

**Local Food Promotion Program (LFPP)
Final Performance Report**

The final performance report summarizes the outcome of your LFPP award objectives. As stated in the LFPP Terms and Conditions, you will not be eligible for future LFPP or Farmers Market Promotion Program grant funding unless all close-out procedures are completed, including satisfactory submission of this final performance report.

This final report will be made available to the public once it is approved by LFPP staff. Write the report in a way that promotes your project's accomplishments, as this document will serve as not only a learning tool, but a promotional tool to support local and regional food programs. Particularly, recipients are expected to provide both qualitative and quantitative results to convey the activities and accomplishments of the work.

The report is limited to 10 pages and is due **within 90 days** of the project's performance period end date, or sooner if the project is complete. Provide answers to each question, or answer "not applicable" where necessary. It is recommended that you email or fax your completed performance report to your assigned grant specialist to avoid delays:

LFPP Phone: 202-720-2731; Email: USDALFPPQuestions@ams.usda.gov; Fax: 202-720-0300

Should you need to mail your documents via hard copy, contact LFPP staff to obtain mailing instructions.

Report Date Range: <i>(e.g. September 30, 20XX-September 29, 20XX)</i>	April 1, 2016 – September 30, 2016
Authorized Representative Name:	Alice Ammerman
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Recipient Organization Name:	The University of North Carolina at Chapel Hill
Project Title as Stated on Grant Agreement:	The North Carolina Green Cart Program: Improving organizational capacity to reach underserved communities with affordable, locally grown produce.
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14-LFPPX-NC-0110
Year Grant was Awarded:	2014
Project City/State:	Chapel Hill, NC
Total Awarded Budget:	\$100,000

LFPP staff may contact you to follow up for long-term success stories. Who may we contact?

- Same Authorized Representative listed above (check if applicable).
- Different individual: Name: Lucia Leone Email: lucialeo@buffalo.edu Phone: 919-208-1366

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1) State the goals/objectives of your project as outlined in the grant narrative and/or approved by LFPP staff. If the goals/objectives from the narrative have changed from the grant narrative, please highlight those changes (e.g. “new objective”, “new contact”, “new consultant”, etc.). You may add additional goals/objectives if necessary. For each item below, qualitatively discuss the progress made and indicate the impact on the community, if any.

a) **Goal/Objective 1: Improve local producer wholesale training to increase capacity and competitiveness for selling produce to Veggie Van.**

Progress Made:

(1) Develop and provide at least 3 farmer trainings:

Farmer Foodshare has been working with partner organizations to develop appropriate farmer trainings based on farmer and food hub needs. Trainings completed include:

(i) Advanced Postharvest Handling for Enhanced Shelf Life, June 2015

Hosts: Center for Environmental Farming Systems (NC Growing Together), NCSU Cooperative Extension

Farm partner attendees: Jones

Topics covered: assist growers in meeting US #1 standards and understanding the multiple factors that contribute to increased shelf life.

(ii) GAP Training, January 2016

Hosts: Durham County Soil and Water Conservation District, Carolina Farm Stewardship Association, Bull City Cool, Farmer Foodshare

Farm partner attendees: Heeks Farm, Down to Earth Farm, Blue Crown Farm

Topics covered: Farmer panel on GAP and Organic certification, navigating the GAP Audit

(iii) First Annual Farmer Foodshare Gathering, March 2016.

Hosts: Farmer Foodshare

Farm partner attendees: over 30 POP Market growers

Topics covered: Due to limited local expertise on this subject, we were unable to host a wholesale success training. We have purchased Family Farmed Wholesale Success Manuals and will schedule a fall training for growers based on the materials in the book. Instead, we invited farmers to a gathering so that we could share market updates and collect information and feedback from farmers about challenges and opportunities for farming and marketing in NC

(2) Document farming practices, food safety plans and work toward GAP certification:

Farmer Foodshare has conducted 5 farm visits that have provided in depth information into the farmers’ current growing practices and status of food safety plans. Additionally, farmers that have attended the workshops and gathering listed above have shared valuable insight into their goals for certification. We are working closely with two growers to become certified and several others have taken steps towards completing food safety plans.

(3) Use buying contracts to plan production for Veggie Van: Farmer Foodshare’s growers that participated in the 2015 production plan (Open Door, 4M, Jones, Down 2 Earth)

experienced unexpected seasonal difficulties that prevented us from fully realizing the \$25,000 production plans. Despite these setbacks, Farmer Foodshare managed to procure over \$22,700 worth of produce from these four farmers. For the 2016 season, Farmer Foodshare has secured verbal agreements from 4 buyers who will purchase more than \$10,000. Additionally, Durham Public Schools will begin to purchase in May 2016 with expected sales of over \$50,000.

Impact on Community

Farmer trainings, food safety planning, and production planning has given several POP Market growers the opportunity to sharpen their skills around essential marketing topics. The POP Market Manager has maintained close communication with farmers to learn what their most urgent needs are for participating in burgeoning wholesale markets, and is factoring those needs into resource development.

b) Goal/Objective 2: Strengthen internal capacity of aggregation and distribution partners for managing food procurement and sales.

Progress Made

(1) Work with consultant to develop business plans with target break-even timelines:

Farmer Foodshare and CNP attended regularly monthly meetings with UNC Kenan-Flagler analyst to develop a business assessment. Business assessment was completed in May 2015. As part of the business assessment, a merger analysis was completed. The merger analysis recommended that Farmer Foodshare and CNP merge to improve sustainability without needing to rely as heavily on grant funding. This would allow elimination of a “double middle man” and help keep prices lower for consumers. However, the board of directors for the two organizations could were unable to come to agreeable terms for this merger to happen. Farmer Foodshare has decided to pursue a different model for reaching lower-income families with local food. As a merger agreement that allowed the Veggie Van model to become sustainable could not be reached, CNP has opted to cease Veggie Van operations and transfer Veggie Van assets to Farmer Foodshare. Farmer Foodshare is has been identifying different models for continuing retail sales in communities that were previously served by the Veggie Van program. Over the summer (2016) they reached out to previous Veggie Van customers and partners to explore ways in which they could continue to partner.

(2) Streamline food hub processes to reduce inefficiencies: A warehouse food safety plan was implemented by Farmer Foodshare and CNP in May 2015. Since that time, a new food hub was created in Durham North Carolina (Bull City Cool Food Hub) and both Farmer Foodshare and CNP relocated to the new food hub. Unfortunately, high overhead costs coupled with low sales made it unfeasible for CNP to continue running Veggie Van on its own. Farmer Foodshare has taken over equipment previously used by Veggie Van and will use the equipment (bins, boxes, carts, cooking demo supplies, etc.) to support POP Market and Farmer Foodshare’s new food retail programs.

(3) Invest in improved ordering software for POP Market: Local Food Marketplace software has been purchased and was launched to all customers in mid-May 2015.

Veggie Van and other customers successfully adopted the software for weekly orders. Farmer Foodshare intended to introduce the software to farmers in December 2015 but decided that efficiencies would decrease by giving farmers the responsibility of updating availability. New updates and improvements have been made to the software that has allowed POP Market to maintain a high level of communication between farmers and customers.

(4) Develop new flexible software for tracking Veggie Van sales and accepting payments:

We subscribed to “Mindbody” software, which we have customized for our use. This software gave Veggie Van the ability to sell community shares along with individual sales. Our toolkit will include instructions on how other mobile market programs can adapt this program for their own use as we are not aware of other commercially available software which can be used for similar mobile market programs.

(5) Invest in equipment, supplies and additional staff to improve food hub operations:

Farmer Foodshare hired a new Production Associate to take on weekly food hub operations. This hire allowed the POP Market Manager more time to dedicate to program development and building farmer/buyer capacity. CNP also increased hours for a logistics coordinator/warehouse manager who helped with improving warehouse operations so that new site goals could be reached. As Farmer Foodshare is taking over some of the retail operations previously offered by Veggie Van, CNP has transferred all equipment purchased in conjunction with this program to Farmer Foodshare.

Impact on Community

Many farmers have expressed appreciation and commitment to this value chain. In particular, they find value in the aggregation and distribution services provided by Farmer Foodshare and the additional wholesale outlets and consumer demand that have been built with the efforts of Veggie Van and Farmer Foodshare. Despite Veggie Van’s decision to cease operations, consumers are still eager to have access to fresh local produce and farmers are eager to grow and sell those products. Eliminating the double middleman has allowed farmers to receive a larger portion of the consumer dollar and low-income consumers to afford to purchase their locally produced vegetables and fruits.

c) Goal/Objective 3: Increase produce sales of limited-resource farmers and access to local produce in lower-income and underserved communities

Progress Made

(1) Establish Veggie Van sites in 10 new lower-income and underserved communities

During the grant period Veggie Van opened 12 new mobile market sites in areas that have limited access to fruits and vegetables. However, more resources were needed to successfully maintain these sites than originally anticipated. Specifically, these sites needed extensive community outreach, more incentives, and additional nutrition

education to be successful. Veggie Van's model relies on sales of full-place workplace boxes to support efforts in lower-income communities.

(2) Identify and set-up 10 new workplace delivery sites

Unfortunately, Veggie Van had challenges opening and maintaining interest at our workplace sites due to competition from for-profit competitors who offer more customization and home delivery. In addition, Veggie Van staff had to increase their effort at community sites leaving few resources to support a workplace expansion. Veggie Van tested home delivery options for our customers and attempted to make partnerships with several other organizations to make the program more sustainable. Despite multiple attempts CNP was unable to find a partner that was willing to merge with, acquire or support the Veggie Van program. Produce through the current local supply chains also remained too high for Veggie Van to offer both a reduced cost to lower-income customers and cover operational costs. As a small non-profit, CNP was unable to cover the costs of running multiple Veggie Van sites and the significant overhead costs required to rent food hub space, operate the van and manage finances related to the Veggie Van. Thus Veggie Van was forced to cease operations in February 2016. We are currently working with Farmer Foodshare to fill voids in access to healthy food which were left by the closing of Veggie Van sites.

(3) Develop and implement system to help other organizations interested in running a similar model

We have compiled all of the manuals and processes for running a mobile market program and have been trying to establish the best ways to disseminate this information. We have decided that CNP will host a website with this information and Dr. Leone and Haynes-Maslow will be available to consult on this process. We are also working with other mobile market programs across the county to enhance this knowledge database and provide alternative models (including financial models) for running Veggie Van. Lastly, we are applying for funding from the National Cancer Institute to help organizations across the country implement a mobile market program and work with them to help make the program financially sustainable.

Impact on Community

While data analysis is ongoing, preliminary analyses from our evaluation of the Veggie Van program showed that from among the first 8 sites, 166 individuals participated and 114 completed the 6-month follow-up survey. Community members at sites who received the Veggie Van increased their daily fruit and vegetable consumption by 1.32 cups above a comparison group who did not receive Veggie Van. Participants also reported greater increases in perceived access to fresh fruit and vegetables around the community site. Veggie Van users also self-reported positive changes including eating more F&V (89.3%), eating more locally grown produce (92.3%), eating healthier snacks (76.5%), eating less processed foods (82.1%) and eating more healthy fats (78.6%).

2) Quantify the overall impact of the project on the intended beneficiaries, if applicable, from the baseline date (the start of the award performance period, September 30, 2014). Include further explanation if necessary.

- a) Number of direct jobs created: 2 (January 2015-February 2016*)
- b) Number of jobs retained: 2 (September 2014- February 2016*); 2 (September 2014- February 2016*)
- c) Number of indirect jobs created: 1 (December 2014-May 2015)
- d) Number of markets expanded: CNP has done multiple community and school events to increase interest in the mobile markets.
- e) Number of new markets established: 12 (through February 2016*)
- f) Market Sales
 - i) POP Market sales increased by \$-2,683 from Oct 14-Mar 15 to Oct 15-Mar 16. Veggie Van purchasing from POP Market ended mid-November 2015. Despite this critical customer loss, sales remained fairly consistent, representing an increase in purchasing from new and existing customers.
 - ii) Veggie Van sales increased by \$6,553 between Q1 and Q2 of 2015 (71%) and an additional \$780 from Q2 to Q3, a total increase of 79% since Q1.
- g) Number of farmers/producers that have benefited from the project:
 - i) Percent Increase: 35% from Oct 2013-March 2014 to Oct 2014-March 2015

*12 markets were closed and 4 positions ended as a result of the Veggie Van program closing in February 2016

3) Did you expand your customer base by reaching new populations such as new ethnic groups, additional low income/low access populations, new businesses, etc.? If so, how?

CNP's programming had been in all low income, underserved and minority communities. We had gone to non-traditional sites, such as the Durham Public Library and the Walltown Community Center. Both sites allowed us to reach out to underserved populations, including senior citizens. We were also able to engage pregnant women trying to make sure they are getting proper nutrition. POP Market continues to be a partner in the Wake County Farm to Child Care Program and has begun engaging with multiple potential new sites including centers with high subsidy rates. Durham County Public Schools has committed to purchasing local food through Farmer Foodshare beginning in May 2016. This relationship has been developing since summer 2014 and many steps have been taken during this grant cycle to fulfill the needs of over 30,000 Durham County students, 60% of which receive free and reduced lunch. Additionally, both former Veggie Van sites (EDCI and Bull City Fit) have high populations of Latino/and Hispanic community members that will now be served through Farmer Foodshare's POP Market.

4) Discuss your community partnerships.

- a) Who are your community partners?
 - i) Durham Department of Health
 - ii) Walltown Community CenterUNC

- iii) Durham Public Library
- iv) Lincoln Health Center
- v) Charles Drew Community Health Center
- vi) Duke Family Medicine
- vii) Duke Gardens
- viii) Wake County Eastern Regional Center
- ix) Edison Johnson Community Center
- x) Orange County Health Department
- xi) Little River Community Center
- xii) Rogers Road Community Center
- xiii) Hank Anderson Park
- xiv) East Durham Children's Initiative

b) How have they contributed to the overall results of the LFPP project?

The community partners have allowed us to reach needy individuals that may have never been reached by traditional farmer's markets or produce delivery programs.

c) How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?

Partners will work with Farmer Foodshare to develop community specific distribution models. For example, some sites might prefer to create incentive programs while others would prefer consumers pay full price for produce. Some sites might involve a community to take on the responsibility of site leader to manage distribution to consumers while others may have a simple "pick up and go" model. It is important to meet partners and organization where they are and build off of their existing assets and resources.

5) Did you use contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?

Yes, all of the work with farmers and consumers is being completed by Farmer Foodshare and the Community Nutrition Partnership (CNP). Adaptation of the point of sale software was completed by Lucia Leone using Mindbody software. Business analysis was completed by the Frank Hawkins Kenan Institute of Private Enterprise. Development of the toolkit was completed by Lucia Leone.

6) Have you publicized any results yet?*

We have shared some of the results in regards to changes in fruit and vegetable consumption seen with the Veggie Van program with government partners and in academic forums, but did not feel it was appropriate to share Veggie Van specific outcomes with community partners after the sites had close. We have developed a toolkit with all of the materials for running a Veggie Van.

7) Have you collected any feedback from your community and additional stakeholders about your work?

a) If so, how did you collect the information?

We completed focus groups and surveys with customers at the mobile markets

b) What feedback was relayed (specific comments)?

Customers had difficulty understanding Veggie Van pricing, how the sliding scale model worked and how the food was priced. As a result, most customers paid the lowest price possible making it difficult for the sliding scale model to work. In addition, many customers felt that prices for individual produce items were too high (compared to supermarkets). Overall, customers and stakeholders appreciated the Veggie Van program and it helped customers to eat more produce, especially locally grown produce.

8) Budget Summary:

a) As part of the LFPP closeout procedures, you are required to submit the SF-425 (Final Federal Financial Report). Check here if you have completed the SF-425 and are submitting it with this report:

b) Did the project generate any income?

UNC did not generate any income as a result of this project.

9) Lessons Learned:

a) Summarize any lessons learned. Draw from positive experiences (e.g. good ideas that improved project efficiency or saved money) and negative experiences (e.g. what did not go well and what needs to be changed).

Our initial results indicate show a lot of promise. We reached our target audience (low income, minority communities) and our Veggie Van customers increased their F&V intake by a statistically significant amount. They also reported that they felt they had access to F&V. The program was not without challenges, however. The amount of effort that was needed to reach individual customers far outweighed our initial estimates. We also found that few of our customers purchased full shares week-to-week, preferring instead to buy individual items on an as-needed basis. Customers also reported that prices were a factor in deciding whether to purchase produce from the Veggie Van.

b) If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving:

Overall the Veggie Van was a success in terms of reaching the target audience, positively affecting diet and getting more fresh local food into the hands of lower-income individuals. However, the income that CNP got from the program was not enough to cover its expenses. Without a steady stream of grant dollars, the program could not stay afloat. Future mobile markets should consider that the effort needed to reach customers and the cost of purchasing the produce and then selling it at reduced prices requires more capital than we had originally anticipated. We found that Veggie Van was most successful when the program was able to be supported by revenue from a large base of full-price paying customers. This was the case when we were able to partner with for-profit companies who offer local produce delivery to middle and higher income customers. They not only helped Veggie Van achieve greater buying power (lower food costs), but due to the sheer number of customers they served could easily use a small portion of profits to help subsidize low-cost boxes. In the future, we hope that these types of public-private partnerships can be used to support mobile market programs.

- c) Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project:
- i. Finding sites with staff members who were willing to act as advocates of the Veggie Van program was a key to our success. Without such site liaisons, we would have had a much more difficult time reaching individual community members.
 - ii. Mobile markets should serve as their own aggregators or work with a larger foodhub or business. Trying to have two middle-men, especially when neither of them have a lot of buying power can inflate prices above what is feasible for lower income customers
 - iii. Start with a large base of full cost paying customers before trying to offer subsidized boxes. Include some type of criterion for determining who will pay the lower price.
 - iv. Mobile markets should partner with host sites that have a site liaison who is a full-time staff person at each of the mobile market sites. One of the primary challenges we faced was reaching individual customers on a weekly basis. We found that our most successful sites had strong, dedicated leaders who were willing to help us make those connections. Future research might focus on ways that mobile markets can better connect with individuals and create lasting week-to-week relationships with them. If good host sites are not available, home delivery may be a feasible option in some areas.
 - v. Unless a mobile market can scale up very quickly, it is unreasonable to assume that it can be self-sustaining without grant funds or donations in the first several years.

10) Future Work:

- a) How will you continue the work of this project beyond the performance period? In other words, how will you parlay the results of your project's work to benefit future community goals and initiatives? Include information about community impact and outreach, anticipated increases in markets and/or sales, estimated number of jobs retained/created, and any other information you'd like to share about the future of your project.
- Farmer Foodshare is expanding their mobile market offerings and continues to work with local farms and farmers to provide low-cost, high-quality produce to low income North Carolinians. Although CNP is no longer operational, the work showed significant progress in connecting at-risk people with high quality foods. We have put together a toolkit that we will be sharing with our community partners and
- b) Do you have any recommendations for future activities and, if applicable, an outline of next steps or additional research that might advance the project goals?
- Drs. Leone and Ammerman and working to share the Veggie Van model with community organizations across the country that are looking to start or improve their mobile market programs. Most mobile market programs have not been tested and/or are not evidence-based. We believe that the combination of the box model and the cooking and nutrition education offered by Veggie Van are a unique approach which warrant further expansion and testing. We are also working with other organizations that run mobile markets to better understand the business model so that these markets can not only impact health, but also be financially sustainable.