Photos courtesy of Cindy Torres and Julianne Drake.

# ADVANCING FOOD SYSTEMS ISSUES IN COLORADO: ENHANCING DIRECT MARKET TECHNICAL ASSISTANCE

In order to grow the state's economy and support access to healthy foods for all Coloradans, the Colorado Food Systems Advisory Council recommends the expansion of direct market technical assistance for all Colorado producers. Such technical assistance should focus on: clarifying farm to plate food safety regulations; supporting food and farming business development and management; and, increasing direct market access for producers of all sizes.

## I. INTRODUCTION

Like many professions, the majority of America's farmers and ranchers benefit from USDA and Land-Grant University (LGU) programs – whether loans and grants, direct payment subsidies, crop insurance programs, professional associations, research on new farming practices, or technical training to increase yield and profit. Technical training and assistance is especially critical for small, beginning, fruit and vegetable and direct market farmers who face unique challenges to entering new markets and accessing traditional USDA programs. Technical and financial assistance programs that have shown to increase entry into agricultural enterprises include business development and management courses, training in accessing credit and loans, education about and connection to viable markets (e.g., schools, restaurants), and training on safe food handling practices.

Such training and technical assistance is vital for direct market agriculture – the sale of Colorado grown or raised products directly to consumers and institutions that engage Colorado's food and agriculture system. Through two years of listening sessions and site visits across the state<sup>1</sup>, the Colorado Food Systems Advisory Council (COFSAC) has identified the growth of direct market agriculture as a critical means to:

- Increase resident's awareness and knowledge of Colorado agriculture;
- Expand entry into a rapidly growing sector (local food sales);
- Prepare producers to meet strong consumer driven nutritional standards and sell to institutions such as schools and restaurants; and



Photo courtesy of Cindy Torres.

• Bring more fresh, healthy foods through farmers markets and partnerships with food banks into urban and rural areas with poor food access and high food prices.

Specific technical assistance needs identified by COFSAC include clarity of farm to plate food safety regulations, food and farming business development and management, and direct market access for producers of all sizes<sup>2</sup>.

<sup>&</sup>lt;sup>1</sup>Listening sessions, summits, state tours, and other information-gathering activities of the COFSAC are detailed in its annual reports, www.cofoodsystemscouncil.org > About COFSAC > Event Summaries & Reports.

<sup>&</sup>lt;sup>2</sup>Colorado Food Systems Advisory Council Summary of Economic Development Listening Sessions, www.cofoodsystemscouncil.org/economic-development-listening-sessions-summary-2012.html.



# THE GROWTH IN DIRECT MARKET AGRICULTURE



Based upon its two years of learning and analysis, the COFSAC recommended in its January 2013 report to the General Assembly an increase investment in technical assistance to support direct market agriculture in Colorado with a focus on business development for food and farming organizations and food safety best practices.<sup>3</sup> Supportive findings include:

ALL ACROSS THE COUNTRY, DIRECT MARKETS ARE GROWING:

There was a 10% increase in farmers markets identified by the USDA nationwide from 2011 to 2012.<sup>4</sup>



DIRECT MARKET
AGRICULTURE IS
INCREASINGLY
CONTRIBUTING TO
COLORADO'S
ECONOMY:



## +30%

#### direct market sales

A CSU study found that Colorado saw 30% direct market sales growth between 2002 and 2007, and Colorado reported relatively high direct market revenues per farm compared to most other Western states.<sup>5</sup>

## 2x national

### direct market sales

Sales growth in direct marketing in the Rocky Mt Region is almost twice the national average and is outpacing the growth of all farm revenues by a factor of five.<sup>6</sup>

# +30%

#### farm to school

There are an increasing number of farm to school contracts each year. A CSU study found that new farm to school linkages could mean up to 30% more indirect economic activity (even if new local sales are simply offsetting the same \$ in sales from national distributors).<sup>7</sup>

# \$2.2 billion

#### tourism driven activity

A 2006 CSU study found that \$2.2 billion of the state's tourism activity is likely driven by experiences tied to agriculture, and food-based activities were a key interest of travelers.<sup>8</sup>

<sup>&</sup>lt;sup>3</sup>Colorado Food Systems Advisory Council Annual Report, January 31st 2013, www.cofoodsystemscouncil.org/january-31-2013.html

<sup>&</sup>lt;sup>4</sup>USDA Agriculture Marketing Service Farmers Markets and Local Food Marketing. 2013. National Count of Farmers Market Directory Listing Graph: 1994-2013.

<sup>&</sup>lt;sup>5</sup>Thilmany et al. 2012. Farmers Markets and Direct Marketing in the Western US: Market Trends and Linkages with Food System Issues. www.waeaon-line.org/UserFiles/file/WEFFall2012v11n2.pdf

<sup>&</sup>lt;sup>6</sup>USDA Agriculture Marketing Service Report from 2013 Food Distribution Research Society Meeting

<sup>&</sup>lt;sup>7</sup>Gunter Å, and Thilmany D, Economic implications of farm to school for a rural Colorado community wrdc.usu.edu/files/publications/publication/pub\_\_\_9857945.pdf

<sup>&</sup>lt;sup>8</sup>Thilmany D. and Sullins M. and Ansteth A. 2006. The 2006 Economic Contribution of Agriroutism to Colorado: Estimates from a Survey of Colorado Tourists. http://webdoc.agsci.colostate.edu/DARE/EDR/EDR07-24.pdf.

## II. DIRECT MARKET TECHNICAL ASSISTANCE TODAY

Currently, Colorado State University Extension (CSUE) provides the most extensive technical assistance for direct market agriculture throughout the state, literally reaching in to each of the 64 counties in Colorado. CSU Extension Agents work in many areas that support the nexus of Colorado agriculture and healthy food access, including training and technical assistance in: urban agriculture; farm to table food safety; nutrition and healthful cooking education (with targeted programs for low income consumers); small acreage management for farmers; the Colorado Building Farmers program for new, intermediate, and

experienced farmers (including Building Urban Farmers); farmers markets price tracking; business development training; and templates and guidance for financing agriculture operations.

The availability of CSUE services and programs can vary significantly county to county, however. For example, the Colorado Building Farmers program has been shown to help increase entry into (and sustain profitable participation in) farming, but the program is currently only offered in six regions, and that growth has mostly been supported by grant funds and the commitment of overly-extended county and regional agents.



Photo courtesy of Rita Kleve.

Presently, CSUE is financially supported by federal, state and county governments. Severe state budget cuts for higher education have caused CSUE to lose 17 FTEs and most of its operational funds. The recent federal sequester has caused further fiscal contraction. Consequently, CSUE's capacity to address this critical area is limited to nonexistent. This fiscal reality makes it difficult for CSUE agents to adjust their priorities (work plans). There is interest in bringing the Colorado Building Farmers program to 2-3 new areas, and maintaining it in the Denver area, but the human resources needed, such as those provided by CSUE, to lead such programs are limited.

The rapid emergence across the country of consumer concerns for health and wellness, urban and suburban agriculture, and civic-oriented agriculture models demonstrate a real need and opportunity for CSUE to bring their resources to community gardens, small animal husbandry, food safety plans,

## **COLORADO STORIES**



Jason Griffith is the co-owner of Aspen Moon Farms, a 26-acre biodynamic vegetable farm in Hygiene, Colorado. Jason and his wife managed a landscaping business to support their farm in its nascent years, but they were always looking for ways to grow so they could farm exclusively. The magic key was a course taught by Adrian Card of the Boulder County Extension Office, "Colorado Building Farmers". This course gave Jason and his wife Erin the tools they needed to develop a comprehensive business plan, which enabled them to receive a number of FSA loans and a grant from the NRCS. Jason acknowledges that without the Colorado Building Farmers course, he would not have been able to write the kind of plan he needed to qualify for an FSA loan. The FSA loans and NRCS grant allowed Jason to expand his farm by 9 acres, helping to generate additional income that he used to pay off equipment purchases, representing a gigantic step forward for making the farm financially sustainable. A full case study on Aspen Moon Farm can be found here: http://www.rmfu.org/pdfs/FoodFunding.PDF.

entrepreneurial agricultural marketing, Farm to School, and school gardens. However, most existing training materials need to be modified for new situations and audiences, and such efforts are not currently included in agents' work plans or programming.

CSUE also has been a consistent partner in programming with the Colorado Department of Agriculture (CDA), Rocky Mountain Farmers Union, and the Colorado Farm Bureau, but as the complexity of food systems issues increases, there are more partners that seek CSU's research and expertise in programming. This is demonstrated by the recent legislatively mandated addition of CSUE as a member of this very Council. Other natural partners include the Colorado Department of Public Health, LiveWell Colorado, the Colorado Farmers Market Association and the Farm to School Task Force.

## III. ROLE OF STATE GOVERNMENT

The State of Colorado, through its higher education budget, continues to play a significant role in funding the CSUE network, providing 31% of CSUE's budget in FY2012. CSUE is a 100+ year old state agency that works closely with CDA and Colorado's agriculture and food organizations. CDA and CSU provide a public platform for bringing appropriate information and resources to state and local initiatives.

Concurrently, with the increasing interest in local food systems and direct market agriculture, a significant number of state working groups and task forces have emerged to convene diverse stakeholders. The Farmers Market Working Group, Farm to School Task Force, and this Council have all emerged in the past four years, to name a few.

While the Colorado Department of Agriculture has played a significant role in managing, staffing and participating in each of these new groups, CSUE has not been able to dedicate similar staffing without grant support. While the need for CDA's participation is clear, they and other agriculture institutions receive consistent requests to provide assistance that stretch them beyond their existing capacity.



Photo courtesy of Cindy Torres.

States can also be proactive in ensuring that federal dollars for food systems work are maximized.. States that have made a commitment to their food systems research institutions and corresponding technical assistance, such as Michigan State University's Center for Regional Food Systems and Iowa State University's Leopold Center for Sustainable Agriculture, secure a greater number of USDA grants in support of direct market agriculture and healthy food access. At least five land-grant universities in the country advertised new faculty and/or professional positions focused on food systems in the past year. Such advances demonstrate the great deal of value that can be created with relatively low investment when the state takes an active role.

CSU consistently receives requests to provide leadership and technical assistance on grants that would allow farmers, food businesses, and communities to bring more USDA research, business development and training to the state. However, the food systems focus at CSU remains a loosely-formed set of faculty and regional agents with no committed resources and very limited staff time, even though the success rate on grants written in this arena is very high (70% or higher). CSU's ongoing fiscal crisis that has caused underfunding of historic priorities and has made reallocation of existing funds to emerging demands difficult.

## IV. OPPORTUNITIES FOR COLORADO

CSUE has a demonstrated ability to convene local and regional conversations and to bring significant technical assistance to all of these initiatives. With the significantly increased demand for and expansion of regional CSUE duties and capacities around direct market agriculture, there is a need to maintain strong on-campus coordination of these initiatives across the state. Additionally, specific actions that could help expand, and maintain, entry into direct market agriculture in Colorado include the following:

- Vegetable Crop CSUE state-level position to complement the Research-Teaching position supported by the state's Specialty Crop Grant, and support burgeoning numbers in the organic minor and Masters of Agriculture program focused on sustainable agriculture. Through such a position, Colorado has an opportunity to better connect state-based projects to successful national research, outreach and education projects and funding sources. Audiences served include beginning farmers, urban farmers, organic farmers, and vegetable farmers.
- FTE position within CSUE to provide on-farm food safety training and outreach programming across the state. Many retail and restaurant industry partners have identified producers' lack of capacity to understand, develop and correctly implement a food safety plan as a significant barrier to accessing more markets.
- Expansion of the Colorado Building Farmers Program to additional regions and potential extension of the current 8-week short-course through CSU OnlinePlus (currently offered through the Office of Engagement along with CSUE). This could also support increased enrollment in the BS of Agribusiness or Horticulture programs for those students with intentions to continue their education.
- Support for on-going business development services that could include the development and dissemination of training materials regarding cottage foods for producers and farmers market managers, such as those being created by CSUE. This complements and could also expand current efforts around business management support for food processing enterprises, but sustainable funding is needed.
- State-wide inventory of existing assets and infrastructure that support or could support production, processing, and sales of Colorado-grown products.

The COFSAC is a legislatively-mandated, volunteer-based, 15-member body of state agencies and diverse food systems stakeholders. The COFSAC charge is "to advance recommendations that strengthen healthy food access for all Coloradans through Colorado agriculture and local food systems and economies". The COFSAC is the state conduit for hearing, reviewing, and advancing critical food systems issues in which state government does or could play a role. LiveWell Colorado supports staffing and legislative and community outreach for the COFSAC.

### **COFSAC MEMBERS**

#### JANE BRAND, DIRECTOR

Office of School Nutrition, Colorado Department of Education

# RON CARLETON, DEPUTY COMMISSIONER

Colorado Department of Agriculture

# MARY LOU CHAPMAN, PRESIDENT & CEO, Rocky Mountain Food

Industry Association

TRUDY KAREUS, DIRECTOR

USDA Rural Development

# JILL LITT, ASSOCIATE PROFESSOR

Department of Environmental Health, Colorado School of Public

BARBARA MARTY, PRODUCER

## PATRICIA DANILUK, NUTRITION SERVICES AND WIC DIRECTOR

Colorado Department of Public Health & Environment

#### STEVE ELA, PARTNER & MANAGER

Ela Family Farms and Silver Spruce Orchards LLC

# KAREN FALBO, NUTRITION PROGRAM MANAGER

Natural Grocers by Vitamin Cottage

#### PAT KENDALL, PROFESSOR EMERITUS, FOOD SCIENCE AND HUMAN NUTRITION

Colorado State University

#### JULIE KERKSICK, DIRECTOR

Office of Economic Security, Colorado Department of Human Services

LINDA YODER, PRODUCER

#### SUMMER GATHERCOLE, COLORADO STATE DIRECTOR

Share Our Strength

LOUIS SWANSON, VICE PRESIDENT FOR ENGAGEMENT AND DIRECTOR OF COLORADO STATE UNIVERSITY EXTENSION

Photo courtesy of Cindy Torres.

## FOR MORE INFORMATION:

Ron Carleton, COFSAC Chair & Deputy Commissioner of Agriculture 303-239-4100 ron.carleton@state.co.us Wendy Peters Moschetti, COFSAC Staff 303-819-2846 wendy@wpmconsulting.net

