

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 LFPP staff 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. October 1-March 31, 20XX)</i>	October 1, 2014-March 31, 2016
Today's Date:	April 29, 2016
Authorized Representative Name:	Gabriel Cumming, PhD
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Recipient Organization Name:	Working Landscapes
Project Title as Stated on Grant Agreement:	Warren FoodWorks: Growing a Diversified Food Hub in Rural North Carolina
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14-LFPPX-NC-0111
Year Grant was Awarded:	2014
Project City/State:	Warrenton, 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: _____; Email: _____; Phone: _____

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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.
 - 1) Goal/Objective 1: *Growing our Farm to School project, the Chopped Produce Initiative, into a self-sustaining enterprise*
 - a) Progress Made: *The Chopped Produce Initiative grew significantly over the course of the grant period. We successfully marketed our chopped, fresh locally grown greens to 14 wholesale customers, including 11 school districts. However, due to unforeseen challenges with distribution channels and food safety certifications, we have not yet achieved a financially viable scale. We continue to reach out to food supply chain stakeholders, including distributors, and continue to market our product to new customers.*
 - b) Impact on Community: *The Chopped Produce Initiative made healthy, local produce accessible to 31,425 students in northeastern North Carolina.*
 - 2) Goal/Objective 2: *Establish a local market and processing capacity for local, naturally raised meats, providing local consumers with their first consistent source of local meat.*
 - a) Progress Made: *We have launched Working Landscapes’ local meat program. We have developed supply chains through which livestock are purchased from local farms, the animals are slaughtered and butchered at one of three processors in the region, and the meat is brought to FoodWorks for sale. Local, pasture-raised beef and pork was available on FoodWorks’ menu starting in April 2015, and in July 2015 we began selling local meat directly to customers. We are continuing to experiment with ways of connecting consumers to this high quality meat, and have trialed both a ‘Meat Box’ promotion and the opportunity to purchase meat in bulk (i.e., ¼ beef and ½ pig).*
 - b) Impact on Community: *We have purchased \$11,000 of pasture-raised meat from three Warren County farms, opening a local retail market to them for the first time. These products have been sold through our menu and to customers to take home and prepare themselves; since July, there have been 918 sales through the retail market, including meat and prepared, take-away foods. Thousands of meals featuring this pasture-raised meat have been sold for consumption in the café.*
 - 3) Goal/Objective 3: *Establish new markets for a variety of locally grown produce and meat by incorporating them into a new line of value-added, prepared and preserved products, thereby increasing the convenience of locally grown food and extending its availability year-round.*
 - a) Progress Made: *FoodWorks features locally grown produce and meat in almost every item on its café menu. Since opening in December 2014, an estimated 175 recipes featuring locally grown produce and meat have been developed and implemented at the café. In addition, we froze or otherwise preserved the local bounty from summer 2015 for use in menu items throughout the winter/spring of 2016. For example, one of our most popular items is melon bread, made from frozen Ridgeway cantaloupes that we preserved last summer.*
 - b) Impact on Community: *Local consumers now have a new, convenient way of acquiring local food. Most products sold in the café were not previously available to local consumers at all;*

others were only available at the Saturday morning farmers' market. More than thirty local farmers—including women, limited-resource, and minority farmers—have gained a new market for their products (e.g. produce or chicken, duck, and quail eggs) through FoodWorks.

- 4) Goal/Objective 4: *Provide area entrepreneurs access to a commercial kitchen, training, and marketing support, thereby enabling the growth of local food enterprises*
 - a) Progress Made: *The FoodWorks kitchen has been used by four local food ventures since this project began. Two of the four have sold their products through the Foodworks retail storefront.*
 - b) Impact on Community: *Local entrepreneurs are benefitting from access to food processing infrastructure/shared use kitchen, earning extra income and gaining experience running their own businesses.*

- 5) Goal/Objective 5: *Increase convenient, year-round access to locally grown, healthy food by providing a new Main Street retail outlet specializing in local products, including meats (Objective 2), prepared foods (Objective 3), and wares from food ventures utilizing the shared use kitchen (Objective 4).*
 - a) Progress Made: *The FoodWorks retail space has expanded hours to better serve our community. We are now open Tuesday-Saturday selling locally-sourced prepared foods, pasture-raised pork and beef, free range eggs and a shared user's wares.*
 - b) Impact on Community: *FoodWorks served a minimum of 1459 customers (tracked by credit card usage. Cash customers are not tracked, but cash transactions make up 58% of all transactions at FoodWorks, so the total number of customers may approach 3000). The café space has become a popular gathering space for performances and events, which provides another way of exposing area residents to local foods. We hosted 84 events in 2015, and in Spring 2016, we hosted a performing arts series in which FoodWorks staff developed special menus that complemented the work of each artist.*

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.
 - i. Number of direct jobs created:
17 jobs in Food Hub: produce processing, local food preparation, and retail
 - ii. Number of jobs retained:
3 Food Hub jobs
5 food entrepreneur jobs retained through shared use kitchen
 - iii. Number of indirect jobs created: *6 farm jobs retained*
 - iv. Number of markets expanded: *2*
 - v. Number of new markets established: *3*
 - vi. Market sales increased by \$118,472 and increased by 4252%.
 - vii. Number of farmers/producers that have benefited from the project:
3 Chopped Produce Initiative suppliers
40 additional FoodWorks suppliers
4 additional shared-user suppliers
 - a. Percent Increase: *1466%*

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?
Yes. Through the Chopped Produce Initiative, we have reached thousands of new low

income/low access consumers—primarily students in rural, economically distressed, majority African-American northeastern North Carolina. We have also developed new relationships with distribution companies that will allow us to further expand our ability to reach new communities and new populations. Through the FoodWorks café, we have built a new retail outlet for healthy, local food in a rural, low-income, majority minority community. We serve members of the Haliwa-Saponi American Indian tribe.

4. Discuss your community partnerships.

i. Who are your community partners?

Our community partners include FoodCorps, Warren County Schools, the Roanoke River Valley Educational Consortium, Warren County government, Warren County Cooperative Extension, and Warren Plains United Methodist Church.

ii. How have they contributed to the overall results of the LFPP project?

Warren County's FoodCorps service member worked with Working Landscapes staff and interns to develop What's Growing On, a curriculum featuring local produce that is locally available throughout the year. The Roanoke River Valley Education Consortium (RRVEC) is a coalition of five school districts whose superintendents have committed to supporting the Chopped Produce Initiative. Member districts have been proactive in ensuring that our local produce reaches their cafeterias. Warren County government and Cooperative Extension have administered grant funding that has supported renovations and equipment upgrades at the Food Hub.

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

Throughout the coming school year, Warren County FoodCorps will be piloting the What's Growing On program, which Working Landscapes will be rolling out in other school districts that participate in the Chopped Produce Initiative. RRVEC school districts continue to be customers of and advocates for the Chopped Produce Initiative. NC State Cooperative Extension is helping us revise our Food Safety Plan to comply with the rollout of FSMA.

5. Are you using contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?

No.

6. Have you publicized any results yet?* Yes.

i. If yes, how did you publicize the results? We have publicized our programs, our wholesale products and the Warren FoodWorks café extensively. Our projects have been publicized through weekly emails to our mailing list, website content, social media (Facebook, Instagram), newspaper articles, local radio stations, flyers placed around the community, and displays in the FoodWorks café. We have also hosted two events at FoodWorks to which we invited community members to learn more about our programs. We have also given a number of presentations about our work at statewide, regional, and international conferences, universities and peer community organizations.

ii. To whom did you publicize the results? We have directed publicity to local residents, local leaders, peer organizations and statewide leaders. Presentations were delivered to participants in a research symposium held as part of Expo 2015 in Milan, Italy; a Farm

Tour; a Small Business Expo; the RAFI Come to the Table conference; the local Rotary Club in Warren County; the North Carolina Growing Together conference, the Warren County Chamber of Commerce; community development classes and a colloquium at Vanderbilt University, and a Duke University graduate course in participatory research. We have also had the opportunity to host a number of site visits from groups interested in learning more about our work, including representatives from food councils/networks across northeastern North Carolina, the Resourceful Communities Program, NC State Center for Environmental Farming Systems (CEFS), and Brunswick County (NC) Cooperative Extension.

- iii. How many stakeholders (i.e. people, entities) did you reach? We estimate that we reach 400 people weekly through our email; FoodWorks' Facebook page has more than 1000 likes, 385 check-ins, and a reach of up to 2500 people per day. Through presentations, we have reached approximately 400 people. Through newspaper coverage, we estimate we have reached thousands of community members in our region.

*Send any publicity information (brochures, announcements, newsletters, etc.) electronically along with this report. Non-electronic promotional items should be digitally photographed and emailed with this report (do not send the actual item).

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

Yes. We have sought feedback from community stakeholders regarding our work.

- i. If so, how did you collect the information? We have conducted two focus groups (each with three participants) and a survey of retail customers of Warren FoodWorks. We wanted to understand how customers perceived our local sourcing program, get feedback on our products and solicit ideas for reaching more residents. The survey was designed to understand customer interest in local, pasture-raised meat. We have also conducted a telephone survey of Child Nutrition Directors who purchase our farm-to-school products.
- ii. What feedback was relayed (specific comments)? This data provided useful feedback for our operations. In the focus groups, opinions were divided between those who very much like our creative use of local ingredients in our menu and those who wanted to see some more traditional choices (such as hamburgers). Some participants wanted us to become more of a full-service restaurant, while others enjoyed the café setting and the fact that the space also could be used for community arts events. Everyone was interested in and supported our local sourcing program, and we were encouraged to promote that more. The availability of local, pasture-raised meat was also universally popular. Child Nutrition Directors provided feedback on our product (great quality) and programming (popular among leaders and students).

- 8. Budget Summary:

- i. 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:
- ii. Did the project generate any income? Yes.
If yes, how much was generated and how was it used to further the objectives of the award? *Yes, the food hub generated \$121,258 during the grant period, through local food sales. All income earned has been used to cover operating expenses directly*

related to further enhancing the production and consumption of local/regional foods. Income generated by our prepared foods and farm-to-school sales was not factored into the original budget of our LFPP proposal because we did not know the scope of it; however, all income earned was used to cover operating costs of those programs, which have risen as income has risen.

9. Lessons Learned:

- i. Summarize any lessons learned. They should draw on 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).
 1. Our Food Hub's customers, both retail and wholesale, have responded quite positively to the local sourcing made possible by our Hub's value-added products. We believe that locally grown food is appealing to a broad range of consumers, even in low-income, rural areas; it is not just appealing to urban and affluent consumers.
 2. We have successfully established supply chain connections between small growers and consumers in our rural, low income service region during the grant period, but in several cases we have not met our sales goals. We believe that these supply chain relationships have significant growth potential, but that it will take time to nurture these relationships and to help build consumer and institutional habits that support a more robust local food economy. Now that the connections are established, we believe that our food hub's sales will continue to increase as more people learn about our products and local sourcing.
 3. Providing diverse channels through which growers could sell products enabled us to exceed goals for number of growers we worked with, many of whom have not sold through intermediated supply chains before.
 4. Developing sourcing relationships with multiple third-party distributors enabled us to significantly expand the number of consumers reached by our food hub; however, relying on those distributors to market our product was unsuccessful—it proved more effective to do our own marketing, so that our local food story was relayed intact to the customer.
 5. A lack of entrepreneurial capacity in our rural community hampered the shared use of our infrastructure. We had planned to partner with a local meat initiative, the community college, and other food entrepreneurs, but most of these partners failed to develop programs that utilized our facilities. We took on the meat processing objectives internally, and succeeded in developing a new market. However, we could not foster a culture of entrepreneurship single-handedly. While we have met our goals for the number of entrepreneurs served, their use has been sporadic and at a low level.
- ii. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving:
 - Objective 1. Outcome not achieved: financial sustainability of farm-to-institution sales. Measures not achieved: sales goals; number of farmers. Despite our best efforts to expand our value-added produce venture through our food hub, we did not achieve financial viability or sales goals (and since we did not achieve our sales goals, we also did not expand the number of farmers we purchased raw product from). The major lesson learned from this is that the supply chain connections between our food hub and institutional customers are not yet stable: distribution networks shift and Child Nutrition Directors change on a yearly basis. More energy has to be devoted to building durable supply chain connections that can last for multiple seasons.

- Objective 2. Measure not achieved: number of farmers. We have worked with four livestock farmers in Warren County in establishing our meat supply chain; we have not needed to work with more farmers to meet demand for these products. In small markets, one often does not need a significant number of producers to satisfy demand.
- Objective 4. Measure not achieved: entrepreneurs' sales. Because we had less interest than anticipated from shared users, we did not meet our goals for sales of products produced by other food entrepreneurs. We believe that in order to boost shared use of the facility, we would need to offer more technical assistance and business development assistance to prospective entrepreneurs.

iii. Describe any lessons learned in the administration of the project that might be helpful for others who would want to implement a similar project:

- Ensure from the beginning that the records you keep map to the metrics on which you have to report. We use a couple of different mechanisms for keeping track of sales through our food hub, including QuickBooks, Excel and a POS system (Square). Initially, our tracking methods were slightly different in each system; we learned to make them compatible with each other so we could more readily retrieve the information we needed.
- Hiring skilled and responsible staff is a challenge in our rural, low income community. Over the course of this project, we have sought training and professional support from human resource consultants in order to develop more sophisticated hiring, on-boarding and evaluative procedures for our staff. I would recommend that as small organizations grow to take on new projects and responsibilities, that they seek out support in planning how to meet new staffing needs.

10. Future Work:

- i. 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.

Through this grant, we developed northeastern North Carolina's only food hub. We have developed relationships with many small farmers and successfully sold value-added products to retail and institutional customers. Building on this unique experience, as well as the infrastructure and value-added processing capabilities that we have in place, our goal is to lead the development of a more resilient regional food economy by a continued focus on supply chains and value-added products.

We have submitted a 2016 LFPP application to build on our food hub, our relationships with farmers, and our experience connecting small farmers to institutional markets. We estimate that in the next three years, we can increase our food hub's sales to a financially viable scale as well as increasing the number of farmers we serve. These estimates are based on our work experience in the last several years, an improved understanding of challenges and opportunities within a regional food system, and our estimates of our food hub's capacity. We project a growth in yearly food hub sales of 353% (\$96,000 to \$435,000) and a 278% increase in customers (32,000 to 121,000) by 2019.

- ii. 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?

We plan to engage regional stakeholders in a planning process that maps and analyzes supply chains in order to identify areas for collaboration, gaps that need to be addressed, and potential institutional/wholesale customers interested in increased access to value-added, local food products. We will pursue additional food safety certifications in order to meet the requirements of additional customers and distributors. We will also explore additional wholesale product lines that use our existing food hub equipment and capacity. Accompanying these planning and capacity building efforts, we will engage in further marketing and outreach to customers to increase awareness of the local farmers with whom we work, our value-added products, and our food hub's capabilities.