Governing lowa's public universities and special schools

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Mark J. Braun, Executive Director

September 3, 2019

Mr. Charlie Smithson Secretary of the Senate State Capitol Building Des Moines IA 50319 Ms. Carmine Boal Chief Clerk of the House State Capitol Building Des Moines IA 50319 Glen Dickinson, Director Legislative Services Agency State Capitol Building Des Moines IA 50319

Re: Local Food and Farm Program Annual Report

Dear Members of the Iowa General Assembly:

Pursuant to Iowa Code 267A.7 attached is the 2019 report of the Local Food and Farm Program covering its activities from July 1, 2018 through June 30, 2019.

If you have any questions or need more information, please don't hesitate to contact this office.

J. Braun

\Box Sync\Board of Regents Shared\BF\Legislative\2019 session\Reports\

Attachments cc: Robin Madison Legislative Liaisons Legislative Log

Iowa Local Food and Farm Plan

2019 Annual Report to the Iowa Legislature

We're pleased to share with you the 2019 report of the Local Food and Farm Program to the Iowa Legislature, covering its activities from July 1, 2018, through June 30, 2019.

This program was established in August 2011 as part of the Iowa Local Food and Farm Initiative (SF-509). It was created to empower farmers and food entrepreneurs to provide for strong local food economies that promote self-sufficiency and job growth in the agricultural sector and allied sectors of the economy. The goals of this program are to:

- Promote the expansion of the production of local foods, including the production, processing, distribution, and marketing of Iowa products.
- Increase consumer and institutional spending on Iowa-produced and marketed foods.
- Increase the profitability of farmers and businesses engaged in enterprises related to producing, processing, distributing, and marketing local food.
- Increase the number of jobs in this state's farm and business economies associated with producing, processing, distributing, and marketing local food.

The program is a collaborative effort among the Iowa Department of Agriculture and Land Stewardship, Iowa State University Extension and Outreach, and the Iowa State University College of Agriculture and Life Sciences.

We welcome inquiries and suggestions about our work. Contact us at (515) 294-3086.

Local food sales continue to rise

USDA research shows that sales of edible farm products nationwide grew from \$404 million annually in 1992 to \$1.3 billion per year by 2012.

This 223 percent increase over 20 years far outpaces the rate of growth in the commodity ag sector. Another survey showed that a majority of consumers across the income spectrum are willing to pay a premium for local food.

The rising demand for locally grown foods can strengthen our rural economy. Local and regional food production tends to support new and beginning farmers, with lower entry and operating costs. It can also provide an alternative or diversified market for existing commodity farmers.

On average, farmers retain only 17.2 cents of each dollar spent on food by consumers in the US, while fresh fruit and vegetable growers retain about 25 and 38 cents, respectively, for every dollar spent on these items at retail (USDA Economic Research Service).

Research also shows that farms selling direct-toconsumer have a higher survival rate than other farms—up to 10 percent higher in some cases.

Other studies suggest that local food production may create jobs and stimulate local economies at a higher rate than non-local production. USDA data suggest that farms selling locally tend to pay higher wages than conventional operations. That's good news for the businesses where those wage dollars will be spent.

Meanwhile, the farm to school movement is flourishing in Iowa, adding momentum to the sector's growth.

Opportunities for lowans

A 2017 USDA survey found that 4,068 Iowa farms sold local food in 2015 (through all marketing channels), with aggregate sales of more than \$194 million. This means about 5 percent of all Iowa farms are engaged in local food production.

Many farmers growing local foods are new or beginning; more than half (59 percent) of respondents in the 2015 *Iowa Commercial Horticulture Survey for Food Crops* have been growing fruits or vegetables for 10 years or fewer (although some of them have been growing commodity crops for longer).

The Iowa Legislature has invested in this growing sector of the state's agricultural economy annually since 2011 with its Local Food and Farm Initiative. Iowa State University Extension and Outreach Farm, Food and Enterprise Development Program carries out the provisions of this initiative with continued legislative support.

Local food production in Iowa provides:

- opportunities for beginning farmers to start farming with lower capital investment (smaller equipment and fewer acres are needed),
- opportunities for diversified farms that improve Iowa's food security and resilience,
- new markets for existing farmers, and
- opportunities for children and adults to connect to their food sources, and to develop healthy eating habits.

Investing in the future

All indications are that the local and regional foods sector of Iowa's economy will continue to grow, driven by consumer demand that has continued a steady rise for more than 20 years.

To support this growth, Iowa's local food producers, aggregators, and processors need:

- up to date, research-based production, management, and marketing information,
- facilitated networking and learning opportunities, and
- one-on-one technical assistance.

As you will see in this year's report, the Farm, Food and Enterprise Development (FFED) Program of Iowa State University Extension and Outreach is uniquely positioned to provide continued leadership and support in each of these areas. FFED was formed in 2018 with the merger of the Local Foods and Value Added Agriculture programs. Sign up for our monthly e-newsletter at www.extension.iastate.edu/ffed.



Students in Brooklyn, Iowa, participated in the Farm to Summer campaign.

Farm to school activities boom in lowa

Iowa's school districts continue to embrace the principles of farm to school, including the establishment of school gardens, nutrition curriculum, and incorporating more locally grown food into their meal programs.

More than 150 schools participated in Iowa Local Food Day on October 11, 2018. They served 170,000 meals sourced from local Iowa producers! All of these schools said they are interested in increasing local purchases in the future. Eighty percent of the schools used a food hub to obtain local products, and 60% of these had never used a food hub before.

The economic impact of this activity is significant. The 438 Iowa schools surveyed in the most recent US Farm to School Census purchased more than \$3.8 million in locally grown food in 2015.

We supported farm to school activities in Iowa over the past year in these ways:

Farm to Summer campaign: The Iowa Department of Education's summer meal program provides nutritious food to youth in low-income areas statewide. In 2018, FFED's farm to school staff worked with 15 of the participating schools that committed to purchasing some of their food from local grocery stores, farmers markets, and/or school and community gardens. The campaign provided promotional materials and assistance in sourcing local foods. The 2018 campaign focused on "Root for Radishes!"

Iowa Farm to School Conference: Our staff supported the second Iowa Farm to School Conference, held at Central College in Pella, June 21-22, 2019. It was coordinated by the Iowa Farm to School Coalition, a collaboration of partners representing several agencies and organizations.

The event began with an all-day conference on Friday, June 21, which included a morning welcome from

Iowa Secretary of Agriculture Mike Naig, a keynote address by Food and Wellness Director at DC Bilingual Public Charter School Lola Bloom, 14 workshop sessions, and a goal-setting activity facilitated by national partners. An evening social followed, with networking opportunities and a short program.

On Saturday, June 22, attendees gathered for a farmto-table breakfast and attended one of two intensive courses related to outdoor garden education and culinary skills for the cafeteria.



lowa secretary of agriculture Mike Naig welcomed attendees at the 2019 lowa Farm to School Conference in Pella.

Some highlights of the event:

- An estimated 120 people attended the first day of the conference, and more than half stayed for the second day.
- Of the 14 workshops, 4 were co-led by youth, ranging from third grade to high school.
- Evaluations showed that all aspects of the conference received high ratings and that all attendees intend to implement what they learned.

Farm to School Coalition: This statewide coalition includes 11 representatives from state agencies, ISU extension, and nonprofits. The group meets monthly to connect, collaborate, and support statewide initiatives that bolster Iowa's farm to school movement.

The coalition embraces the National Farm to School Network vision: "We envision a nation in which farm to school programs are an essential component of strong and just local and regional food systems, ensuring the health of all children and youth, farms, environment, economy, and communities."

Learn more about our support of Iowa's farm to school activities at

www.extension.iastate.edu/ffed/f2s.

Supporting farmer profitability

Helping farmers understand marketing costs when creating enterprise budgets

With funding from the state of Iowa through the LFFI and the USDA Agricultural Marketing Resource Center, FFED staff members are conducting economic research with the end goal of informing farmers' production and marketing decisions. Many fruit and vegetable farmers do not include marketing costs when analyzing farm profitability. Therefore, there are misconceptions about which markets are more profitable.

For example, farmers receive a higher premium for their produce in direct-to-consumer markets like farmers markets and community-supported agriculture (CSA) models and receipts for wholesale or retail markets are less per unit. However, the direct-toconsumer markets require much more labor and other resources. By analyzing the differences in marketing costs between outlets, a farmer can better understand farm profitability and choose market outlets accordingly.

An enterprise budget is an estimate of the costs and returns required to produce a product (enterprise). An Iowa corn and soybean producer should be interested in developing both a corn and soybean enterprise budget. Vegetable growers who produce 35 to 40 different products would develop budgets on each of their key crops.

In economic terms, enterprise budgets help to allocate limited amounts of land, labor, and capital to the most appropriate use. This use is defined by the person in control of the resources—in this case, the producer. Goals may vary from maximizing profit to minimizing soil loss, among others.

This research entails working with six farmers to develop enterprise budgets per market outlet, comparing the annual revenue of direct-to-consumer outlets to wholesale and retail outlets. Each farm represents a typical small fruit and vegetable farm in Iowa. The enterprises and associated market outlets chosen or the project range from a greenhouse growing basil and butterhead lettuce for sale to grocery stores, to a high tunnel growing mixed greens and green beans marketed to an assisted living facility and a CSA.

Developing a record-keeping tool for vegetable and fruit farmers

Our team is collaborating with the College of Agriculture and Life Sciences on the development of Ag Plan to Profit (AgP2P), a mobile device application that provides farmers the simplest, fastest, and most affordable way to keep detailed financial and inventory records from direct sales, and generates tailored reports for making timely production, marketing, and tax management decisions.

AgP2P allows farmers conducting direct sales and channel sales to keep track of their revenue streams, inventories, prices, cash flow, and number of transactions, by sales channel, product, location, date, and seller.

With a few clicks, users can create detailed tailored reports to inform actionable plans to optimize production, marketing, and tax management strategies for their farm businesses. A full suite of dynamic report templates is available to all AgP2P customers.

AgP2P has two major advantages over its competitors that makes it the preferred service provider for farmers making direct sales.

Another large-scale benefit of AgP2P is that the anonymous sales data collected by this app will be used to inform crop insurance products. The FFED



Program team and the ISU Economics Department are working with the USDA Farm Service Agency and Farm Credit Service to accomplish this much-needed goal.

The app is currently in beta-testing and is expected to be released for a small fee in 2020. Visit www.agp2p.app to learn more.

Farmer Scott Wilber of Boone is a beta-tester for the Ag Plan to Profit app.

Building capacity for local food coordinators

The Community Food Systems (CFS) program is a multi-phased, multi-year program housed within the Farm, Food and Enterprise Development and Community and Economic Development programs of ISU Extension and Outreach.

This program partners with communities to develop and design their local and regional food systems. Since 2014, the CFS team has created a transferable process that partners with communities to develop and design their local and regional food systems. The process is devoted to long-term community empowerment and lasting impacts. We have worked with eight communities in Iowa, and have helped them implement more than 30 projects. These projects have ranged from new business development to edible landscapes, awareness campaigns, urban orchards, and many more.



The Community Food Systems team worked with a coalition in Cass County for more than 18 months on a comprehensive food systems assessment and plan. One of the coalition's five priority projects was to plan and design ways to incorporate edible landscape and natural play areas into existing city parks.

In 2017, CFS received a grant from the Agricultural Marketing Resource Center to develop and pilot two national certification programs: Local Food Leader certification, and Community Food Systems certification.

"Local Food Leader addresses foundational knowledge in what is involved in the food system, for beginning practitioners and engagement in food systems, while Community Food Systems provides more advanced skills and tools for promoting collective decision making, action items, and implementation for food systems development," said Courtney Long, who coordinates the Community Food Systems program for FFED. "Our goal is to provide practitioners with core skills to develop capacity for place-based food systems development, which relate to needed competencies identified from various research groups such as the North American Food Systems Network."

Participants can take just the workshop or continue their training through a set of online modules to become certified. Once certified, participants can become a trainer or host for the program, and teach the workshop in their own communities.

Both programs have been piloted in Iowa and offered in five additional states over the past year. Jodi Huegerich, local food coordinator for seven counties in east central Iowa, has taken the training to become a certified Local Food Leader.

"Everything I'm learning [through the training] reinforces what I'm doing and why," she said, "But I'm



Food systems practitioners gathered at ISU's Memorial Union for a Community Food Systems certification workshop in December 2018.

also constantly learning from the other people in the room."

Marie Boyd is executive director of Healthy Harvest of North Iowa. This non-profit connects producers, customers, communities, and regional partners around local foods in their region. Marie also has become a certified Local Food Leader through ISU's Community Food Systems program.

"There's not a huge opportunity for education specifically around local food systems," she said. "This is a program that's so affordable, it's very much at your own pace, and it's easy to do. It's a really great opportunity for folks to get this certificate."

To learn more, visit www.extension.iastate.edu/ffed/cfs.

New name, same commitment to small farms, food systems, and local businesses

You may notice two differences in this year's report, compared to prior years. First, we focused this year specifically on projects funded with the legislative appropriation for the Local Food and Farm Initiative, rather than on related and broader activities of our program.

Secondly, the program responsible for carrying out LFFI activities at Iowa State University is now known as the Farm, Food and Enterprise Development Program, rather than the Local Foods Program. Beginning in January 2019, Local Foods and Value Added Agriculture merged under the direction of program manager Craig Chase (right).

Our revised mission: to support value-added agriculture enterprises, businesses, and regional food systems through research, education, and community engagement.



"Focusing on small farms, food

systems, and enterprise development should allow us to develop stronger educational programs and collaborative partnerships," said Dr. Chase. "Our goal remains improving the quality of life for all Iowans and the promotion of healthy communities, people, and environments."

Follow our activities at www.extension.iastate.edu/ffed.

IOWA STATE UNIVERSITY Extension and Outreach Farm, Food and Enterprise Development Program

Advisory council

A local food and farm program council was established by the LFFI's legislation to "advise the local food and farm program coordinator carrying out the purpose and goals of the [Initiative]." The council consists of six members representing different partners within Iowa's local food system.

The group has been meeting once or more per year since January 2012.

Current members include:

- Maury Wills, Iowa Department of Agriculture and Land Stewardship
- Aaron Lehman, Iowa Farmers Union
- Jason Grimm, Iowa League of RC&Ds of the Natural Resources Conservation Service
- Teresa Wiemerslage, Iowa State University Extension and Outreach and the Northeast Iowa Food and Farm Coalition
- Donna Brahms, Iowa Farmers Market Association
- Marcy Billings, Loffredo Fresh Produce

Written by Leigh Adcock, communication specialist with the Iowa State University Extension and Outreach Farm, Food and Enterprise Development Program.

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