

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. September 30, 20XX-September 29, 20XX)</i>	October 1 st , 2014 – September 30, 2015
Authorized Representative Name:	Alex Tyink
Authorized Representative Phone:	920-850-7213
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Recipient Organization Name:	Goodwill Industries of North Central Wisconsin, Inc.
Project Title as Stated on Grant Agreement:	Local Food Security Enterprise Regional Planning
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14-LFPPX-WI-0186
Year Grant was Awarded:	2014
Project City/State:	Menasha, WI
Total Awarded Budget:	\$22,890

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: Alex Tyink; Email: atyink@feedingamericawi.org; Phone: 920-850-7213

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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.

i. Goal/Objective 1: Develop local food enterprise business plan by May, 2015.
Completed.

a. Progress Made:

1. Hire program coordinator by November 2014. **Completed.** A 0.5 FTE program coordinator, Mia Ljung, was hired in October 2014.

2. Develop regional targeting strategy by January 2014. **Completed.** This team member began her work defining food security, the project mission, and creating a foundation for an in-depth research project to focus our planning process. This work was based on our priority areas and needs assessment of the Goodwill NCW 35 county region.

From this foundation, key resources were identified that could assist in developing a targeting strategy and definitions of ‘highest need’ for the communities we serve. The accompanying document titled *Goodwill Grows LFPP Research* is the culmination of this month-long project and provides a list of local, state and national resources we used to focus our planning process and target key implementations and service areas. Sources and key lessons learned are included.

Utilizing this resource list, we developed the accompanying document *Goodwill Grows Need Assessment by County*. This is a table that provides detailed information on not only our priority areas, but every county in the Goodwill NCW region. It is a visual representation of need based on aggregated information and data collected by Goodwill NCW, government bodies, the private sector and food security organizations. The data segments chosen were based on relevancy to food security as a whole, availability of data and applicability to possible interventions.

3. Develop replicable service package based on needs assessment by March 2015. **Completed.** The needs assessment work was then taken to our community partners and we began outlining possible business plans that integrate with our preexisting programs. Goodwill Grows already oversees a farm incubator program (Community Farm Incubator) that provides free resources, such as land, and information to low-income farmers. We also operate a farm-to-school program that provides nutrition education and engages local farmers in the classrooms, but lacks a food procurement element. Our Indoor Growing Machine, an indoor school garden, grows leafy greens on a large scale in classrooms year-round, which has allowed us to build many relationships with local school and hospital food service directors. Concurrently, work had begun in three of our priority areas around building small, localized food

hubs geared toward institutional buyers. These included: The Green Bay Food Hub operated by Live54218, The Appleton Food Hub operated by NEW Farmer Co-op, and The Oshkosh Food Hub operated by Re:th!nk Winnebago County. All three of these entities operate within three of our four priority areas.

Our planning process at this point focused on developing a pilot project for a food hub that would integrate the educational services and resources already provided by Goodwill Grows with the partnership of the three organizations exploring developing food hubs in their communities. The attached draft operating plan titled *Original Draft Plan* was developed by May 2015 and served as the launch point for the pilot of a regional educational project that would also serve as a financially self-sustaining enterprise.

The plan for this pilot project included utilizing third party ecommerce software to act as the support mechanism of new market activity between local farmers and institutions such as schools and hospitals. Local Orbit was the software platform chosen as it allowed us to maintain the place-based identity and relationships already established by our partners in their markets by creating three distinct markets within one platform. This way we were able to streamline the work and services provided by the food hub via a regional collaboration. We believed that this model would be preferred for our situation and replicable to new service areas. The software allowed us to add new markets, when appropriate, to expand into additional high need areas that could include our fourth priority area.

The plan to serve food deserts included developing a donation market that would serve to reduce waste of local food with the ability to channel that donated food to high need areas. We also planned to expand our farm incubator program by providing this new market opportunity and bringing more low-moderate income farmers to self-sufficiency.

ThedaCare, a Wisconsin-based hospital network, along with multiple school districts took the initial lead in developing the buyer market for the food hub. The collaboration partners then built relationships with local farmers which lead to the accumulation of 30 potential buyer/seller client contacts. At this time there were 5 institutional buyers and 2 local farmers signed up and ready to utilize the regional food hub, which we branded the Northeast Wisconsin Food Hub.

Through contract funds available through our partners Re:th!nk and Live54218, we were able to contract the services of Kymm Mutch of Mutch Better Food, LLC. She is a school food and local supply chain development specialist out of Milwaukee WI who for many years was the Food Service Director of Milwaukee Public Schools. Her services led

to a joint purchase effort between three local school districts via the food hub and positive relationship group with school districts throughout the pilot service area. Additionally, via contract funds available through our partners, we hired a Food Hub Coordinator who worked exclusively on relationship development between buyers and sellers of local food interacting via the Local Orbit software. Our plan was to track the development of the pilot project market traction development and use this information to inform our feasibility study.

By this time the LFPP Program Coordinator, Mia Ljung, resigned to pursue other interests and we received LFPP approval to remove the grant coordinator from the LFPP budget and increase the amount of Program Manager support time from 0.125 to 0.4 FTE. This allowed the Program Manager to focus on overseeing the pilot project with the Food Hub Coordinator to inform the feasibility study and implementation plan development. By this point (March 2015) all previously scheduled grant objectives had been completed.

4. Complete feasibility study and business planning related to local food enterprise and financial engine by May 2015. **Completed.** By May, we had an operating plan in place and had completed a short feasibility study that identified potential participants in the project. From this study we scaled the pilot project appropriately given the number of potential participants. We received a tutorial on the Local Orbit software on 4/23/15 and formally began onboarding buyers and sellers into the project. Over the next six months we collected data and tracked progress on the project in order to formulate projections. See the attached document *Local Orbit Data* for more information. We have since used the data from the pilot project as part of our implementation plan. This has informed the transaction percentage we collect and the services we will offer, including delivery and distribution options.

At this stage we did not build any physical infrastructure; our food hub pilot used an asset based community development model of creating social networks that lead to community development. We did this by providing IT infrastructure and personnel to coordinate the development of the markets. The attached document *Northeast WI Food Hub YTD Report* outlines the successes of the pilot and high level considerations for the implementation plan. By the end of this planning grant we had completed 15 farm visits, helped 14 growers sell through the food hub, helped 18 institutions purchase local food and consistently provided local food to cafeterias in 3 out of our 4 priority areas. We believe this is critical experience necessary to launch a scaled food hub that is also financially self-sustaining.

By the end of the pilot project we had moved roughly \$24,000 through the software at an 8% margin. This generated roughly \$2,000 in profit for the pilot, but expenses incurred were over \$18,000, not including

time spent by the Program Manager in overseeing the pilot and developing the business plan. It was clear to us that to create a self-sustaining model we needed to take a deeper look at the business model and market potential of this business beyond the social impacts.

One of our community partners, Re:think, had grant funds available for business plan development. In November 2015 the Food Hub team went through the Fox Valley Technical College Venture Center ProSeed Business Model Design Class. This was extremely helpful in redesigning the business model based on what we learned using the pilot phase. Other participants in this planning included farmers, buyers and staff. This new business model is what is represented in the *Food Hub Operating Plan*.

By September 2015, we had been contacted by 2 additional service areas, including the Stevens Point Area and the Manitowoc/Sheboygan area, who were interested in starting markets of their own. We believe this is testament to the regional perception of this program and the immediate successes of the pilot.

b. Impact on Community: not yet available (planning grant)

ii. Goal/Objective 2: Develop local food enterprise implementation plan by Sept. 2015. **Completed.** See attached document titled *Food Hub Operating Plan*. This document is our evolving document that represents our work to date as well as our plans for the future. The current version was completed in Dec. 2015.

a. Progress Made:

1. Use the targeting strategy to identify priority communities by June 2015. **Completed.** This plan is based on the outcome of our current Regional Food Hub pilot project and feasibility study – the Northeast Wisconsin Food Hub. Our priority communities have been identified and include 3 or our 4 priority areas (Brown, Outagamie and Winnebago Counties). Asset lists have been developed concurrently with the pilot project.
2. Develop asset list for each targeted community by Sept. 2015 **Completed.** In addition to the partners listed in the *Food Hub Operating Plan* and the assets and resources listed in *Goodwill Grows LFPP Research*, please see *Enterprise Asset List* for a complete list of all of our community partner organizations in our 3 priority areas.

b. Impact on Community: not yet available (planning grant)

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: 1

- a. Food Hub Coordinator Naomi Dvorachek’s position was created due to this grant. Her position was not funded by the grant, but without our planning process the community partners that funded the position would not have been

in place. Revenue from the pilot project was used to assist in funding this position.

- ii. Number of jobs retained: 1
 - a. Program Manager Alex Tyink's job was retained due to this project.
 - iii. Number of indirect jobs created: 0
 - iv. Number of markets expanded: 0
 - v. Number of new markets established: 3
 - a. This includes the Appleton, Oshkosh and Green Bay Food Hub markets.
 - vi. Market sales increased by \$24,263 and increased by 0%. (we went from \$0 to \$24,263)
 - vii. Number of farmers/producers that have benefited from the project: 14
 - a. Percent Increase: 0 (we went from 0 producers to 14)
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?
- i. Yes, our pilot project was a start-up business so every new customer we brought in was a new population reached. Specifically, we reached Hmong farmers, children attending schools in our priority areas, hospital patients, hospital buyers, school buyers and restauranteurs. We did this by leveraging our partners to hire a part time project coordinator. This coordinator was primarily responsible for outreach and account management. We developed a process for onboarding new participants, which streamlined the coordinator's workflow. We also leveraged our partners to do outreach congruently with us. Each of our partners worked to recruit participants into the pilot project with success.
4. Discuss your community partnerships.
- i. Who are your community partners?
 - a. LIVE54218 is a community health organization housed at the Green Bay Chamber of Commerce.
 - b. Re:think is an offshoot of the Winnebago County Health Department.
 - c. Feeding America Eastern Wisconsin
 - d. ThedaCare Health System
 - e. SLO Farmers Co-op
 - ii. How have they contributed to the overall results of the LFPP project?
 - a. These groups were natural partners due to their interest in food hubs, food deserts and food security, alignment of their program activities and grant objectives and funds immediately available.
 - b. Staff from LIVE54218 and Re:think have been the most involved partners to date. They have guided the pilot project in an advisory capacity and have contributed funding to the project from their organizations. They also assisted in onboarding participants in the pilot project from their respective territories.
 - c. ThedaCare was our first buyer and took the lead in encouraging other hospitals, schools, etc. to join the Food Hub. Staff from ThedaCare has also participated in our strategic planning and offered data to support our feasibility study.
 - d. SLO Farmers Co-op is a collection of 9 sustainable farms in Northeast WI. They have taken a lead role in supplying the Food Hub with local food and helping guide the food hub development so it works well for local farmers.
 - iii. How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?

- a. LIVE54218 will continue to provide advisory assistance, connections to growers and buyers in their territory and funding when applicable.
- b. Re:think will continue to provide advisory assistance, connections to growers and buyers in their territory and funding when applicable.
- c. ThedaCare will continue to purchase through the food hub and advocate for its success. They continue to find ways to increase their purchasing of local foods and help us teach other organizations how they achieved this.
- d. SLO Farmers Co-op will continue to sell through the food hub and provide technical assistance when applicable.

5. Are you using contractors to conduct the work? If so, how did their work contribute to the results of the LFPP project?
- i. We utilized 3rd party contracts with a consultant, Kymm Mutch, to inform our planning. Her contract was not paid for by this grant.
 - ii. We utilized 3rd party software, Local Orbit, to facilitate the logistics of the pilot. That expense was not paid for by this grant.
 - iii. We utilized the expertise of Fox Valley Technical College Venture Center in refining our business plan. That expense was not paid for by this grant.
6. Have you publicized any results yet?*
- i. If yes, how did you publicize the results?
 - a. Results were disseminated via the Goodwill Grows newsletter. Also, the Food Hub pilot was featured on local news channels and in a newspaper article.
 - ii. To whom did you publicize the results?
 - a. Food Hub participants, community partners and general stakeholders in community food security programming.
 - iii. How many stakeholders (i.e. people, entities) did you reach?
 - a. We reached an estimated 550 people with our newsletter. The press coverage reached an estimated 50,000 people.

*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?
- i. If so, how did you collect the information? Information has been collected in planning sessions, in ongoing advisory meetings, in specific research projects and as issues, concerns and successes arise with the pilot project. Most often information was collected one on one either in person, over the phone or via email.
 - ii. What feedback was relayed (specific comments)? Feedback related to the enterprise development was integrated into the Operating Plan to assist our planning process.
 - a. Specific comments included feedback that aggregation and distribution options would significantly impact the volume producers could provide and would streamline deliveries for the buyers.
 - b. Additionally some sellers were hesitant to work with us because it was not clear how different sellers were prioritized or not prioritized within the software. This was due to the pilot being set up as a 'pass-through' market with no clear distinction what the food hub's role was in marketing.

- c. We received feedback from distributors on how they price their products, which has affected our financial model. They discussed with us how pricing by product and setting individualized margins will give us more long term financial flexibility.
- d. We received feedback from a food service director stating how easy purchasing from the food hub is and feedback from multiple consumers on how incredible the local food products are. This was in relation to a specific carrot product one of our producers grew this season.

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?
 - a. If yes, how much was generated and how was it used to further the objectives of the award? Yes, \$1,941 was generated from the pilot project. These funds were used to support the Food Hub Coordinator position, which lead to increased participation in the pilot project.

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).
 - a. This whole planning process has been an incredible learning experience. We learned of the need for a food hub in Northeast Wisconsin. There is a significant gap in coverage for food hubs in this area and significant opportunity for institutional purchasing of local food in our areas. We learned about new community and national resources that can assist with and inform our work and made some strong partnerships through this process.
 - b. Our pilot project is a work in progress. It was intended to be experimental to help facilitate the development of a strong operating plan and in that we were very successful. There is a significant difference between our research document, our original operating plan and our current operating plan. The evolution of these documents exemplifies the breadth of everything that was learned through this process. It covers everything from farm liability to community development methodologies. We learned of the financial limitations of Food Hubs and see volume increase and more specific work on product profit margins as keys to our next steps.
 - c. As we look into the future, we feel that we have the tools we need to make this project a success and the grounding we needed to launch a local food enterprise.
- ii. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving: n/a
- 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:
 - a. We spent a great deal of time 'planning to plan'. This means that before we started planning the enterprise, we first detailed the timeline of the planning process, specific benchmarks we hoped to achieve in planning and specific

methodologies we would use to facilitate the planning. This helped us stay focused throughout the process. It also facilitated clarity for potential community partners. We were able to explain to them exactly what we were exploring and the ways we were exploring. This allowed community members to assist us and ultimately join the project much easier.

- b. We also maintained a flexible attitude throughout the project. When we started we had no idea what the business would be and come up against many possibilities. We worked to explore each opportunity fully and ultimately based our final decision on a complex mix on identified community need, financial viability, available partnerships and potential social impacts.

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.
 - a. The work we created will be directly continued. The pilot project will stay in operation as it is now a community resource used by 32 community organizations and impacting the access of fresh, local food for thousands of community members. The community organizations include hospitals, schools, restaurants and small grocery stores throughout 3 census track food deserts and 5 counties in Wisconsin.
 - b. Ownership of the Food Hub is being transferred to Feeding America of Eastern Wisconsin. This will take our pilot project to the next level. The added infrastructure and mission alignment it provides is a natural fit for both the Food Hub and Feeding America. We plan to utilize Feeding America's focus on Solving Hunger to reduce the amount of waste in the local food system and redirect that waste to the people who need it most. We wish to establish social partnerships with farmers so we can accept local food donations and increase the purchasing power of our food pantry partners so they prioritize local food for the people they serve. We hope that a second market can be established for local food that reduces waste, increases farmer's profit, but also creates a market for affordable, yet imperfect food.
 - c. We will be looking for funding to support the implementation of this project starting immediately. We will be engaging our fundraising community to assist us in the project and relay the successes of the pilot and the potential of the Food Hub over time.
- 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?
 - a. We plan to implement our developed operating plan.
 - b. We plan to define new metrics for the Food Hub that relate specifically to that business as opposed to the planning grant. This will include: number of people that enjoy increased access to local food, number of people who report eating healthier due to this access, number of farmers that reach a living wage, number of farm-related jobs created, etc.
 - c. All of the social integrations, such as reducing food waste and creating a second market for local food, are yet to be implemented as ownership moves

to Feeding America in one month. After we have researched the organization, the systems and their desires for the project, we will add the social metrics accordingly.