage, re- packing facility	The hub coordinates bulk buying initiatives and delivers healthy food to pantries from sources other than their regular food bank.
Wrap around ser- vices	Increasing access to vital services	Staff time, coordination amongst participating agencies	The hub coordinates service agencies such as SNAP/WIC, medical care, veterans services to travel to food pantry distributions

LOGISTICS

In the food system, logistics cover the movement of the food product through the supply chain. One of the primary challenges in operating a food hub in such a rural area is logistics. Overcoming the geographical burden of the frontier requires careful planning, coordination amongst different growers, markets, freight carriers and schedules.

To get product from a frontier grower to any sort of market requires transportation. This can be done 1) by the producer, as is the case in many small to midsize farms selling directly to consumers, retailers or institutions 2) by the buyer, as is the case with many distributors and large retailers operating a central warehouse or 3) a third party, as is the case with produce brokering companies and often food hubs.

The SWNM Food Hub sources food from growers on a weekly basis that can be 200 to 300 miles apart and aggregates produce from up to eight growers per week. While the food hub takes on much of the burden for transportation, the cost of transportation must not exceed what can be covered by the hub's mark-up.

Currently, the food hub drives between six to 12 hours per week, covering at least 200 miles. Typical drive time includes a regular six hours





for pick-ups and additional hours depending on where the product is delivered.

There are several strategies we have employed to make weekly grower pick-ups and sales feasible:

1) Clustered Pick-Up Locations

a. While our growers may be spread out over a large areaclusters of growers tend to live within a 30-minute drive from designated pick-up locations. We currently have three of these locations to meet with growers clustered around the area. This allows us to receive their produce while staying on a simple, efficient track and saves the growers, collectively, hundreds miles of travel time each week.

These locations can be anywhere. We have utilized rest areas, restaurant parking lots, co-op grocery stores, a particular farm that is centrally located, and rural intersections.

2) Backhaul Provider

a. Many of the hub's larger markets are in the Albuquerque and Santa Fe area, over 300 to 400 miles away. Distributing food to these markets weekly on our own would be too much of a financial burden to be feasible, so we utilize a third-party backhauler/freight provider to deliver foods to these markets.

Fortunately, New Mexico has La Montanita Food Hub, in Albuquerque, that makes weekly trips to our region and delivers produce to our markets in Albuquerque and Santa Fe for a 15 percent fee.

While this fee certainly adds up and increases our operating expenses, the value it provides for us in being able to reach markets in the largest metropolitan area in the state is immense as we are able to grow different crops and at different times of the year and allows us to hit a large and vastly underserved market.

3) Farmers Shared Distribution

a. Because we provide a service to farmers, they are often willing to help with the distribution expenses in the form of coordinating travel to a shared location. For example, the hub sources from three farmers who work within several miles of each other. On occasion, one of these farmers will collect and inspect produce from the other two and make the 40-mile roundtrip to the drop location with all of their produce.

4) Cold Storage Drop Location (As of yet unused)

a. The hub has worked out an agreement with a nonprofit food pantry located close to one node of growers, and

halfway between the food hub and another node of growers. When the amount of produce sold makes the over one-hour of travel time worth it for growers to drop their produce off at the food pantry. This reduces food hub travel by over 250 miles each week and reduces staff time significantly. Moreover, this eliminates the need for precise meet and drop scheduling which allows greater flexibility for farmers and food hub staff.

LOWER OVERHEAD

When designing the hub, we visited several New Mexico and Arizona food hubs, and read business plans and benchmark studies, and met with dozens of food hubs across the country at a national food hub gathering. From this we learned that the SWNM Food Hub is unique in its remoteness and area served. We also learned that a majority of food hubs fail, mostly due to high overhead costs.

It has been clear to those working with the regional food system of Southwest New Mexico that the services provided by a food hub are needed in order to increase the efficacy of the local food economy for producers, consumers and the general public. So, the mission was to design and operate a food hub that serves to build the capacity of regional producers, increase their sales potential, and can sustain operations based on its own income and, eventually, not be reliant on grant funding.

To do this we needed to find the most efficient methods of obtaining food, facilitating sales, storing, packing and distributing products.

OBTAINING FOOD

As mentioned above, logistics are the main challenge in creating a frontier-based food hub. While it may be quicker to hire more drivers or add another vehicle, the initial cost and upkeep would be too much of a burden. Instead, we opted to center our farm pick-ups on one day a week: Monday.

We chose Mondays because it both gave farmers the weekend to get together orders and it allowed us a full day of pick-ups before we meet the regularly scheduled backhaul truck on Tuesdays. By concentrating our pick-ups to one day per week we reduced the staff time and potential mileage needed to obtain these foods.

As we increase our sales and it is profitable for farmers to drop food at drop points, we look to further reduce the amount of staff time and mileage needed to obtain food.

FACILITATING SALES

Marketing is a big component in creating sales and for us it was not only an initial push to ensure we connected with buyers, but a continuous back and forth between the hub, buyers and growers to ensure that quality requirements, amounts, varieties and other demands are being met. We explored a number of digital interfaces available on the market

We learned the SWNM Food Hub is unique in its remoteness and area served.





to help facilitate sales, but none of them seemed worth the effort required to onboard growers and buyers to gain a critical mass of usership in the region.

We found that weekly communication with growers via text, email or phone call to determine what products are available and translating that data into a price sheet or "fresh-list" sent out to buyers was the most efficient way to communicate weekly offerings. We request that orders are placed before 4 p.m. on Fridays so that we can relay the orders to growers, giving them sufficient time to harvest.

By putting time constraints on ordering, we increase the efficiency of hub operations and reduce the amount of staff time needed to conduct operations.

STORING AND PACKING

A physical location is needed to store products between pick up and distribution and a certified kitchen is needed to pack the products in preparation for distribution. During the pre-hub research phase, we noticed that many food hubs opted to rent or purchase a warehouse-sized space to aggregate and pack their foods. We chose not to because the volume of food moving through the hub in the beginning did not necessitate such a large space and the overwhelming cost of obtaining and retrofitting such a space.

Fortunately, with our volume and time-constricted operation design, we were able to handle most of the weekly packing in less than four hours. We average about two to three pallets worth of produce moved per week, not including items such as watermelons or apples which often take up a pallet of their own.

For both our storage (one or two pallets, one to two days per week) and our packing (two to four hours per week) we are able to rent space from an existing nonprofit food pantry in Silver City for a very modest fee, about \$1,000 per year. The price was determined by the nonprofit's fee schedule and as the hub grows, the price may have to be renegotiated. However, this portion of "overhead" currently costs the hub only \$20 per week. Even at double or triple the price, it would still be feasible.

Other options that we had explored were:

1) Schools

a. Most schools have certified kitchens and a walk-in cooler. However, packing hours would have to be done outside of school hours, which would put constraints on staff and potentially hub operations. Additionally, we found that most school walk-ins are usually too full to reasonably accommodate our storage needs.

2) Restaurants

a. We spoke with several restaurants who were willing to explore the idea of hosting limited food hub activities. Many restaurants in town are closed at least one day a week, and for them to be able to generate a rental income on those days was appealing; however, outside of their one day-off, storage and any other food hub operations was not feasible.

3) Senior Centers

a. Similar to school kitchens, many senior centers have certified kitchens, ample walk-in cooler space and run a less stringent schedule than many schools.

4) Churches

a. Many churches have seldom used commercial kitchens and are open to hosting mission-based activities such as a food hub. We connected with several churches in the area and a few had ideal set ups for our size of food hub - large, open kitchen with plenty of surfaces to weigh and pack food. However, none of them had sufficient storage space so to have storage and packing facilities on different locations would have been an additional burden to the food hub.

In general, we took an inventory of the current assets in the community and found that the existing nonprofit allowed us the most flexibility and alignment with organizational mission. To explore what options are available in your community, we encourage you to reach out to municipal officials, school nutrition directors, nonprofit communities, senior centers, restaurants, county extension, communities of faith and others involved in the food system to explore what is available and feasible for your model.

While a certified kitchen is needed to conduct any re-packing of raw agricultural produce, there is a low-cost option to build cold storage. A simple wood shed, outfitted with insulation, a window A/C unit and a cool bot (https://www.storeitcold.com/) can be built for about \$5,000.

DISTRIBUTION

When we first started distributing local foods, we borrowed a cargo van from a local food pantry. This van got roughly 10 to 12 miles per gallon, and cost us around \$120 per week to operate; this was not sustainable.

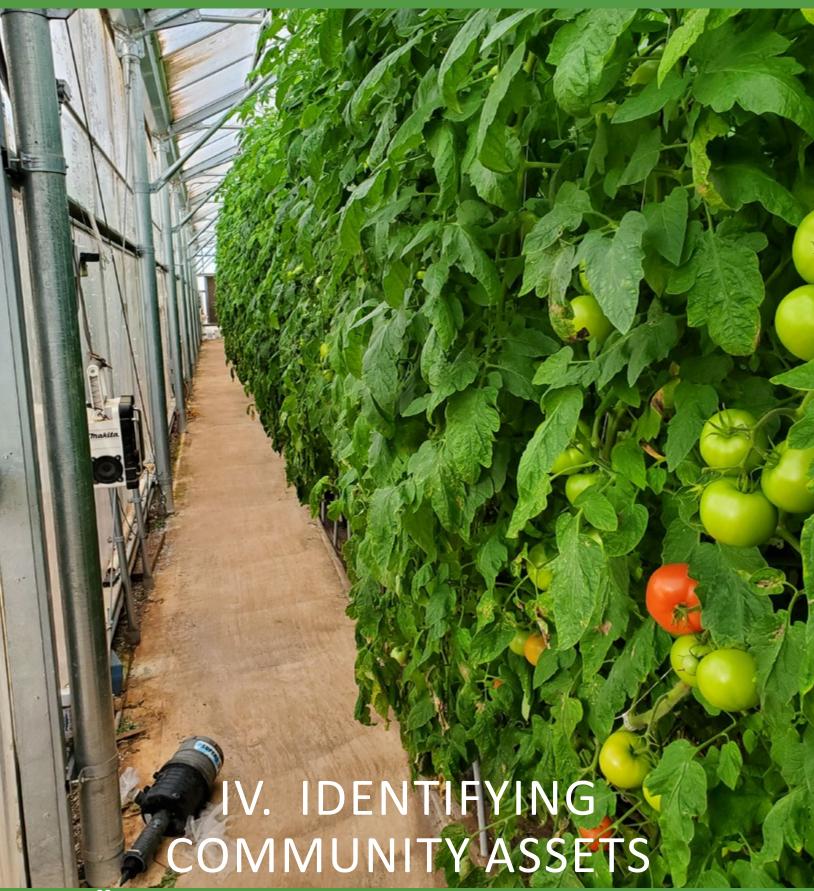
We were fortunate to be able to secure funding to obtain a new (2018) Ford Transit van from a local dealership. This van gets at least double the gas mileage as the previous van and costs us roughly \$55 per week in gas

We appealed to several of our existing funders to support our purchase of the van, because we utilize the van not only for local food economic activities, but also to benefit the food pantries, and found a supporter fairly quickly.

The SWNM Food Hub Delivery Van







The process of launching a food hub in the frontier to serve the communities unique needs should be as collaborative as possible. The more buy-in from local officials, buyers, farmers and other stakeholders will increase the resiliency of the food hub by maximizing community involvement.

Since the inception of the food hub discussion in Southwest New Mexico we have had county extension agents, county commissioners, town managers, nonprofit executives, farmers, health professionals, teachers, restaurant owners, retail produce managers and many more involved in the process. Without the input of these individuals, the food hub would not have such a deep network of supporters, buyer and beneficiaries. As you begin your food hub process, we encourage you to speak with as many individuals and organizations as possible to garner their support; these connections will often lead to new and surprising avenues.

ORGANIZATIONAL ALIGNMENT

The food system impacts everyone. The idea for a food hub in Southwest New Mexico is innovative in its location and its dual-purpose, but serves as a remedy to problems that have been noted by teachers, local government officials, farmers, food pantry coordinators and others. There has not been anyone opposed to increasing income for regional growers or increasing access to fresh, healthy food. However, there had been no true efforts to do so, because the network of growers, markets and food pantries was spread over the almost 19,000 square miles and disconnected. This ability to see how these entities over such a wide area are interconnected has been at the epicenter of our success.

Immediately, we engaged with several organizations and individuals to help in the formation and operation of the food hub.

- 1) The Commons: Center for Food Justice and Sustainability
 - a. This locally-based nonprofit operates a food pantry and several gardening programs on its campus. While their focus has been primarily on education and community involvement on a city or county-level, their mission and values aligned with those of the food hub.

We initially approached them to rent space in their commercial kitchen and walk-in cooler, which they were able to offer an initial one-to-one match rate to reduce the initial cost of food hub operations.

Since then we have utilized their facilities on a weekly basis to conduct food hub operations and hold educational events. Additionally, we are in the process of deepening this partnership through hosting more hands-on educational events location and working to leverage funds to support several of their gardening programs.

The food system impacts everyone. We encourage food hubs to engage with as many people, agencies and sectors as possible!





- Grant County Extension Office New Mexico State University
 - a. Each county has an extension agent that works closely with experts from the both practical and academic backgrounds to assists people in gardening, farming and things like pest control, ranching and operating orchards.

A good extension agent will be deeply connected with the local agricultural community and can direct you to food producers and pertinent information that can help in starting a food hub.

Additionally, we partnered with the Grant County Extension Office to create a regional growing guide aimed at taking the guesswork out of starting a food business in the region: Growers 101: Starting a Farm Business in Southwest New Mexico. County extension has also assisted with several trainings that were conducted in the early phases of food hub formation.

3) Regional Food Pantries

a. Regional food pantries are one of the primary beneficiaries of the Southwest New Mexico Food Hub in that they receive access to capacity building events, trainings and also receive food from various food hub distributions.

Food pantry coordinators are acutely aware of the role food plays in a community and are major champions of food hub work. During the past 18 months we have conducted eight pilot distributions of healthy bulk and local foods to regional food pantries of over 10,000 pounds of food.

Additionally, the food hub has leveraged funding to build four additional storage sheds at food pantries around the region. These storage sheds will allow the food pantries to store more food and could potentially serve as remote drop locations for farmers as well.

4) Regional Farmers' Markets

a. Farmers' markets are a community nexus where food producers and the general public all congregate. It is an ideal location to disseminate information to growers, advertise for events and potentially, even, market food hub products.

In our frontier area, there is only one consistent farmers market in Silver City. Initially, we did not have much contact with these growers, because they felt they were too small to contribute to the food hub and the market board felt that inviting

the food hub to sell at the market would introduce unneeded competition to the existing growers.

After about a year of operation the hub was able to attend a farmers' market board meeting with a number of their growers and listen to what type of support they could use from the hub. Most of these growers are very small, growing on less than a quarter of an acre and had historically been used to a limited population base for all their sales. They were wary of increasing production without guaranteed sales and limited access to capital for expansion.

Using this information, the hub was able to leverage funding from a local foundation and purchase all unsold food from the farmers' market vendors on four dates while encouraging each grower to bring more to the market with that added insurance. The result has been an increased engagement with these farmers and the distribution of over 2,000 pounds of local produce to regional food pantries.

By meeting these growers exactly where they are at and applying our expertise and leveraging resources, we hope to work with them to strategically expand their production and take some of the financial risk out of increased their food production.

5) Other Food Hubs

- a. While New Mexico is a geographically large state, it often feels like a small town. In the initial stages of planning and design of the food hub, we visited three existing food hubs in New Mexico. While each of these food hubs have a different mission focus, we learned something from each of them, and our partnership with them has evolved and supported us on our journey.
 - i. La Montanita in Albuquerque, NM, is one of the largest and most successful food hubs in the nation. Initial conversations with them were about how we can increase Southwest New Mexico grown produce to sell through La Montanita's markets around the state and about utilizing their existing freight routes to backhaul our produce to markets in the central and northern part of the state.

Without their backhauling service, the food hub would not be able to access markets in the northern and central part of the state nearly as easily. Their experience in handling produce ensures that our products are in good hands and that it will be delivered professionally and on-time.





With the addition of new institutional markets opening in the Southwest part of the state, we ran into a new problem: supply. We greatly wanted to be able to serve these new school and institutional markets but did not have the supply to expand our sales. Fortunately, La Montanita has been able to sell us New Mexico grown produce through their warehouse at a reduced mark-up to allow us to serve these markets.

ii. La Semilla in Las Cruces, NM, while not as much of a traditional food hub as others, it operates an abundant farm, mobile market and conducts institutional sales. They are the closest to our region and have worked with some of the same farmers.

The partnership with La Semilla has been beneficial in that we have attended food safety trainings they have offered, purchased produce from their farm to sell through our markets and have connected with many new farmers that have worked closely with them, but still had need for additional market access.

Moreover, as both of our food hubs continue to grow, we have experimented with some shared logistical responsibilities, as they have sourced product from our region and visa-versa. When back and forth sales from each region reach a threshold of around \$500 each way, this will allow us to meet at a central drop point, exchange produce and will reduce the miles driven by each organization by half.

iii. Agricultura on Albuquerque, NM, is a farmer-owned brokerage that sells sustainably grown produce. Agricultura has experimented with a number of innovative market outlets over the years. We have worked with them and have steady accounts with a number of large institutional buyers.

While we do not engage in regular sales with Agricultura, they have been instrumental in advising us on marketing, packaging/presentation, grower relationships and quality control.

iv. Delicious New Mexico in Albuquerque, NM, is a nonprofit that recently launched a state-wide digital platform (https://www.deliciousnm.org) which may help us reach new institutional markets in the future.

TAILORING TO THE UNIQUE NEEDS OF THE COMMUNITY- COL-LABORATIVE PROCESS

As previously mentioned, the Southwest New Mexico Food Hub is the only food hub with its particular structure we are aware of. The functions and structure of a potential food hub will become apparent through the process of getting to know the community and local food stakeholders.

The initial idea for a food hub in Southwest New Mexico came from the Southwest New Mexico Regional Food Policy Council. This council (currently on hiatus) met regularly from 2014-2018 and consisted of farmers, ranchers, health-care workers, nonprofit professionals, teachers, government employees and other local food system stakeholders representing the four-county region including Catron, Grant Hidalgo and Luna counties, the same region our food hub serves.

During the feasibility study process we identified the exact types of services that a food hub could offer that would be:

- a) Of most benefit to the greatest number of growers.
- b) Had the best chance of sustaining itself after grant funding went away.

We learned that, due to the remoteness of the region and the disconnectedness between frontier growers and metropolitan markets there was a large "knowledge-gap", where information about new food safety and other regulations were unknown and not even on the radar of many of our frontier growers.

Additionally, we learned that many of the regional buyers who were interested in purchasing local foods did not know how to connect with local growers, had challenging experiences dealing with local growers or were unsure about the regulatory consequences of working directly with local farmers.

Couple this knowledge with the common refrain we heard from growers of wanting to increase their production, wanting to increase their farm income by reaching new markets, the basic components of a food hub became apparent to us.

To engage in this process, you will want to identify all potential local food system stakeholders in your service area and engage them in regular meetings aimed at finding a solution for food system challenges.

One of the reasons we feel like our food hub will be successful long-term is that the services it provides grew organically and came from those who will benefit most from it. Rather than trying to copy and paste a food hub model from a different region, we listened to people who involved in the local food system and translated that to a food hub model designed to best answer their needs.





BUILDING COMMUNITIES OF FOCUS/FOOD PANTRIES/GROW-ERS, ETC.

Gradually we discovered that two of the region's most pressing food system needs, the food pantry system and the local food economy, could be serviced under the same food hub umbrella, which would reduce overhead cost and increased effectiveness.

Engaging these distinct, yet interconnected sectors of the food system, takes many hours of groundwork and community organizing. It is helpful to approach these meetings with an open mind. We found that many food pantry coordinators, and even some farmers, have experienced a long history of disinvestment. They were hesitant to share with us their ideas for solutions, because they felt they had shared those ideas before and had yet to see any sort of action or results.

In your role as community organizer for a food system, you will seek to gain the trust of those you work with. While it may take a while, they want to trust you as well. This is how we built communities around specific food system goals:

FOOD PANTRY SYSTEM

Through our discussions with food pantry coordinators over the years we kept hearing several common challenges: fundraising, volunteer recruitment and retention, and ensuring they are ordering the best products.

Beginning in 2017, we have held an annual convening for all food pantry coordinators in the region. During these convenings, we discuss current challenges the pantries are facing and provide a platform to share successes.

We have found it helpful to utilize these convenings to create with regional action plans and follow through with those action plans in-between meetings. Most food pantry coordinators are volunteers and very limited on time. We have found that when their time is rewarded by results, they are much more eager to help carry out action plans or donate their time to help the larger group.

Early in the process, we were amazed at how many food pantry coordinators, who have lived and worked in relatively close proximity for many years, had little to no knowledge of the work other pantries in their region were doing.

In addition to the specifics of the trainings, which we will cover in a later chapter, perhaps the most valuable aspect of our food pantry work is the formation of a region-wide network of practitioners. The fruit of these relationships can branch of into new and exciting ways which will strengthen the network as a whole.

FOOD PRODUCERS

We work with growers within a vast geographic area, over an almost 19,000 square mile region which has different terrain, climates, cultures and belief systems. Most of these growers had no knowledge of the other growers, except for those who lived in close proximity.

This is perhaps the most interesting part of our food hub formation work. We work with some very staunch ideological proponents of all sides of the political and food production spheres - from the very organic to the very conventional; from the very conservative to the very liberal.

While many of our markets demand organic produce and ask us what we are doing to further the use of organic practices, we have found that there is one common value each of our farmers can understand: money.

As a business-oriented food hub whose mission is to expand food production in Southwest New Mexico, we do not have a preferred method of growing. However, we have found that the majority of markets interested in utilizing local foods are also interested in foods that are more grown naturally and/or without pesticides.

We initially engaged growers by simply visiting their farms, talking with them about the project and listening to what kinds of services would be helpful to their business. It took many meetings to gain the trust of growers, who had seen a number of grant funded projects come and go over the years. At first, they were not too confident about this one being any different.

We learned that very few existing farmers wanted access to trainings. What they did want was access to more markets and logistical support.

We have held several trainings over the past few years which has helped us to engage with new and aspiring growers, but the best way for us to create a community of growers who are so far apart geographically was to have one common thing they buy into on a regular basis and that is a food hub aimed to increase their farm revenue. By working with individual farmers to buy and sell their food products, we engage them on a regular basis and speak with them about market conditions, demands and fluctuations.

Jason Nicoll of Rockhouse Greenhouse located outside of Deming, NM.

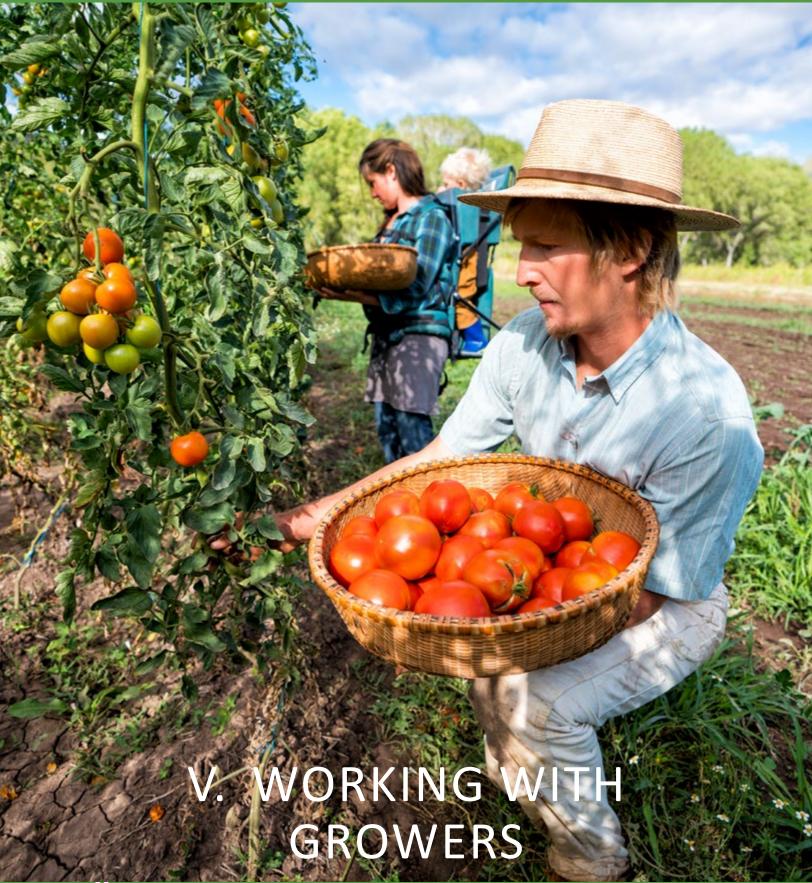


in Silver City, NM.

Our first sale to Revel restaurant







This section will cover how we first began to engage growers in the region to form the food hub and how we currently work with them on a regular basis to acquire, market, aggregate and distribute locally grown food to markets throughout the state.

Our educational goal is to ensure that access to all relevant information is readily available to new and prospective growers in the region. This section will give an overview of our grower trainings, which are comprised of classroom education and materials, and how we engage with growers one-on-one to provide consultation and include them into the food hub system.

In conjunction with Grant County Extension Office, we created a comprehensive <u>Growers 101 Training Guide</u> aimed to walk a grower through everything from acquiring land to marketing and selling their food with special considerations for Southwest New Mexico.

The internet is filled with incredible resources that covers all of the classroom components of beginning and operating a farm. We recommend checking out such resources as:

EXISTING RESOURCES

FARM FINANCING WEBINAR: ORGANIZING AND UNDERSTANDING YOUR NUMBERS

This ATTRA (National Sustainable Agriculture Information Service) webinar is aimed at helping beginning farmers become familiar with basic accounting techniques and organizational strategies. Topics include understanding financial statements, assessing profitability and financial viability, record keeping and more. To view the video and other ATTRA webinars visit: https://attra.ncat.org/video/

BEGINNING FARMER PROGRESS TRACKING: NORTHEAST ORGANIC FARMING ASSOCIATION OF NEW YORK CORE COMPETENCY TRACKING TOOL

This new Northeast Organic Farming Association of New York tool is part of NOFA's initiative to support the skills and development of beginning farmers. The tool is a way for beginning farmers to reflect on their current farm learning activities and how to seek out future opportunities. For more information about the tool visit: http://www.nofany.org/prog-ress

FARM HACK: A COMMUNITY FOR FARM INNOVATION

The site, Farm Hack seeks to encourage farmers to "learn, innovate and collaborate better" by providing an online forum and blog, as well through events that bring farmers together. The organization is focused on farm innovation and facilitating the sharing of ideas between farmers, especially geared toward new farmers. http://www.youngfarmers.org/practical/farm-hack/





NATIONAL INCUBATOR FARM TRAINING INITIATIVE (NIFTI) MATERIALS

From sample curricula, to farmer leases and manuals, to site management protocols, NIFTI's library contains a wide range of tools related to best practices for beginning farmers. Explore the brand new Farm Incubator Toolkit, a comprehensive guide to starting and operating land-based beginning farmer training programs. https://nesfp.nutrition.tufts.edu/node/216

A RESOURCE GUIDE FOR BEGINNING FARMERS

The Leopold Center for Sustainable Agriculture and Iowa State University Extension and Outreach have released "A Resource Guide for Beginning Farmers", a new publication that compiles existing training resources on everything from soil and composting to small farm equipment and whole-farm planning, including information on food safety and seed saving. The 48-page guide is divided into three parts: production practices, post-harvest handling, and business planning and basic farm finances. www.leopold.iastate.edu/pubs-and-papers/2015-07-resource-guide-beginning-farmers

NATIONAL SUSTAINABLE AGRICULTURE COALITION **GUIDE TO FEDERAL FARM** AND FOOD PROGRAMS

The National Sustainable Agriculture Coalition (NSAC) has released its 2014 Grassroots Guide to Federal Farm and Food Programs. This free, digital guide offers plain-language explanations of the dozens of federal programs and policies most important to sustainable agriculture and how farmers, ranchers, and grassroots organizations nationwide can access them. Check out the guide at http://sustainableagriculture.net/publications/grassrootsguide/

FREE SUSTAINABLE FARMING TUTORIALS FROM ATTRA- SUSTAINABLE AGRICULTURE PROGRAM

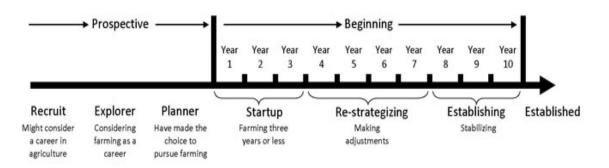
The free, self-guided tutorials on Scaling Up for Regional Markets and Pest Management contain multiple lessons with ATTRA specialists and other well-known experts in sustainable agriculture. They are designed for you to delve deeply into the subject while working at your own pace and include calculators, worksheets, resource lists, and other downloadable tools. The tutorials also include "case study" conversations with successful producers who know what it takes to make a go of farming. The tutorials are available at https://attra.ncat.org/tutorials/

BUILDING SUSTAINABLE FARMS, RANCHES AND COMMUNITIES

This guide is written for anyone seeking help from federal programs to foster innovative enterprises in agriculture and forestry in the United States. Specifically, the guide addresses program resources in community development; sustainable land management; and value-added and diversified agriculture and forestry. Thus, it can help farmers, entrepreneurs, community developers, conservationists, and many other individuals, as well as private and public organizations, both for-profit and nonprofit. To download a free digital copy vist: https://attra.ncat.org/

attra-pub/summaries/summary.php?pub=279

EDUCATION/SETTING THE STAGE/IDENTIFYING WHAT IS NEEDED



Through the food hub feasibility study and subsequent interactions with regional growers we determined that before starting a food hub, we needed to engage in some extensive ground-work and network building activities to educate regional growers and buyers about the possibilities of expanding the local food system in the region and about the support that our organization can offer.

Our first event was to officially kick-off our 2016 USDA Local Food Promotion Project in February 2017. We convened about 35 regional farmers, ranchers and other food system stakeholders to give them the background and results from our feasibility study. We shared with them our vision and our initial recommendations for the coming years which were:

- 1) Identify local champions
- 2) Educate stakeholders at all levels of the local food system
- 3) Garner support from producers
- 4) Develop policies that support local agriculture
- 5) Work closely with small-midsize growers to ensure they can plan for and meet buyer requirements.

At this point, we did not know we would be launching a food hub in just over a year. Our plan was to follow the recommendations above and to plan more of an educational and matchmaking role in the food system. Immediately after the launch event, we began reaching out to growers, buyers and other food system stakeholders to follow through on these recommendations.

EXPERIENTIAL LEARNING

When possible, we recommend new growers work on an established farm before beginning a venture of their own. This helps to familiarize them with the realities of operating a food production business and equips them with the skills and problem-solving experience necessary to be successful.

The following sites are useful for internships, entry level farm positions or just gaining experience on farms.





Worldwide Opportunities on Organic Farms (WWOOF)

http://www.wwoof.org

- Wide variety of farmers and situations
- Thousands of locations
- Low cost to join

ATTRA's Sustainable Farming Internship Directory

https://attra.ncat.org/attra-pub/internships

- More Career Focused than WWOOF
- Dozens of Locations within NM
- Most have stipends or wages

Sustainable Food Jobs Listserv: COMFOODSJOBS E-List

https://elist.tufts.edu/wws/subscribe/comfoodjobs/

- Created by Tufts
- Nationally Focused
- Good for Ent

Our first Micro-farming training at

the Commons in Silver City, NM.

Entry level jobs

Good Food Jobs

https://www.goodfoodjobs.com/

- All aspects of food industry
- Hundreds of Jobs updated frequently
- For all skills and experience

FOOD BUSINESS TRAINING

As a baseline to one of the perceived shortcomings of many regional growers, we designed and conducted a food business training event in October 2017. For this event we partnered with a local county extension agent who had extensive experience in food business planning and implementation.

Fortunately for anyone trying to educate growers on food business planning, there is a plethora of information available on the internet. These tools and texts cover everything from the initial planning stages of starting a food business to the harvest and marketing of agricultural products.

We took a comprehensive approach to food business planning, from the time when a prospective grower decides they want to pursue a career in agriculture to their first harvest. To do so we encourage all growers we work with to develop at least a rudimentary business plan to help guide their production and business expansion so they can be sure they are

profitable in the right places.

Additionally, we presented a number of helpful publishers and authors that can help give a broad education to growers.

Below are selected publishers, authors that we have recommended to new and beginning growers.

- https://www.acresusa.com/
- http://www.chelseagreen.com/farm-garden
- http://www.storey.com/
- Joel Salatin: http://www.polyfacefarms.com/
- Elliot Coleman: http://fourseasonfarm.com/
- Sarah Beth Aubrey: Starting and Running Your Own Small Farm Business
- Ann Larkin Hansen: http://www.storey.com/author/ann-lar- kin hansen

CREATING A BUSINESS PLAN

While there is no one specific format we recommend growers use to create their business plan, each successful business plan contains the same core components that are important to have planned out. The following slides are from our October event.

Components of a Sound **Business Plan**

- 1. Cover Page
- Executive Summary
 - Business Description
 - Mission Statement

 - · Plan Summary
 - · Capital Request
- 3. Business Description
- Business Overview
- Location
- Facilities
- · Business history
- Ownership Structure

- 4. Operations
 - Products
 - Services
 - Production System
 - · Licenses, Permits & Regulations
 - · Risk Management
 - · Environmental Issues
 - · Quality Control
 - · Implementation Timeline

5. Marketing Plan

- · Marketing Trends
- · Marketing Strategy
- · Marketing Contracts
- · Strategic Partners
- · Competitive Advantage







Components of a Sound **Business Plan**

6. Management & Organization

- Management Team
- · Board of Directors
- · Advisory Board
- · Personnel Plan
- · Professional Services

7. Financial Plan

- · Financial Position
- Historical Performance
- · Financial Projections
- Asset Management
- Benchmarks
- Capital Request



Cover Page

- a) You should include the name of your business and contact information
- b) Address, email, fax, phone, website, and the date your plan was prepared.
- c) Include a graphic image or photo representing your business, such as a logo.

2. Executive Summary (written last)

- a) The first page of your business plan, but it should be the last section you write.
- b) Summarize the key points that you have written in the rest of your business plan, including a brief description of your business, your mission statement, goals, credit request, and a description of how you plan to successful execute the plan.

3. Business Description

a) Provide a brief description of your operation. In a few sentences, help people who are unfamiliar with your business develop an understanding of what you produce, the size of your operation and how you market your products.

4. Operations

a) Use this section and the following subsections to describe the operations of your farm, including what you produce, how much you produce, and how you produce it.

b) How do you manage inventory, product quality, customer service, and risk? How do you comply with regulations and obtain permits?

5. Marketing Plan

- a) Use your marketing plan to describe what products you are marketing, how you will market the products, when you will market the products, and to whom you will sell the products.
- b) A marketing plan includes an analysis of the market, determining your competitive position in the market, identifying market segments and which segments you will target, pricing, promotion, and distribution plans.

6. Management and Organization

a) Use this section to describe who manages your business as well as major employee positions. Explain how owners, managers, and employees relate and contribute to the success of the business.

7. Financial Plan

- a) Use this section to document and communicate how your plan will be financially successful.
- b) You should describe your financial situation by discussing your financial history, current position and by benchmarking your business against similar businesses.
- c) Include financial projections that accurately depict how you expect your business will perform if you implement your business plan.

RECORD KEEPING

Many long-term farmers have stressed that record keeping is the most important aspect of the business. This covers both land, water, food safety, yields, inputs, sales and losses. Without proper record keeping the difference between perceived profit and actual profit may be huge.

Additionally, with many new food safety regulations coming down the pipeline, records are required to document things like water testing, crop inputs and temperature.

Below is a list of records that *can* be kept for forage or row crops.

- Pre-planting preparations (fertilization, watering, soil amendments, bed making etc.)
- Planting (Date, Crop & Variety)
- Crop Progress (Sprouting, true leaves etc.)
- Activities during crop growth (watering schedule, fertilizers,

Many long-term farmers have stress over record keeping, but it is the most important aspect of the business.





soil or crop amendments, weeding, chemical usage, scouting etc.)

- Weather
- Chemical Records must be kept (receipts of chemicals, applications of chemical name, how much and what for)
- Harvest preparations (defoliants)
- Harvest activities (field schedules, transportation contracts, and documentation)
- Product tracking
- Employee documentation
- Employee Time sheets
- Employee training (safety, food safety etc.)
- Financial

While all of these records may not be necessary for small farm, at bare minimum a farmer should keep track of costs, soil amendments, plantings, crop progress and harvest/yields, product tracking and sales. (Food safety will be covered in a later section).

We recommend simple templates, as they have the best chance of being utilized on a daily basis and are the easiest to parse for end of year information to tally profits, losses and identify where changes need to be made. The next page offers simple templates found online:

Variety	Date/ Time Planted	Seed/ Transplant	Seed Source/ Nursery	Seeding Rate/ Population	Bloom/ Fruit Data	Plant Traits (physical characteristics, height, past problems, etc.)
		Scod Transplant				
		Gleed Transplant				
		□ Seed □ Transplent				
		G Seed Transplant				
		Scot Transplant				
		Geed Transplent				
		Geed Transplant				
		Seed Transplere				
-		Seed Transplant				
1 2		Geod Transplant				*
		Geed Transplant				
		Seed Transplant			7	*
		Scod Transplant				
		Seed Transplant				
		Geed Transplant				

	Plot Location	Yield	Storage Area/ Method	
L L				1 1





Smart phone apps can make farm management, crop data, and business sales easier for growers.

There are several digital templates available on the market. While we have explored many of the applications and programs on the market for farms and garden operations, our frontier farmer population are not keen on using a smartphones or computers for record keeping. They have great promise for those individuals who are technologically savvy.

Farm at Hand (free) https://www.farmathand.com - A complete farm management application for smartphones and laoptops that covers everything from seed to sale.

Farmbrite (monthly fee) https://www.farmbrite.com/ - Complete farm management, expert analysis and easy user interface. It has a free 14-day trial period.

Tend- (\$39/month)- https://www.tend.com — Best for small farm. It manages all crop data and allows farmers to create tasks and manage sales. It has a free 14-day trial period.

FINANCING A FARM OPERATION

One of the most frequent questions we get from growers is how to gain access to capital to finance a farm. We generally recommend that growers consider Farm Service Agency (FSA) loans or USDA Micro-loans as both have very favorable rates and are relatively easy to access.

Many growers want to know about the availability of grant funding to help finance their farm operation. In general, we recommend that growers do not fixate on the potential of grant funding, because grant funding for capital investment in farms is very hard to come by.

Farm Service Agency Loan Programs

Providing access to credit, FSA's Farm Loan Programs offer opportunities to farmers and ranchers to start, improve, expand, transition, market and strengthen family farming and ranching operations, beginning farmers, racial and ethnic minority farmers and women producers, value-added, direct sale, organic and specialty crop operations, young people actively involved in agricultural youth organizations needing financial assistance for income-producing, educational, agricultural projects, urban farmers and roof-top producers, operations using alternative farming methods such as hydroponics, aeroponics, vertical farming and freight container farming.

https://www.fsa.usda.gov/programs-and-services/farm-loan-programs/

Beginning Farmers and Ranchers Loans

America's next generation of farmers and ranchers are supported through FSA's "Beginning Farmer" direct and <u>guaranteed loan</u> programs. <u>Farm Ownership</u> loans can provide access to land and capital. <u>Operating loans</u> can assist beginning farmers in become prosperous and competitive by helping to pay normal operating or family living expenses; open doors to new markets and marketing opportunities; assist with diversifying operations; and so much more. Through the <u>Microloan programs</u>, beginning farmers and ranchers have an important source of financial assistance during the start-up years.

There is special focus on the particular credit needs of farmers and ranchers who are in their first 10 years of operation. Each year, FSA targets a portion of its lending by setting aside a portion of all loan funds for financing beginning farmer and rancher operations.

With the single exception of the Direct Farm Ownership Down Payment Loan, the Beginning Farmer classification is not related to a type of loan program; it references a specific, targeted funding source.

https://www.fsa.usda.gov/programs-and-services/farm-loan-programs/beginning-farmers-and-ranchers-loans/index

Farm Credit of New Mexico

Helps the entire agricultural community including production agriculture, processers and suppliers as well as the rural economies throughout the state. Real Estate Loans are for the purchase, improvement, or refinancing of debt on farms, ranches, facilities and rural real estate. Country Home Loans offer capital for purchase or improvement. (Farm Credit is an equal credit opportunity lender/equal-housing lender.) Operating Loans for operating inputs and expenses such as feed, fertilizer, seed, and labor, as well as for such expenditures as rent, taxes, insurance and day-to-day living. Livestock Loans for care, feeding or refinancing of debt on livestock. Equipment Loans are available for the purchase or refinancing of debt for tractors, trucks, farm implements, buildings, irrigation systems or any other equipment. Agribusiness/Facility Loans can aid in the purchase, construction, improvement or operating needs of dairy facilities and other agribusinesses. Rural Residential Tracts are available for smaller tracts of land located in rural areas purchased with the intent to build within five years. Maximum value of all improvements is \$269,807.

https://www.farmcreditnm.com/

Ag Credit

The team of loan officers at Ag Credit specializes in financing all types of farming operations. They provide credit to rural America. Ag Credit offers real estate and farm improvement loans, equipment loans, operating loans, AgStart loans, leasing automobile and personal loans.

https://www.agcredit.net/loans/ag-loans.aspx

Specialty Crop Block Grant Program

The purpose of the Specialty Crop Block Grant Program (SCBGP) is to solely enhance the competitiveness of specialty crops. Specialty crops are defined as "fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture)."

The agency, commission, or department responsible for agriculture within any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands is eligible to apply directly to the USDA for grant funds. Organizations or individuals interested in the SCBGP should contact their state department of agriculture for more information.



https://www.ams.usda.gov/services/grants/scbgp

Rural Development Loan and Grant Assistance

USDA Rural Development forges partnerships with rural communities, funding projects that bring housing, community facilities, business guarantees, utilities and other services to rural America. USDA provides technical assistance and financial backing for rural businesses and cooperatives to create quality jobs in rural areas. Rural Development works with low-income individuals, state, local and Native American tribal governments, as well as private and nonprofit organizations and user-owned cooperatives.

https://www.rd.usda.gov/programs-services/all-programs

MICRO-FARMING TRAINING

As mentioned previously, the formation of a food hub in your region should be done only after in-depth engagement with your local community and should be designed to be responsive to its needs.

In addition to engaging growers with the marketing and distribution arm of the food hub, we realized that the region had a certain subset of very small producers that did not have the volume or infrastructure required to sell through the hub's market channels.

As a way of engaging with these growers and meeting their needs we designed a micro-farming training that covered some of the basics around setting up a food business in their backyard or small plot and how to scale those crops to tie in to food hub marketing activities.







Establishing relationships with growers will be the key to success for

your frontier food

hub.

ONBOARDING GROWERS

Operating a nonprofit food hub is challenging because you have to both ensure that you are providing a valuable service to the growers you work with and generating enough revenue to cover operational costs. This sometimes means having honest conversations with growers about price, quality and presentation.

To begin selling food you first need to establish relationships with the growers who will be producing the food that the food hub will sell. It is important not only from a liability perspective to visit these farms in person, but also from a relationship building and quality control standpoint. When engaging clients, you want to be able to talk about where the food is coming from as customers like to know a bit about how the products are grown and the farm's reputation. Personal connection is key, and it is what differentiates a food hub from larger distributors.

When we meet with a new grower, and it is determined that they have produce they would like to sell through the hub, we set up an on-site visit and conduct an interview and site inspection that includes the following:

- 1) Complete a mock Good Agricultural Practices (GAP) inspection checklist review.
- Explain how the food hub operates, i.e. pick-ups, sales, pricing and payment.
- 3) Develop a method of weekly communication usually phone or text, but some growers prefer email.

The GAP inspection checklist can be found here. Prior to conducting a mock inspection, it is advised that the person doing it has a background understanding in basic food safety standards. Many organizations conduct food safety trainings such as county extension, the USDA and other nonprofit organizations.

To clarify what is expected of growers, we recommend drafting a document such as our Grower Memorandum of Understanding (MOU) (see Appendix XX). We recommend that this is drafted to reflect the ways in which your organization will interact with the grower and include a list of your expectations of the growers and your organization's responsibility to the growers.

Below is an excerpt from our current MOU.

RESPONSIBILITIES AND EXPECTATIONS

The undersigned partners are committed to serve in the roles and responsibilities assigned below.

The (Grower) will:

- Provide locally grown, safe and washed raw agricultural products to NCFC on a weekly or as needed basis. Sales are a voluntary contribution from the grower and will be determined on weekly basis according to sales and need.
- Maintain food safety standards as outlined by the Food Safety Modernization Act in accordance to the grower's total annual sales category.

- Develop a traceability plan and submit a copy to NCFC for record keeping. A traceability plan must be on file prior to any food hub sales.
- Proof of food safety training or signed food safety attestation.
- As applicable to grower size and legal requirements, maintain product liability and general liability insurance with National Center for Frontier Communities named as "added named insured" on each policy. If this insurance is not required of the grower through applicable state or federal regulations, then NCFC assumes liability of product.
- Receive and sign a purchase order upon NCFC receipt of produce for sale.
- Receive payment for product according to NCFC price lists only when produce is accepted by end market and payment is received by NCFC from end market. Weekly purchase orders will be totaled (less the total value of produce not accepted at end market) and submitted to NCFC at the end of each month. Payment will be made within 30 days of monthly invoice.
- Agree to NCFC prices via price sheets.
- Provide NCFC with a completed and signed W-9 form.

The National Center for Frontier Communities will:

- Be in weekly communication with the grower to line up sales and schedule pick-up/delivery of products.
- Provide grower with purchase order for their records.
- Communicate any unsold products and allow 24-48 hours for grower to pick-up those products.
 - Prepare and submit to NCFC finance department a monthly invoice based on weekly purchase order totals and actual sales. Payment will be made within 30 days of monthly invoice.
- Communicate any additional market or hub requirements on products such as packing, washing or product requests.
- Inspect produce upon receipt to ensure it meets NCFC and market standards.
- Inform growers of any price changes.

Operations Agreement:

- Products will be inspected by NCFC upon receipt to ensure they meet NCFC and market standards.
- Purchase order will be signed by both parties upon NCFC acquisition of produce.
- Grower payments will be made on all products that were acquired by NCFC on a monthly-basis except products that were rejected at market through no fault of NCFC.
- Traceability information will be updated as need by grower and NCFC.

To further on-board the grower, the SWNM Food Hub ensures that all growers have a traceability program in place so that in case of a product recall, we can trace the product back to the specific part of the field or greenhouse.

Most small growers we work with did not have a traceability plan in place when we started doing business with them. In order to develop one, they need to make a farm map, which can be very simple and a





method of tracking each harvest we receive.

All that needs to be included is an overhead model of the farm with each of the fields/greenhouses being used to grow crops. Each field should be assigned a name or an identifier (e.g. A, B, C...).

When we receive products from the grower, they provide a sticker or label on each box with the following information

- 1. 3-Digit Assigned Farm Code
- 2. Julien Date of Harvest
- 3. Year of Harvest
- 4. Crop (using provided crop code)
- 5. Field Number

Example: For cherry tomatoes harvested from Joe's farm on March 20, 2018 from his greenhouse, the code would look like: JOE|79|2018|08|02|

This traceability system was either in place prior to involvement with SWNM Food Hub or was developed with the hub's project manager.

We found this method of tracking the traceability of growers' products to be simple and effective. It covers the food hub in case of a recall and is easy to implement for the growers. For most small farms, this can be done in under an hour.

Additionally, we ensure that our growers have undergone at least a basic form of food safety training as this further ensures the hub that the food we are receiving is handled safely.

If possible, we recommend that growers attend an in-person food safety training and are currently working to bring a Tier 1 training, sponsored by La Montanita Food Hub to Silver City. A Tier 1 Training is an introduction to on farm food safety practices and can be followed by the more comprehensive Tiers 2 and 3 trainings.

We also accept online courses. We require the growers to attest that they have attended a training with our food safety attestation form on the next page.

Finally, we require a W-9 form so that we can pay growers and track taxable income for the Federal Government.

Once all of these forms are complete, the grower is completely on-boarded into the food hub system and can begin selling to the food hub.



Southwest New Mexico Food Hub Food Safety Attestation

I, [PRINT NAME]	attest that I have completed a food
	and that my knowledge of current food safety standards an ly produce and sell raw agricultural products.
Course Title:	
Date Training was Completed:	
Signature	Date

DETERMINING INVENTORY

Once the grower is on-boarded, we review the types of products they have on-hand ready for sale. We have found the easiest way to do this is through weekly texts or phone calls. It only takes a few minutes.

The food hub does not store any inventory. We get an idea of the types and amounts of product a grower has available and add it to our weekly price sheet. We recommend operating on as strict of timeline as possible to reduce staff time and streamline the ordering process, which maximizes the amount of time growers have to harvest and prepare orders. Our weekly timeline usually looks something like this:

Wednesday - Determine weekly inventory

Thursday - Send out price sheet to customers

Friday - Final orders received from customer

Friday - Place food hub orders with growers and coordinate

pick-up logistics

Monday – Pick-up food from growers

Tuesday - Create invoices, pack foods and distribute

This method has worked well for us. There are occasions when a growers order is not ready on Monday morning, and we have had to figure out alternate logistics, usually at an increased cost to the food hub. While this is not ideal, we do what we can to make it work so as to keep strong relationships with producers and purchasers.

We ensure that
our growers have
undergone at
least a basic form
of food safety
training.





OBTAINING PRODUCT

Once we have received customer orders and placed them with growers, we create a simple spreadsheet to track what we will be picking up and where its destination will be.

This form lets us know what we will be picking up on Mondays and helps us with invoice preparation on Tuesdays.

	Beef- steak (lb)	Euro Cuke (lb)	Cherry Tom (lb)	Green Chile (lb)	Colored Bell(lb)	micro greens (shl)	Salad mix (lb)	Cabbage, green (20#)	Garlic (20#)	Carrots, sweet (20#)
Santa Fe										
Silver City								20		60
Restaurant	12		10			12			20	
GRMC		10	5				12		20	120
Caterer	40					6		30		
Lordsburg										80
Capitan								40		
Deming									20	
Total	52	10	15	0	0	18	12	90	60	260

One issue that has arisen on occasion is the grower will have less of an ordered product upon pick-up. While we try to avoid this issue, it is not infrequent with smaller growers. As soon as possible we communicate this discrepancy with the customer, usually they are understanding.

However, as we have begun to place larger orders for institutions, they have come to reduce the amount of food they order from their other distributors, which can present a frustrating and difficult situation should they receive less from the food hub than they were anticipating.

To remedy this, we double check with growers that they will have the ordered amount ready for pick-ups on Monday and on occasion have had to put in extra hours to accommodate late orders.

When meeting the grower for pick up, we double check the amount on our order form is consistent with the amount on the invoice they provide, then inspect thoroughly the products before we load the products onto the van.

GROWER PAYMENT

Initially, the food hub utilized a net-30 payment system to ensure we received payment from our customers before paying the growers. While this was necessary in the beginning because we needed to generate cash-flow, it was difficult for many small growers to go without payments for up to 30 days.

After several months we restructured our payment system, and now typically cut checks within seven days of acquiring produce. This has made many smaller growers more interested in selling to the food hub on a regular basis.

In the event of a product being denied by the customer, we call the grower to let them know what the issue. Because we inspect all food before we acquire it, this only happens rarely, but it does occasionally happen. Usually, we will adjust the invoice to the customer and ask the grower to do the same, and this has yet to be an issue.

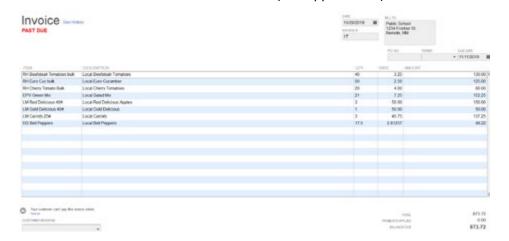
The most common issue we have dealt with has to do with the quality of salad greens in the summer heat. While the growers providing these greens have an on-site cold storage shed, and we transfer the product directly into our refrigerated van, there has been several instances of some of this product becoming prematurely wilted and unsaleable. This usually happens when picking up a large order of 30 or more pounds of greens where the bags have not been opened and checked.

It can be tempting when working with a grower on a regular basis to skip the crucial step of inspection, but we encourage you to be as thorough as possible, as it will save everyone time and hassle in the long run.

The most common issues were quality of summer greens in heat of the southwest New Mexico desert.

INVOICING

Initially, we utilized a simple MicroSoft Excel format to create and track food hub invoices. However, this was tedious and made generating reports very difficult. We have since switched to using QuickBooks by Intuit. This allows us to track sales by vendor, date, customer and product. QuickBooks can generate a variety of custom reports in seconds and allow us to better track food hub activities. (See Appendix XX)



Our official financial record keeping is done with our organization's, NCFC, accounting software.

Prior to determining the invoicing system you will use for your hub, it is important to consult with your organization's finance department to see what method or application will work best for your needs.

We typically print two copies of each invoice. One for the customer's record and one, which gets signed by the customer, for our records.



A SWNM Food Hub shipment of

various fruits & vegetables.



We give these to the finance department to allow them to enter it into NCFC's financial tracking system.

PRICING AND PRICE LISTS

For us, determining prices is a constant effort as we deal with a wide variety of growers, from large to small; very organic to very conventional methods. Additionally, we have learned that generating enough revenue to cover the operating costs of a food hub is difficult.

As a nonprofit, we pride ourselves on paying the highest possible prices to our growers while still offering a competitive price to our customers. Working with larger growers allows us to obtain the product for a lower price. When possible, we strive to mark these products up to match the price of the same varieties we sell by smaller growers and obtain from them at a higher price.

This flexible pricing strategy allows us to offer different prices to different tiers of growers.

For example: John is a small farmer and can sell us cherry tomatoes at \$2.50/lb. With our usual 25 percent mark-up, the price of these tomatoes would be \$3.12. We can get similar cherry tomatoes from a larger grower for \$2, if we offer these at \$2.50, then we perhaps wouldn't be able to sell as many from John's farm.

Instead, by selling them at the same price, we can prioritize the movement of product from smaller farms who struggle with sales and make a better mark-up for the food hub.

In general, determining prices is a very important component for your food hub, and you should take into account a number of considerations before settling on a price. Additionally, we have found most markets are receptive to occasional fluctuations in prices. Things to consider for prices are:

1) Growing Practices

a. Certified organic and non-certified organic produce typically fetch the highest prices. We have found that most retail locations interested in local produce are just as interested in ensuring those products are grown using organic practices.

2) Competitor Pricing

a. Main competitors for local foods will be certified organic products. We check the retail and farmers market prices at nearby locations to get an idea of what an acceptable price point may be.

3) Customer Type

a. We have found that restaurants and schools are more tolerant of higher prices than are retail locations, typically because retail locations have to add an additional mark-up but many produce managers have a good pulse on their customer base and know what prices will sell well.

4) Grower Bottom Line

a. Some small growers are unable to sell their products as

Below is a sample of our weekly price sheet.

All, Below is the Fresh Litz for Nov. 26 Delivery.

Butternut, sweet potatoes, and buttercrunch generally need a week ahead ordering. If you want these for 11-25 call me today before 300n. Otherwise order these 3 items for 12-3 delivery.

a true wholesale cost. These volumes are usually small,

and we can offset them with an increased mark-up on

produce from larger growers.

We have found the most effective way to communicate with buyers on a

At bottom of list please note the addition of Carrot, Garlic, and Cabbage-green. These are from a supplier close to Silver City. The carrots from this supplier are nice and sweet. Pis specify which carrots

Note Cyster mushroom jerky and Jerusalem artichokes additions. John

SWNM Food Hub Fresh List delivery for 11-26-19 v.

weekly basis is an email.

Item	Price		Available	Quantit
Buena Verde Salad Mix	\$7.25/lb	Non-Certified Organic, No-Spray	available	
Microgreens (variety)	53.75 each/ clamshell	Non- Certified Organic, no -spray	available	J.
Cherry Tomatoes	S4.00/lb (or S4/shell)	Non-Certified Organic, No-spray	30#	1
European Cucumbers	52.80/lb	Non-Certified Organic, No-spray	50W	9
Beefsteak Tomato	\$3.25/lb	Non-Certified Organic, No-spray	100#	
Green Chile	\$1.75/lb	Non-Certified Organic, No-Spray	40#	
Swiss Chard	52.50/bunch	Non-Certified Organic, No-Spray	5-10 bunches	
Bells, colored	\$3.00/lb	Non-Certified Organic, No-spray	out	8
Green Cabbage	\$50/40lb	Organic	48cs	
Red Cabbage	550/40lb	Organic	8cs	ů,
Carrots, 25lb Loose	545.75/25lb	Non-Certified Organic, No-Spray	18bg	
Red Delicious Apples	\$50/40#case	Conventional	162cs	8
Gold Delicious Apples	\$50/40#case	Conventional	3cs	
Fuji Apples	550/40#case	Conventional	0	ii.
Old Fashioned Red Del. Apple	S50/40#case	Conventional	2	y.
Rome Red Apples	SSO/40#case	Conventional	37es	
Winesap Apples	\$50/40#case	Conventional	0	5
Lettuce, Corrales Butter Crunch	576.20/24count	Organic	pre-order by Thur	
Sweet Potatoes	573.50/254case	Organic	pre-order by Thur	
Oyster Mushroom Jerky	\$10/oz, \$244/(30-1oz bags)	Non-Certified Organic, No-spray	Plenty	0
Jerusalem artichokes	55/lb	Organic	100#	Š.
Carrot, sweet 20 lb	\$2.25/pound, 20# min.	Non-Certified Organic, No-spray	Plenty	
Garlic	\$7.50/pound, 20# min.	Non-Certified Organic, No-spray	Plenty	
Cabbage, green	51.88/pound, 20# min.	Non-Certified Organic, No-spray	Plenty	%

PACKING AND DISTRIBUTION

After acquiring the food to be sold on Mondays, we typically store it overnight in a walk-in cooler. On Tuesdays we sort the product out into separate orders.

We have been fortunate to have a food cooperative close by, as we have been able to supply 100 percent of our box needs by using their leftover produce boxes. The waxy boxes cost about \$2 each new, and we can go through up to 20 of them a week.

Depending on the product, we line the boxes with food grade plastic bags and sometimes use butcher paper as padding.

For orders that will get placed on the backhaul truck, we label with the contents of the box and its final destination to make it easy for the backhaulers and for those receiving the boxes.





For markets we deliver to, we utilize reusable flats when possible to reduce waste. When dropping these products off, we allow them to transfer to their own containers.

MARKETING

Initial hub marketing was done using either phone calls or in-person visits. We liked this method because it allowed us a chance to tell the story of the food hub and share its mission-based focus. At these meetings we would collect the buyers (produce manager, lead chef, nutrition director) phone number and email and add it to our weekly price list.

We currently send our price list out to about 50 different buyers each week. Since the initial round of marketing, we have developed simple cards to distribute to potential clients that help tell our story. However, there is no real substitute for an in-person meeting, because it also allows you a chance to listen to the client and answer questions about specific products or operations.

We have been careful not to engage in additional rounds of marketing unless we were sure we had enough extra product to reach new demand. The addition of a new farmers, anticipating a large harvest or being proactive about the upcoming growing season are all good reasons to engage in a marketing push.

We also recommend providing samples wherever possible. We often bring in a small sample of some of our staple crops such as cherry tomatoes, strawberries and cucumbers when meeting with a potential client for the first time.



photograph of watermelons - cut and



SWNM Food Hub Instagram

whole to appeal to buyers.



- foods and produce in New Mexico.
- Weekly deliveries to your business or institution around New Mexico, eastern Arizona and west
- Plan to fill your food and produce needs with the best locally grown foods.
- Dedication to growers since every purchase you make supports the local economy and retains more money in the local communities that need it most.

We grow stronger together! Contact 575-597-0032 or visit frontierus.org

PRESENTATION

Presentation is an important aspect of marketing and will help keep your customers coming back.

Presentation is important for all customers, but most important for retail and restaurant buyers. Wholesale buyers will usually either process or present the products in their own way.

INSURANCE AND REGULATIONS

In order to legally buy and resell raw agricultural produce, you will need to obtain liability insurance, fruit and vegetable license and a fruit and vegetable bond.

Liability Insurance - Liability insurance protects the hub against and damages that may arise from operating the food hub and distribution of its goods and covers up to \$1 million dollars. This is required by law in order to resell raw agricultural produce. We received a reasonable quote from our organizations existing insurance provider. This insurance costs around \$800 per year.

Fruit and Vegetable Broker, Packer, Dealer License - All three of these icenses (Broker, Packer and Dealer) are required by the state of New Mexico to buy and sell produce. The application is simple and only costs around \$100 per each license per year.

Fruit and Vegetable Bond - This is required by the New Mexico Department of Agriculture. A bond is a guarantee that you will follow the required rules and is insurance you pay for on the public's behalf. We hold a bond in the amount of \$5,000.



Quality control includes sampling the

goods, like this lemon cucumber.



FOOD SAFETY AND QUALITY CONTROL

Food Hub Food Safety

In addition to the food safety checks we do when onboarding the grower, the food hub practices safe handling procedures at all times during handling, re-packing, transport and distribution for our products.

Produce is always kept in a refrigerated area, either in a refrigerator or the food hub van. According to regulations, it is permissible to keep produce above 45 degrees for under 30 minutes. The only time our produce is not refrigerated is when it is being re-packed.

Additionally, all of our food hub packing operations are done in a certified commercial kitchen.

We do not process any of the produce that we sell, as this would only add additionally staff time and require a greater degree of food safety checks and measures that we are not equipped to do at this point.

By ensuring that each of our growers provides us with safe, clean products, we simply have to maintain that standard through keeping produce at the correct temperature and only handling it on clean surfaces.

We encourage all food hub operators to complete at least a basic, hands-on food safety course. This will give them an idea of how to spot potentially contamination points and provide them with a solid working

understanding of food safety.

AGGREGATION AND SCALING

On a given week the food hub may fill an order with produce from five or more different growers. This is called aggregation and is one of the main benefits we offer to our buyers. The initial aggregation step is done when producing the weekly price sheet. A buyer can order any of the items on the sheet and receive them in the same order. Aggregation allows us to fill larger orders, gain access into larger markets and offer a wider variety of products. It also allows us to consolidate marketing activities and promote the broader label of "Southwest New Mexico Grown" to benefit all agriculture in the region.

Perhaps our biggest challenge is increasing the local supply chain. While opening up new markets and increasing the potential for food hub sales has helped several of our growers feel safe to plan for more production, we have introduced a basic scaling worksheet and have begun to explore contracted growing with several growers to provide assurance that if they expand their production, their products will be sold.

The following worksheets on the next pages are filled out on-site between food hub staff and the producer.

		100	D	
	1	JHU	B	
1				
fern Name:				
Current Markets:				
Frequency of sale	s to food hubs			
Current Year Fred	lustioni			
Current Prod	lasts: Months A	vailable Estimated W Vialds	lookly Unit Price	Max Capacity
		1000		
	_	-	- 9	-
	-		- 1	3
	odarts are the mo	not proditable/basit for yo	nu to grow?	
Which of these po				
Which of these po				
Which of these po	a han baseses hon	r products?		
	n per process you	e products? Daning	ba	nching/pints
To what extent ca	a forn buscares hon		bu	nching/pints
To what extent ca			bu	nching/pints

Alla	
Buch	New Mexico
9/	OOD
01	HUB

Next Season Stroducts	Months Available	Estimated Weekly Violds	Unit Price	Sales Goal
05(040)				_
	5			
	~			
	0.			\perp

education/	250000		

Are you interested in developing a business plan to increase sales through the food hub

to lot minimum action from Entered and the

If you, which products?





Local Produce Brokerage GROWER'S AGREEMENT

Local Agricultural Product Order

	LOCAL AGRIC	ULTURALT	PRODUC	TORDER	
Farm:	Ī				
Product:					
Sales outlet:					
Commitment:	quantity, frequency, agreement is contin	price point, a gent on the Fa ines and meet	nd duration arm acting ting all pro	product from the grow on detailed below. This g in compliance with N oduct specifications for w.	s finimum
Product	Specifications	Quantity	Price paid to Grower	Drop-off Schedule (Day, Time, Location)	Effective Dates

Product	Specifications	Quantity	Price paid to Grower	Drop-off Schedule (Day, Time, Location)	Effective Dates
			O. G. HEL	Location	

Total Product Commitment not to exceed: \$







This section will cover the food hub's work with regional food pantries to increase the amount of healthy, fresh food they are able to distribute including the contents of our capacity building trainings and convenings and our bulk-buying pilot project.

In order to deliver the most effective suite of supportive services to the food pantries, you will want to engage them from the very beginning so as to understand the unique challenges and assets that are present.

Our work with food pantries began in 2015 during our Health Impact Assessment. This gave us direct insight to the challenges being faced by food pantry coordinators, their barriers to providing enough healthy food to clients, and the insights and experiences of those who utilize the pantries. Following the HIA, we held a regional food pantry convening aimed to address the three main challenges faced by regional food pantries: volunteer recruitment and retention, fundraising and ordering the best foods available.

FIRST REGIONAL FOOD PANTRY CONVENING: LEARNING FROM FACH OTHER

Because we serve a four-county area, and some coordinators had to travel over three-hours each way to attend, we offered stipends for those traveling from outside of Silver City. This helped further incentivize the important work these volunteers do on a daily basis.

We feel that perhaps the single most important service we provide to regional food pantries is the ability to network. Previously, there had not been a single opportunity for all regional food pantries to network and share in the same place.

Additionally, because each pantry is unique, yet faces a similar strain of frontier related challenges, we wanted to allow the pantries to learn from each other. We wanted to provide attendees with both concrete skills they could use to optimize their food pantries and set the stage to begin regional higher-level policy and organizational work. An example of our first convening agenda is on the next page:

Food Pantry Capacity Building

Thursday, June 22nd 2017 HMS Conference Room Silver City, New Mexico

9:00-9:30	Introductions and Project Overview
9:30-10:45	Ordering and Technical Aspects
	The Importance of Having a Specific Goal Toward a Regional Nutrition Standard Distribute Standards from FPC and Small Group Discussion Tips and Tricks: How to Navigate the Ordering System (John Conway) – half hour
10:45-11:00	Break
11:00-11:45	Ordering Options
	Bulk Buying Clubs TEFAP Ordering
11:45-12:45	Lunch
1245-1:30	Volunteer Recruitment and Retention
	World Café:
1:30-3:00	Fundraising
	Fundraising Panel
3:00-3:30	Big Picture Goals
3:30-4:00	Next Steps

We generated very important insights from this initial convening that has guided our food pantry work ever since, specifically we learned what actions we could take, as a group and individually, to ensure optimal food pantry operations.

ORDERING AND TECHINCAL ASPECTS

The primary source of food for regional food pantries comes from Road Runner Food Bank (RRFB), located in Albuquerque, NM, which is the largest food bank in New Mexico and the largest by volume of food distributed and number of people served.

We recognize the great work RRFB does, yet also realize that there are challenges by the amount of food they are able to distribute and that they face a heavy geographical burden serving the fifth largest state in the nation. We see our work as supplemental to what RRFB does, and do not seek to replace them.

One of the primary issues reported by pantry coordinators was how to optimize their ordering of products on the online system provided by RRFB. This system is very time sensitive and there are several techniques used by food pantries to ensure they get access to the best foods available.

We chose one of the more veteran food pantry coordinators to demonstrate to the group his ordering methods with a typical order and outline his thought processes when determining what foods to order. Ideally, this will translate into more pantries choosing healthier food and ensuring they set themselves up to gain access to the best RRFB has to offer.





ORDERING OPTIONS

One important avenue the hub is still actively exploring is that of bulk purchasing. We define bulk purchasing as any purchasing done through the hub of food products not related to RRFB. We outlined what a potential regional bulk purchasing system would look like. To come up with these figures we met with large national distributors such as Sysco and Shamrock to learn how we could target foods prioritized by food pantries at a discount.

This exercise was meant to give coordinators an idea of what the cost would be for the food and to run through the logistics required to repack, store and distribute this food from a hub location to distribute to individual pantries. The difference in cost between food pantry foods and bulk purchased foods is staggering.

While we have yet to facilitate bulk purchases for regional food pantries, we will cover our two pilot bulk purchasing projects in a later section.

Meadow Hawk Gardens supplied garlic in bulk to the food pantries.



VOLUNTEER RECRUITMENT AND RETENTION: WORLD CAFÉ

Another constant challenge faced by food pantries is that of recruiting and retaining competent volunteers to facilitate the distributions, which require many of hands when dealing with hundreds if not thousands of pounds of food a month.

We chose to have a world café style peer-learning experience to discuss best practices for volunteer recruitment and retention. The idea was that by uncovering key insights, we would encourage coordinators to use information to optimize their unique frontier situations.

We had four facilitator stations, each prompting different questions. The questions and insights gained from each station are listed below.

What are the deeper reasons for why people volunteer? How do we reward and foster that reason?

- Life experience, health and well-being, teaching.
- Their valuable contribution is being recognized and they are stepping up to what is being asked.
- It feels good and spiritual growth.
- Gratification by people served. Making the world a better place.
 Desire to contribute to something bigger.
- Interaction with their communities, hearing their stories.
- Opportunities to socialize and be appreciated and recognized as a volunteer.
- Be organized and useful. There is a need demonstrated by their organization.
- Returning the favor. Gratitude because they have the opportunity to volunteer.
- Recognize the privilege of being able to volunteer.
- Events that recognize volunteers (annual dinners, etc.)

How do we best manage our volunteers? How do we resolve conflict and ensure things go smoothly?

- Having a culture of openness and using preventative measures to avoid conflict before it happens. Having other volunteers be good examples.
- Having a clear leadership figure.
- Laughter.
- Placing volunteers in appropriate positions so they can do their job well. Having a clear sense of responsibility and recognizing limitations
- Have adequate training and be familiar with the population you serve.
- Know how to deescalate a situation and learn conflict resolution. Be able to identify when a problem is occurring and know when enough is enough.
- COMMUNICATION IS KEY. BUILD MORALE.
- Follow up with volunteers and give praise and honest feedback.

What challenges or dilemmas prevent you from having an ideal, consistent group of volunteers?

- Bringing animals.
- Those who are court ordered don't take it seriously.
- Travel and summer vacation.
- Poor communication.

What opportunities exist to either improve your experience of working with volunteers or your volunteers experience of working with you (or your pantry)?

- Volunteers appreciate being included in community process.
- Be consistent and organized when it comes to scheduling. Resolve difficulties as they arise, don't hold off.
- Thank the volunteers after the distribution, create a positive environment and have an end of year celebration. Encourage communication between volunteers via email and other outlets.
- Be organized and delegate, have a defined role and clear expectations. Communicate with volunteers to learn their strengths and weaknesses.
- Garner information from the volunteers about what the community needs. Value their input.
- Be consistently recruiting new volunteers.

FUNDRAISING PANEL

Similar to the World Café, we wanted to provide a platform for food pantry coordinators to share their experiences and tips regarding fundraising for their food pantry. The frontier, perhaps more so than other rural areas, faces extreme challenges regarding funding. Many large funders choose not to fund programs in frontier areas because these areas do not have a high number of clients served due to the small populations. There is no easy answer to this ongoing challenge.

On the panel we chose two food pantries that had very different, but successful methods of fundraising and an officer from a foundation that





funds food pantries and healthy food work.

Food Pantry 1 - This is the largest food pantry by volume of people served in the four-county area. They primarily fund their operations through running a thrift store. They have been running consistently for over 15 years, purchase no advertising and were able to get their building, which house both the thrift store and the food pantry, doanted to them.

The primary challenge faced by them is having enough volunteers to run the thrift store, but they have been fortunate with several regulars who run virtually every aspect of the store. The income from this store allows them to serve over 1,500 people each month.

Food Pantry 2 - This is the most remote food pantry in the four-county region. The representative on the panel helps operate several food pantries in Catron County. Facing an extremely small population and over 250-mile roundtrip to the closest full-service grocery store, the challenges faced by these food pantries are unique, even amongst frontier food pantries.

Their two biggest sources of funding are a local church that donates about \$4,000 each year and an annual mail campaign that nets them an additional \$4,000 annually. They are fortunate in that they have several retirees who often volunteer over 20-hours per week to the food pantries and help organize their fundraising campaigns.

Additionally, they have sold calendars, conducted community yard sales and have set out donation boxes around the communities.

Foundation Representative – The representative shared what their foundation looks for in an organization with a desire to serve healthy food. Want to see nutrition and meals and for the potential grantee to have an active board of directors as shown by time, money or bringing in new donors.

Like to see community buy in through donations, volunteer work, engagement. Like to see attempts and different ideas to raise funds. Mailouts with credit card numbers could bring in even more money. A strategy they use is challenge grants. You raise a dollar and we give you a dollar. They ask grantees send one-page letter of interest about the organization, who we serve, our community, who you are and what you need with budget isn't going as planned and proposed. They will work with grantee to adjust.

SECOND REGIONAL FOOD PANTRY CONVENING: VISIONING AND MAPPING

In October 2017, we held a second convening of regional food pantry coordinators to take a deeper dive into some of the more regionally focused activities and operations necessary for working as a cohesive regional unit.

We began this convening by holding a mapping and visioning exercise. We encouraged all participants to visualize the ideal state of the regional food pantry system and to set aside worries about funding for the

time-being, so we could gain a clearer picture of what the system could potentially look like.

Additionally, these meetings are often a good time to clear up any misconceptions food pantry coordinators have over various regulations or rules. We were surprised to learn that many pantries reported receiving information from their food bank that did not support purchasing supplemental food to distribute at their pantries. Taking this information, we received communication from the food bank that was supportive, and we shared it with the pantries to eliminate any confusion going forward.

From this mapping exercise, we identified potential locations for infrastructure additions and improvements. Since the event we have secured funding to build two storage units, one each in Catron and Grant Counties. These storage units will make it easier for food pantries to stock up on bulk food products and ensure they have enough food for those utilizing their pantries.

Overall, our learning objectives for this training were as follows:

- Develop a clear vision of the state, functionality and physical components of a thriving, innovative food pantry system in SWNM.
- 2) Come to consensus on a map of the food pantry system including:
 - a. Location, size and attributes of cold/dry storage hubs.
 - b. Location of individual pantry upgrades to storage, repacking, etc.
 - c. Develop components of food transport between pantries, including type and number of vehicles desired
- d. Field additional desires to improve food pantry System.
- 3) List resources and at least three new fundraising techniques available for pantries to use to improve/expand their fundraising efforts.
- 4) Outline a year's worth of group fundraising activities and target goals for each one, and came to consensus on who will handle the money and how it will be divided.
- 5) Finalize a food pantry nutritional statement and how it will be dispersed.

THIRD REGIONAL FOOD PANTRY CONVENING: INTO ACTION

The most recent regional convening was aimed at developing a region wide action plan for fundraising. Working with dozens of pantries over a large region is challenging because each pantry is different, and though many of the challenges they face are the same, their capacity, goals and experience all differ.

We wanted to utilize this third convening to begin to work with the group as a cohesive unit, set some fundraising goals and create an action plan.

To best approach this, we first engaged in a large group discussion to share successes of individual fundraising success, determine what the goal of our fundraising was and determine a reasonable goal for the

Packing bulk food at the Commons for shipping to food pantries.



Photo courtesy of Jennifer Rider





following year.

We moved to a small-group discussions, because we work with four counties we grouped up by county - Catron and Grant worked together and Hidalgo and Luna worked together. The goal of the small group exercise was to develop a year-long action plan for the group to follow.

One of the actions plans looked like this:

Objective	Steps	Completion Date	Notes
Collaboratively search for and write grants to support bulk buying	Hold web-conference on basic grant search and writing compo- nents	8-15-19	
	Visit Casa de Peregrino to learn fundraising/ grant writing from Lo- renzo Alba	9-2-19	
	Identify 3-5 new grant opportunities and write collaboratively	10-2-19	
Hold Fundraising Event to support bulk buying	Convene Planning Committee	9-2-19	
	Determine budget and methods of funding event	10-2-19	
	Identify venue, components of event (i.e. raffle, etc.)	10-2-19	
	Promote event	10-2-19-11-1-19	
	Hold event	11-1-19	

Objective	Steps	Completion Date	Notes
Develop clear-cut structure for food hub affiliated food pantries (benefits, responsibilities, etc.).	Convene pantry coordinators on zoom to discuss the aspects of affiliation	8-15-19	
	Draft document and send for review	8-20-19	
	Create final document- layout, print	8-27-19	
	Disseminate, along with sign-on letter to food pantries	8-31-19	
	Send echo-sign for pan- tries to sign on letter	9-2-19	
	Send sign on letters to potential business funders and follow up	9-15-19	
Develop and implement crowd-funding techniques to support bulk buying	Identify details of round up- program (how to implement at new loca- tions, potential benefit)	10-2-19	
	Apply for coop round up program	When open	
	Implement at 2 businesses in the community	1-1-20	
Produce and Launch Go- Fund Me to support bulk buying	Gain commitment from competent amateur film maker	10-2-19	
	Develop Script/treat- ment for go-fund me	10-2-19	
	Film treatment	11-2-19	
	Launch go-fund me	12-1-19	





INCREASING VOLUNTEER CAPACITY

Quantify volunteer needs in each county	Call pantry coordinators and identify gap between ideal number of volunteers and current number	9-15-19	
	Develop spread- sheet based on these numbers and incentives these volunteers might get	9-15-19	
Identify community part- ners that can assist with volunteer	Reach out to potential partners, add to spreadsheet	9-25-19	
	Move forward with application for assistance or other requirements to use these volunteers	9-30-19	
Develop and disseminate ad/literature/ask for vol-	Draft copy and send for review	10-1-19	
unteers	Disseminate via social media, print and community centers (churches, etc.)	10-30-19	

We are currently working our way through the action plan, with the first major event set for spring of 2020.

BULK BUYING PILOTS

We have engaged in two bulk buying pilot programs since the inception of the food hub. Following successes with the fundraising action plans and implementation of additional storage units, we intend to expand bulk buying and conduct bulk distributions several times a year.

Before we began, we wanted a clearer picture of the actual costs and time inputs.

The first bulk buying program began with a \$3,000 grant from a local foundation. After reviewing the best options for healthy food, we chose Costco in El Paso, TX, located a six-hour roundtrip drive from our hub location in Silver City.

During June 2019, we distributed over 8,000 pounds of healthy foods to

about 350 food pantry recipients accessing the Commons, St. Francis, Cliff/Gila and Mimbres food pantries.

In addition to regularly distributed boxes, each recipient received a total of 23 pounds of bulk purchased foods:

5 pounds rice

5 pounds oats

3 pounds peanut butter

1 pounds pasta

1 pounds tomato sauce

5 pounds locally grown beans

1 pounds locally grown tomatoes

2 pounds locally grown cucumbers

Through our previous regional food pantry convenings and recipient surveys, we learned that the items distributed for this project were among the most requested items.

Each of the delivered items received an "A" grade on the nutrition application Fooducate, a free smartphone-based application that tracks nutrition Average grade of the boxes without these items was a B, which is greatly improved from our 2015 survey of food pantry boxes, indicated in our 2015 Health Impact Assessment. The majority of boxes surveyed in 2015 received a C grade.

While we initially set out to complete before and after recipient satisfaction surveys, we only completed one distribution per pantry in order to maximize the impact of that distribution and send recipients home with a sufficient amount of food for the month. If we would have done separate distributions, the total amount distributed each time would have been insufficient, due to limited funding.

ABBREVIATED SURVEY RESULTS

We distributed surveys at each of the four distribution sites and received back 97 completed surveys.

These surveys were slightly modified versions of our original food pantry survey completed in 2015. While we intended to complete a before and after survey, we only completed one due to there only being one distribution.

The surveys painted a picture of who is using the pantries and the level of need experience by the recipients.

Ben loads the SWNM Food Hub van with produce from the Silver City Farmers' Market to deliver to the regional food pantries.







- 44 percent of respondents are over 65, this is nearly double our 2015 results, though this survey was limited to select pantries within Grant County, rather than the entire four county region.
 20 percent of respondents live with children in the home and 48 percent are either themselves disabled or live with someone who is within the home.
- 28 percent of respondents have utilized the pantry for more than four years, and 32 percent have utilized the pantry for one to three years. 84 percent of respondents rely on the pantries for month to month food supplies. This is close to the 77 percent who responded during the 2015 survey, while it could be reflective of the pantry locations, it seems to be indicative of an increased overall reliance on pantry services, a sentiment that has been echoed by many pantry coordinators in the region.
- In the past 30 days 56 percent of respondents sometimes, always or often missed a meal because of no food or having no money for food, compared with 32 percent in 2015. 36 percent of respondents have felt unsure where there next meal is coming from in the previous 30 days, with 24 percent reporting often feeling unsure, compared with 25 percent and 2 percent respectively.
- 52 percent of respondents sometimes, often or always could not afford to eat a balanced meal, which is down from 69 percent in 2015.
- Additionally, recipients who completed the "services needed" section of the survey showed a great need for legal aid, healthcare, SNAP/WIC access and weight loss counseling services.

COST OF DISTRIBUTION

After searching several options to get the most amount of food for the price, we settled on Costco in El Paso, TX, as it provided a one-stop-shop to get all of the bulk items and the best price. Estimated time for this portion of bulk buying was about eight hours staff time.

Once we obtained the bulk items ,we utilized interns at the Commons to re-pack. We scheduled the re-pack on the same day the Commons does their monthly re-pack so that all scales, tables and bins were already set up. Because the oats were already in 5 pounds bags, volunteers re-packed 4,000 pounds of beans and rice in about 4.5 hours. At ten

interns, the estimated cost of re-packing, at \$15 per hour per intern was \$675. With added efficiencies and experience of volunteers we believe we could cut this cost down by \$350.

Additionally, future re-packings can perhaps cover nearly double the amount of bulk foods, which will save time by not having to gather interns and setting up.

It is worth noting that relying on volunteers is difficult. With further regularity of these re-packing events it may be possible to cultivate a reliable volunteer base and further reduce this cost. However, including repacking stipend costs in future funding efforts will be necessary.

The produce was acquired a few days before the distributions as part of normal food hub operations. All grape tomatoes were pre-packed in 1 pound clamshells and cucumbers were already boxed for each distribution, thus the time spent re-packing was minimal.

Cliff/Gila and Mimbres distributions took place roughly ½ hour from Silver City, the project manager spent a few hours at each distribution distributing surveys and educating pantry volunteers and recipients on the project. As long as additional training is not required, future distributions will mostly require only the driving portion, roughly \$15 to 30 per pantry.

St. Francis is located within Silver City and required only negligible extra distribution time since the food was already stored at the Commons.

The second bulk purchasing event was aimed at supporting the growers of the Silver City Farmers Market. Many of these growers are too small to contribute to the hub on a regular basis. In an effort to encourage them to expand their production and bring more food to the farmers market, we purchased all unsold food from these farmers on four market dates. This would help them mitigate the risk of harvesting more for market and ensure they would not go home with unsold produce. This produce was then distributed, free of charge to area food pantries.

In August 2019, the hub began a series of four purchase dates to acquire all unsold produce available at the Silver City Farmers' Market. We waited until this date as reports from growers and the market manager were that there was not much unsold produce as many growers got a late start to the season or ran into early season challenges.

In total the hub purchased 2,170 pounds of food from five growers with over 17 varieties of unsold produce and distributed this produce free of charge to four different food pantries including jujubes, carrots, beets, kale, swiss chard, several varieties of garlic, onions, parsnips, micro-greens, zuchinni, cucumber, tomatoes, bell peppers, hot peppers, green chile and more.

This project has helped support Grant County growers whose sales numbers have been historically at the whim of the farmers market; only one grower regularly sells to markets outside of Silver City.

Each of the delivered item received am "A" grade on the nutrition application Fooducate, a smartphone-based application that tracks nutrition Average grade.





During one market, it was cold and rainy and there was far less than usual market shoppers. Being able to purchase unsold items meant that growers did not experience a large overall loss on the day.

Additionally, the pantries that received the food were grateful for the supplemental produce. As we have learned over several years of in-depth work with pantries, fresh produce is often the most fluctuating item they receive. Being able to have steady access to high quality produce means recipients can take home a well-rounded box of healthy food.

This project supports the hubs capacitity building work with local food pantries, over the past three years the hub has held three region wide convenings to adress shared challenges such as ordering, acquiring enough healthy food, volunteer recruitment and retention and fundraising. Moreover, the topics discussed at these events have given the hub a roadmap of priorities and specific areas to focus our attention to increase the efficiency and effectiveness of all food pantries in the region.

The dual-purpose hub is committed to re-vitalizing the local food system through concentrated market focused work with food producers and indepth capacity building work with food pantries.

This program has helped merge both of these purposes by providing extra market support for local growers and increasing the amount of fresh, healthy food distributed at the food pantries. The hub is actively searching for ways to continue this program next year. If we can continue purchasing unsold food and encouraging growers to plant more food, knowing they have a gauranteed market we can begin to increase food production in Grant County.

The most recent gathering of the southwest New Mexico Regional Food Pantries.



REFERENCES

Frontier and Remore Maps from the 2020 Census

<u>The Feasibility of a Regional Food Hub for Southwest New Mexico: Ideas</u> for Rural and Frontier Communities

<u>Health Impact Assessment: Improving the Quality and Quanity of Food in</u> Southwest New Mexico Food Pantries

Growers 101: Starting a Farm Business in Southwest New Mexico

