

**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>	September 29, 2015 – September 29, 2017
Authorized Representative Name:	Robert Lee Cole
Authorized Representative Phone:	870-630-2005
Authorized Representative Email:	EAEC@SBCGLOBAL.NET
Recipient Organization Name:	East Arkansas Enterprise Community
Project Title as Stated on Grant Agreement:	Arkansas Delta Seeds of Change Food Hub
Grant Agreement Number: <i>(e.g. 14-LFPPX-XX-XXXX)</i>	15-LFPP-AR-0046
Year Grant was Awarded:	2015
Project City/State:	Forrest City, AR
Total Awarded Budget:	\$99,948.00

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.

- i. Goal/Objective 1: To expand a food hub in Forrest City, AR

- a. Progress Made: The original hub evolved out of needs expressed by local growers for help to market their locally grown products. The increased marketing led to an increased the demand by local consumers, grocery stores, schools and other institution for locally grown produce; therefore, we needed to increase the number of producers to grow the produce; as the volume to produce brought to the market increased, the need the hub grew. The food hub is used to aggregate the produce; minimally process the produce by sorting, cleaning, and packaging it according to the demand of the market; store the produce until it is delivered to the markets; and deliver the food to the market including direct sales to consumers, and schools and other institutions.

- The original hub was owned by a local bank. The bank had made the facility located in Forrest City, AR available to the East Arkansas Enterprise Community (EAEC) on a rent to own basis; however, due to an unanticipated demand for space by businesses in the area, the owner both denied the request for permission to modify the building and the bank wanted to modify the agreement and the terms were unacceptable to the EAEC; therefore, a decision was made to relocate to another building that was large enough to accommodate the need for additional space. Factors used to determine the new site were cost, size, physical condition, location and accessibility of the site, i.e. whether it was near exits from the highways traveled by a majority of the farmers to deliver produce to the hub and/or truckers who delivered produce to the markets.

- The new space that is located in Forrest City, AR has increased the capacity of the hub to the level that is needed to receive, process, and store the produce until it was delivered to the markets.

- The new site provides easy access to state Highway 1 and Interstate 40. A majority of the farmers use that state highway and I-40 the main east west route between the two largest markets sites (Memphis and Little Rock) in the region.

- The new site doubled the size of the hub, has ramps from which to load trucks, and required less financial input to make the needed structural changes than was originally anticipated and freed up an increased amount of resources to equip the hub.

- b. Impact on Community:

- The impact on the community was that farmers could increase their production of produce and increase the portion of their income that came from the sale of that produce. There was an increase in the amount of produce that could be sold to direct markets and delivered to markets. The increased demand enable the farmers to increase their financial livelihood. It improved access to fresh produce to food insecure individuals. Due to the increased market demands, space, and facilities in the new hub, we needed additional workers to staff the hub so that lead to increased seasonal and full-time jobs in the community.

- ii. Goal/Objective 2: To employ and train a food hub staff including a manager, marketer, and a value added processor.

- a. Progress Made:

This objective was based on the perceived need to train the staff in order for the hub to operate more effectively and for it to meet the increasing federal, state and local food safety demands. The hub had started small and evolved over time. Workers in the new hub are required to know how to operate equipment that is technologically advanced so workers need to know how to program and monitor the operation. The hub is a vendor for large companies so workers need to know how to respond to customer questions; operate a computer cash register; prepare invoices for produce that is brought to the hub to be aggregated and marketed; distributors needed to know how to create computerized delivery routes in cities that are larger and more complicated to traverse than those to which they are accustomed; and, staff needed to understand and comply with all requirements for food safety. Lessons and workshops in food safety were conducted for staff. Individual staff were trained by equipment salesperson and experienced users and retrained of given one-on-one technical assistance as the need arose or when deficiencies in staff performance were observed. The objective to train employees to perform the tasks needed to enable the hub to operate efficiently and effectively, and in compliance with all federal, state and local food safety regulations.

- b. Impact on Community:

The impact on the community was twofold: thirty (30) people gained employment either directly or indirectly from the hub. This greatly helped the local economy. In addition, 50 famers had increased opportunities for their products to be sold to provide income for them; and, food insecure individuals in the region gained increased access to nutritious locally grown food.

- iii. Goal/Objective 3: To develop the infrastructure and equip the hub to enhance capacity to support the local food system.

- a. Progress Made:

The original hub was equipped primarily with used equipment that had been purchased from the Arkansas State Surplus. The EAEC qualified to have access to such equipment because it is a 501 © (3) community based organization that is organized for public good. The equipment worked well initially; however, it had become costly to keep it in service. So in addition to the need for additional space, the hub new modern equipment to improve the efficiency and effectiveness of the hub. For example, fresh peas in the hull are brought to the hub. They have to be shelled. The new pea sheller is five times faster than the old one, and did not require a person to manually help to feed the peas into the machine. In addition, walk in coolers and freezers were added. The cooler enabled the staff to cool the peas to reduce spoilage before processing them. When the amount of produce on hand exceeded the demand, much of the produce could be frozen and sold directly to consumers when the produce was out of season. An infrastructure need was a ramp to roll heavy produce onto the trucks for delivery

rather than staff having to pick up, for example 100 forty-pound boxes of sweet potatoes. The work became less intensive.

In summary, the infrastructure changes and modern equipment helped to make the hub more modern and more pleasing to buyers who visited the hub. In addition, it made the work less arduous for staff, and, reduce waste by being able to both cool and freeze fresh produce.

b. Impact on Community:

Employees tended to have fewer injuries due to the use of equipment that lessened the need to lift and move heavy food containers manually. Employees complained less about their work load and tended to be less likely to leave the job than before the changes. This promoted increased job stability amount workers in the community. Also, the hub was able to keep and sell fully ripened produce that had been refrigerated to direct consumers at a reduced price. This enabled direct consumers who most often were local low income residents to buy an increased amount of produce with their SNAP cards.

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, 2015). Include further explanation if necessary.
 - i. Number of direct jobs created: five (5) jobs were created in the hub; and two (2) were created to transport food to markets
 - ii. Number of jobs retained: five (5) jobs were retained; however, they were less than full time during the winter months when crops were not in full production
 - iii. Number of indirect jobs created: 25
 - iv. Number of markets expanded: 5
 - v. Number of new markets established: 7
 - vi. Market sales increased by \$25,000 and increased by 45%.
 - vii. Number of farmers/producers that have benefited from the project: 50
 - a. Percent Increase: 15%
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?

The direct sales customer base was increased because we were able to sell product items directly to consumers at the food hub. A majority of these customers were low income African Americans and Hispanics. The Hispanic customers were new customers and knew about the hub because a few Hispanic farmers brought produce to the hub.

The produce that was sold to schools provided access to low income students and benefited low income families. The family income of students in the participating schools is such that 100% of all students receive food at no cost for the USDA child nutrition programs. Seventy-five percent of school children in the participating schools are minority.

4. Discuss your community partnerships.
 - i. Who are your community partners?

The community partners are local school districts, University of Arkansas at Pine Bluff agriculture and nutrition Extension staff; and USDA Natural Resource Conservation Service, Farm Service Agency and Rural Development agency county and state staff, and, Arkansas Department of Agriculture food safety staff.

- ii. How have they contributed to the overall results of the LFPP project?
They helped to train the employees, helped the hub get food safety certification, helped to acquire additional resources for the hub, helped to teach the farmers new production techniques, and, helped develop a business plan for the food hub.
- iii. How will they continue to contribute to your project's future activities, beyond the performance period of this LFPP grant?
The EAEC has worked with these agencies prior to getting the LFPP grant and these agencies want to see the food hub succeed. These agencies all provide outreach and technical assistance as part of their organizational mission; they are committed to the project; and, they do not require the EAEC or any community based organization such as the food hub to pay a fee for service.

5. Did you use 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?* No. We are on the program to present on this topic at the 2018 Annual Rural Life Conference at the University of Arkansas at Pine Bluff.

- i. If yes, how did you publicize the results?
- ii. To whom did you publicize the results?
- iii. How many stakeholders (i.e. people, entities) did you reach?

*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? No.

- i. If so, how did you collect the information?
- ii. What feedback was relayed (specific comments)?

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?

9. Lessons Learned:

- i. 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).

Several lessons were learned from this project. One of those lessons is that large school districts contract months in advance with vendors for produce and the deliver is required to deliver on time at the price contracted even if natural events such as unusual amounts of rainfall delayed the planting of crops. We learned to always have sources of food items even if the farmers were not participating in the food hub.

Another important lesson is that school districts tend to pay once per months, however, low income farmers want and need to be paid as soon as possible for the produce they bring to the food hub. The EAEC established a fund from which to pay the farmers no more than ten (10) business days and then get reimbursed when the school district pays the hub.

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

NA.

- 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: The food hub is a small business; therefore, it had to be operated as a business. Labor laws have to be followed; records of income and expenses need to be kept and used to file state and federal taxes. The hub is registered with the Office of the Arkansas Secretary of State and therefore, annual reports must be filed with that Office for the hub to maintain its business status as a registered cooperative.

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.

The EAEC will continue to provide technical assistance, outreach and program support for the food hub. Our experience is that individual farmers do not have the capacity to make their farms financially profitable without help. A comprehensive supply chain needs to be created to identify all of the services that are needed to grow and market food; and after that, individuals or organizations need to establish the businesses or tasks identified on the supply chain. The supply chain will identify entities such as food aggregators, food processors, transportation, marketing, and agriculture production supplies and equipment.

Many produce farmers are former row crop farmers who used lots of chemical fertilizers, pesticides and herbicides. They need to learn to use more organic substances. Organizations such as EAEC, Cooperative Extension Service, etc. need to provide continuing education, outreach and technical to help farmers grow food sustainably, follow food safety guidelines, use new crop production technology, and use farm equipment safely.

The EAEC has been the fiscal officer and lead entity among the agencies that helped to establish Arkansas Delta Seeds of Change since its inception. Arkansas Delta Seeds of Change (ADSOC) is a not-for profit entity that was formed six (6) years ago to create a sustainable food system in the Arkansas Delta. ADSOC was formed through a one year planning grant from Heifer International. Farmers and representative from the Arkansas Small Business Association, USDA agencies, not-for profit and for profit state and local organizations that had as part of their missions to help improve the economy, health, education and general welfare of people in this region since it is the most economically depressed in the State of Arkansas.

ADSOC's impact and the impact of this project have been on the economy by creating employment for 20 to 30 individuals who either work at the hub or on farms. This number is likely to increase as demand for locally and regionally grown fruit and vegetables increases.

This project helped to expand the capacity of the ADSOC Food Hub and that increase capacity has enabled a larger number of farmers to participate because the hub has the capacity to store, process and market more produce than in the past; the hub's increased capacity allows it to make direct sales to consumers in addition to sales to external markets. Through direct sales, the hub can increase the access to fresh fruits and vegetables to food insecure individuals and families.

The project is increasingly expanding opportunities for farmers. The average age of the participating farmers, a vast majority of whom are male, is well above the national and state average. That means that the project needs to work with USDA at the state and federal levels to increase the number of farmers in the region. This is an opportunity to recruit female, veteran and other beginning farmers to grow produce for the food system that ADSOC is working to establish.

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?

In this region farmers with less than 100 acres of land tend to be the farmers who grow produce or alternative crops to corn, rice, cotton and soybeans that are grown by corporate farmers with thousands of acres of land. These small farmers tend to work a full-time non-farm job and grow produce also to supplement their income. Fortunately, consumers benefit from their farm work but they need help to carry on both jobs.

Individual small farmers do not have the capacity to grow produce in the volumes that large school districts and commercial markets demand; therefore, they need to form business cooperatives to help them to grow, aggregate, store, market, and transport their produce to markets identified by marketers. Small farmers need help to organize business cooperatives so that they can share resources in order to make their farms more financially profitable.

EAEC and others need to provide outreach and technical assistance to help farmers in areas such as: sustainable crop production, food safety and farm safety, food aggregation, food processing