

**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](mailto: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.

<b>Report Date Range:</b> <i>(e.g. September 30, 20XX-September 29, 20XX)</i>	October 1, 2014-September 30, 2016
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<b>Recipient Organization Name:</b>	Rio Grande Community Development Corporation
<b>Project Title as Stated on Grant Agreement:</b>	In the Mix: Developing the Right Ingredients for the Espanola Food Hub
<b>Grant Agreement Number:</b> <i>(e.g. 14-LFPPX-XX-XXXX)</i>	14-LFPPX-NM-0122
<b>Year Grant was Awarded:</b>	2014
<b>Project City/State:</b>	Espanola, New Mexico
<b>Total Awarded Budget:</b>	100,000

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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: Roger Gonzales ; Email:

[Roger.Gonzales@sietedelnorte.org](mailto:Roger.Gonzales@sietedelnorte.org); Phone: [\(575\) 447-3846](tel:5754473846)

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: Increase outreach to new markets/entrepreneurs in Rio Arriba County

a. Progress Made: Interest and community involvement in the Espanola Food Hub (EFH) was substantial over the course of the grant period. We successfully engaged institutional markets, with food businesses serving local schools being the most notable success, employing half a dozen people and providing hundreds of meals every week. In addition, we have set a path for local hospital procurement from the EFH down the road. We have also engaged farmers and small food producers, previously going outside Rio Arriba for production and aggregation. Other new markets include the farming and production of Ostrich meat, a new product for our region. Due to unforeseen challenges with the NM Environmental Department, we shifted focus to kitchen and production services, rather than aggregation and have not been able to move as many small scale producers into the kitchen as we had hoped due to Health Department regulations and technical assistance barriers. The EFH continues to do outreach to new markets and businesses and is addressing barriers as it moves forward.

b. Impact on Community: Entrepreneurial group meetings reach 50-100 businesses every month. Online and print advertising of events and client outreach reached at least 4,000 people. Over 1,000 people were invited to events to learn about the opportunities of the NNMFH and over 50 potential clients have expressed interest in how this project will help with building their capacity to start a food business. Additionally, we are establishing new leads and potential partners on a weekly basis.

ii. Goal/Objective 2: Market the Food Hub to new/existing businesses

a. Progress Made: We have developed marketing materials and client information to address frequently asked questions and promote the EFH and facilities. In addition, we purchased

advertising at festivals and in print that reached over 75,000 people in Espanola and surrounding communities. We have also attended a variety of local events to speak about the opportunities available to entrepreneurs through the EFH. A ribbon cutting event with Governor Susana Martinez, also drew substantial earned media in statewide publications.

- b. Impact on Community: The EFH is currently producing school meals for 150 children everyday, as well as hosting cooking classes, and providing test kitchen facilities for developing products. In addition, EFH has identified over 50 potential food businesses interested in using the Espanola kitchen for seasonal or year round use and has moved half of these through the orientation process and about half of those are scheduling kitchen time.
  - iii. Goal/Objective 3: Develop and teach workshops to increase food business capacity
    - a. Progress Made: We developed workshops and materials for the EFH to help businesses at every stage of development. Idea Lab workshops allowed interested producers to better understand the advantages of shared facilities, as well as cost and their market advantage. Operational Workshops allowed businesses to work out the details of their product creation and plan, as well as navigate county and state regulations. In addition, we connected EFH staff to the statewide commercial kitchen network, allowing them to learn and to share best practices, and provide better assistance to clients while utilizing effective capacity building tools already created in New Mexico and specific to rural community development. We also created a series of bi-lingual presentations on areas including legal, product development, and wholesale/retail that were specific to food businesses. These were presented to classes of 50-70 people.
    - b. Impact on Community: Presentations and workshops were attended by over 500 interested businesses and community members. In addition, community relationships were established to help businesses access additional information more effectively.
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: 8 through Food Hub, Catering, production, and support services
  - ii. Number of jobs retained: 4 through support services
  - iii. Number of indirect jobs created: 3 through supporting facilities
  - iv. Number of markets expanded: 2
  - v. Number of new markets established: 2
  - vi. Market sales increased by \$215,291.65 and increased by 215,291%.
  - vii. Number of farmers/producers that have benefited from the project: 2

a. Percent Increase: 200%

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 EFH is currently serving dozens of minority and woman owned businesses through workshops and services. Most of these businesses are coming from regions in Rio Arriba County that are economically distressed and majority Mexican/Hispanic. Many are from immigrant populations and facing challenges growing their roadside businesses or in-home processing to reach new markets. In addition, The EFH is also preparing 150 healthy school lunches daily, many of these to low income children previously not able to access fresh food at school.

The EFH is also being included in a statewide institutional sourcing plan. This includes the potential for Presbyterian Healthcare Services as a new client for hub producers. This opportunity allows us to reach existing businesses, not previously engaged with the hub, as well as outreach to potential low income/low access populations who benefit from Presbyterian Health Services healthy eating programs.

We have started identifying interested clients from Santa Fe, Taos, and Los Alamos, as well as from the Espanola Valley. Tapping in to potential food businesses beyond Rio Arriba County will benefit the growth of the NNMFH network.

4. Discuss your community partnerships.

- i. Who are your community partners?

Our community partners are Rio Arriba County, Siete del Norte Community Development Corporation, the Small Business Development Center, Mixing Bowl Kitchen, City of Questa, Espanola Farmers Market, Taos Entrepreneurial Network, and the Valley Entrepreneurial Network. In addition, we have been working with the consortium of the Hispanic-American Institute and Prospera Partners.

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

Siete del Norte is the managing arm of the EFH and has lead community outreach and training, in partnership with Rio Arriba County. The SBDC has partnered on business start up and provides in-house services to new business clients. The Mixing Bowl has provided kitchen manager training, as well as Food Safety guidance. The City of Questa and the Espanola Farmers Market have been proactive in providing opportunities for manufacturing and retail sales for EFH food products.

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

All of these services and relationships are set to continue for the foreseeable future. The City of Questa is currently building processing facilities that will support EFH increase scale in the future. The consortium

of The Hispanic-American Institute and Prospera Partners has helped to tap into new institutional markets in Rio Arriba that will continue to grow the EFH, potentially provide private capital in local food production, and link EFH to larger distribution resources.

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

In 2016 provided a legal start up workshop and contracted a local attorney to provide legal advice to business. This was very successful and helped to establish the benefits of taking a small business from home to kitchen. Previously, in 2015 we contracted with the Mixing Bowl for kitchen operation experience. The EFH continues to maintain these relationships to engage business experts for future workshops, including food safety training, legal, marketing, and financial education.

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

- i. If yes, how did you publicize the results? We have publicized the programs and facility services through online and print marketing, as well as tabling at local festivals centered on local and food (Food and Farm Day, NM Fermentation Festival, etc.)
- ii. To whom did you publicize the results? Some of the stories and numbers have been shared with state policy makers/economic/community development and county economic development. We discussed the progress with Governor Martinez, as well as local officials before hosting an event at the EFH kitchen. Presentations were given at Northern New Mexico College. Information about EFH services have been shared with the general public.
- iii. How many stakeholders (i.e. people, entities) did you reach? We estimate we reached 400 people monthly by email. Delicious New Mexico has over 1,000 Facebook likes and regularly promoted workshops and classes, we also worked with print publications with over 70,000 readers. We estimate we have presented to approximately 500 individuals in person, as well as meeting with numerous community groups and leaders one on one, and were featured at events with over 3,000 in attendance.

\*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? We have had workshop participants fill out evaluations. We have also had ongoing conversations with local leadership.
- ii. What feedback was relayed (specific comments)? We have been told that the workshops were “valuable to all levels of business” and that attendees feel “they are better prepared to start a new business.” In

addition, local community leaders have told us that, “our participation and attendance at local events is appreciated and that people better understand our work and our commitment to the Espanola Valley” and that “Delicious New Mexico’s work in rural communities is essential to the development of new markets.”

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? No (see below)
  - a. If yes, how much was generated and how was it used to further the objectives of the award?
  - b. The project has invoiced for approximately \$32,000 of facility usage, but as this has not yet been received, there is no current income. This will be used to pay for staff and facility maintenance upon receipt.

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).
  - a. Public and business response to the idea of aggregation and production was overwhelmingly positive. In traditionally agricultural rural communities, these ideas are more about supporting neighbors than ideas.
  - b. Being physically present in rural communities is essential to on the ground success. This means attending community meetings and events that may seem outside the scope of the work, but that allow you to identify community leaders and gain positive word of mouth over time. Language barriers with Spanish-only speakers also made work difficult, so community outreach was needed to identify appropriate people to support our outreach.
  - c. Collaborations and partnerships between a variety of government, business, institutions, organizations, and individuals helps to get broad outreach and support. We found we were often navigating local politics to find advocates for the project at all levels and this was essential to creating community support. However, this also created challenges where individual personalities clashed. Having someone on staff capable of moderating between entities in conflict was essential.
  - d. The statewide commercial kitchen network was vital to success. The monthly calls and annual meetings helped to establish relationships among rural communities at a variety of stages of Food Hub development. Everyone had a chance to be a mentor and to learn based on their experiences. This network helped us

- identify the differences between rural and urban strategies for development.
- e. We successfully established connections between groups and interested parties outside of our original area by focusing on the social and community connection. By getting entrepreneur's involved in their community, they were more likely to be open to new ideas and services. In a rural community, this meant a shift from in home, or "cottage" food production to shared commercial facilities.
  - f. Replicating other models in our state was ultimately unsuccessful. The needs of rural communities and the food businesses that they develop are unique to the region. We found we could not rely on pricing or small business production models of surrounding communities. Instead, the EFH has to be flexible to demand and needs institutional clients and already scaled producers to ensure ongoing success.
  - g. Initially we had sought to create a large online database for the EFH. While this has been created in part, it proved challenging due to online access and the need for more personal outreach and explanation. Often phone calls and in person meetings were more effective ways to recruit. Getting people to fill out online forms or submit information via email was often difficult and open house strategies earlier on would have been wise.
  - h. The lack of entrepreneurial capacity was a larger challenge than we anticipated. Many people needed basic business knowledge and industry information. We were able to work with Northern New Mexico Community College and the Small Business Development Center, but these relationships were often about educating partners or those interested in starting a business so they could talk about food production in basic terms instead of talking to entrepreneurs interested in scaling up, as we initially thought.
- ii. If goals or outcome measures were not achieved, identify and share the lessons learned to help others expedite problem-solving:
- a. We had difficulty recruiting start-up small food businesses in a rural are because we found so many people were running food products at small scale (friends and family) and were not ready to make the jump to legitimate businesses with additional facility costs. The idea of taking more financial risk for future gain was a hard sell for micro scale food businesses.
  - b. We found that import replacement within institutional services was easier to create businesses as they was already established customers, with no local market. Espanola has used the kitchen to develop the first private/locally owned school meal businesses. This did not exist in any of the public or charter schools. It is now serving 2 charter schools, one private care facility, and has potential to grow. Mid-scale businesses provide better options for initial start-

up, as they have less learning curve and quicker income than small retail food businesses or farms who do not want to pay for additional facilities.

- 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. Be very specific with your partners about timeline and expected work outcome, as well as clear job descriptions and support services needed. It is important that you share deadlines and goals in advance, as some partners may have other projects at a higher priority. Project transparency and action items was important to communication and this took longer than expected.
  - b. When working in a community without widespread internet use, establish data tracking methods and goals and establish a regular routine or dedicated staff member to maintain these records, as you will not be able to acquire this information solely from prospective clients. We realized early that JotForm was not the best method to retain information unless it was used by all parties and eventually shifted to google documents so that info could be loaded into a variety of different partner tracking programs.

#### 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.

Over the last two years, we have started to establish the Northern New Mexico Food Hub (NNMFB) in Espanola. The Commercial kitchen facility, called the Food Venture Center, is only the first of many offerings. An adjacent property, known as the Hunter Building is under development to provide a place for aggregation, retail and wholesale food sales, as well as a community art space. In addition, a food production facility in Questa, New Mexico and a kitchen in Taos, New Mexico will also join the NNMFB Network, helping to connect surrounding rural communities and provide a variety of services to increase production, sales, and distribution of local food.

In addition, the Espanola Food Hub will be participating in a statewide local procurement plan for hospital procurement of local food. An LFPP was submitted in 2016 and was not approved, but will be resubmitted in 2017. The Food Hub in Espanola will continue to be a aggregation place for Northern New Mexican agriculture and processing.

- 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?

An identified gap in the New Mexico local food system is wholesale and minimal processing. Because we are such a large state, extending the shelf-life of locally grown food will allow us to explore larger markets. In addition, there has been a lot of focus on fresh food and retail product creation, but as we found, there is a larger market for wholesale and food service products.

Next steps will be to identify ways that we can aggregate and process raw commodity that grows in abundance, while maintaining nutritional content. Products like applesauce, pureed squash or tomato, etc. would allow for off season sales of local food and establish new communities of food producers. As a point of aggregation and with kitchen facilities, the Espanola Food Hub could serve as an important part of this model.