



*A project of the
Rural-Urban Connections Strategy
(RUCS)*

SACRAMENTO REGION FOOD HUB FEASIBILITY ANALYSIS



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**RESEARCH ANALYSIS OF
FOOD HUB
TRENDS AND
CHARACTERISTICS**

August, 2014

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The Rural-Urban Connections Strategy (RUCS) is the region's rural economic and sustainable strategy complementary to the Blueprint, the region's overall growth strategy
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EXECUTIVE SUMMARY

The *Research Analysis of Food Hub Trends and Characteristics* is a component of the Sacramento Regional Agricultural Infrastructure Project which is developing new business tools and assessing models to facilitate increased sales and consumption of locally grown foods in the six-county Sacramento region. Currently, it is estimated that only two percent of regional food consumption is from local sources. The analysis focuses on food hubs, agricultural infrastructure facilities which help connect locally grown and source-identified fresh produce – specialty crops – to local markets and customers, especially by creating new market channels between smaller and medium-sized growers and larger institutional and business buyers.

This analysis provides market context for development of a Sacramento Valley Food Hub and information on existing fresh produce distribution assets, food system trends and innovations, and profiles of successful and emerging food hub models that might be of value for the region. Research shows that the food hub movement is growing rapidly across the county, with more than 300 hubs identified by the U.S. Department of Agriculture in 2014. Growth is driven by the increasing consumer demand for fresh, locally sourced and sustainably produced foods and the desire to strengthen local and regional food systems and economies. This trend is considered to be a permanent shift, as reflected in numerous studies and consumer surveys, and policy and procurement commitments by major institutions such as hospitals and schools. Some of the most recent are major policy directives by the California State University system and the University of California system.

The Sacramento region has strong, although unevenly distributed, direct market assets for fresh produce, including many farmers' markets, Community Supported Agriculture (CSA subscription food box programs), farm stands and agri-tourism destinations. There are also significant fresh produce aggregation and distribution facilities in the region, but a significant amount of this infrastructure is for large external-based markets, for crops such as nuts, rice and tomatoes. There is a major gap in getting more locally grown specialty crops into market channels across the region at the scale needed to supply schools, hospitals, the hospitality industry, grocery stores, government and other institutions on a reliable, consistent and cost-effective basis.

The current system for distributing and procuring fresh produce in the region is complicated, with many different types of vendors, distributors and purchasing agreements. The development of a marketing channel for locally grown produce must take into consideration the breadth of existing contracts and relationships, in order to find the right structures and best fill marketing niches and opportunities. One clearly emerging pathway is to focus on the development of a hub providing a market channel for locally sourced and identified foods that fits into existing supply networks and provides more streamlined access to the resource – fresh produce – that many distribution, wholesaler and food service companies are striving to provide to their customers. This is a trend that is beginning to emerge in California and across the country, and can involve partnerships beyond traditional market relationships.

This report summarizes the findings of major food hub studies including operating characteristics, financial performance, and impacts, and provides profiles of selected innovative for-profit and nonprofit hub models. They include food banks that are serving as major catalysts in transforming their regional food systems.

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RESEARCH ANALYSIS OF FOOD HUB TRENDS AND CHARACTERISTICS



I. INTRODUCTION

This research analysis on food hub trends and characteristics is a component of the **Sacramento Regional Agricultural Infrastructure Project** sponsored by the Sacramento Area Council of Governments (SACOG) through its Rural-Urban Connections Strategy (RUCS). SACOG is an association of local governments in the six county Sacramento region providing transportation planning and funding serving as a forum for regional issues, including linking land use, transportation and air quality (see map on the following page). The Blueprint, a signature SACOG project, is the region's long-term growth strategy. RUCS is the region's rural economic and environmental sustainability strategy complementary to the Blueprint.

Over the past several years, RUCS has identified the need for expanded regional "agricultural infrastructure" to strengthen the local and regional food system and the region's many rural communities. **Agricultural infrastructure commonly is defined to encompass aggregation, packing, processing, marketing and distribution capacity and facilities, including "food hubs."** Overall, agricultural infrastructure:

- Improves the efficiency and sustainability of the local food system;
- Increases access to healthy foods in underserved communities;
- Supports the viability of agriculture;
- Creates new jobs and economic opportunities; and,
- Helps preserve valuable farmlands.

SACOG obtained funding from the California Department of Food and Agriculture, the California Strategic Growth Council and the U.S. Department of Housing and Urban Development to assess the feasibility and costs of models for development of new agricultural infrastructure, focusing primarily on food hubs. Food hubs help connect locally produced and source-identified foods to local markets and customers, especially by creating new market channels between smaller and medium-sized growers and larger institutional and business buyers.

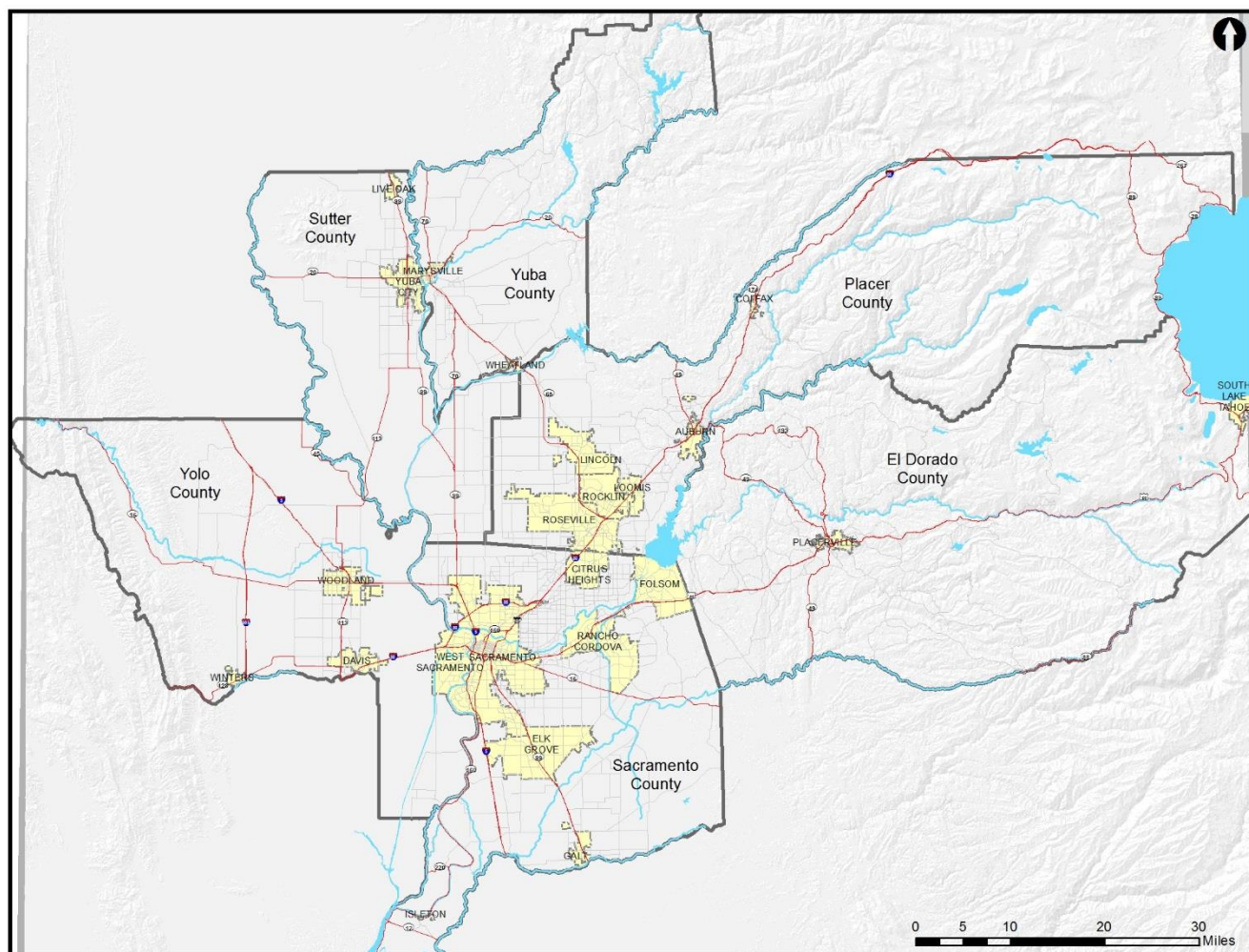
SACOG contracted with a consulting team (Project Team) led by Applied Development Economics, Inc., in partnership with Foodpro International, Inc., the Hatamiya Group, and DH Consulting, to assess the market and financial feasibility of development regional agricultural infrastructure. As part of the project, the Project Team

conducted research on trends in local and sustainably grown foods, trends in food hub operating characteristics and financial performance, and innovations in local and regional food systems that are rapidly gaining attention across the country and in California, including successful and promising examples of food hub business models. The findings contained in this report - *Research Analysis of Food Hub Trends and Characteristics* - provide market context for the development of financial feasibility analytic tools and a business plan for a Sacramento Valley Food Hub model. The analysis focuses on hub operations for specialty crops, defined by the U. S. Department of Agriculture (USDA) as fruits, tree nuts and vegetables.

The *Business Plan* and *User Manual* (for the financial feasibility tool kit) also draws upon other analyses prepared by the Project Team and SACOG: *Sacramento Valley Food Hub Cost Estimate Analysis* with capital and equipment costs for a hub facility; *Impediments to Supplying Locally Grown Food* which identifies barriers for both growers and food hubs in building the local food system; and *Food Banks and Food Hub Development* which discusses the potential role of food banks to incubate and/or support a regional food hub.

The map below shows the SACOG six county planning region.

MAP OF THE SACRAMENTO REGION



PROJECT BACKGROUND

Agriculture has deep roots in the Sacramento region. Named America's Farm to Fork Capital due to the wealth and diversity of its agricultural bounty and legacy, the region has more than 1.49 million acres of farmland and more than 7,200 farms and ranches of all sizes.¹ Production of more than 150 crops totaled 3.4 million tons in 2010.² The farmgate value of these products reached almost \$1.98 billion in 2012.³

However, through RUCS analysis and outreach with stakeholders throughout the region, SACOG identified a major gap in the regional food system. Despite being a major population center, most of the region's, tremendous agricultural output leaves the area, including crops destined for national and overseas markets and high value produce going to Bay Area restaurants, stores and other customers. While Sacramento region residents consumed almost 1.9 million tons of food in 2012, SACOG estimated that only about two percent of this food came from local sources.⁴

This project focuses primarily on food hubs as a key missing element in the region's local market infrastructure, which includes assessing the potential for food banks to support food hub operations and opportunities to increase access to fresh produce in underserved communities. It builds upon the findings of the initial food hub feasibility study – *Establishing a Food Hub for the Sacramento Valley* – that was completed in 2012 by Soil Born Farms, the Community Alliance with Family Farmers (CAFF) and Foodways Consulting. This study identified many risks and challenges in developing such a hub, but strongly supported “the need for and advantages of a regional market-serving mechanism to provide core fresh produce procurement and aggregation functions while maintaining and accentuating source identity.”⁵ The authors determined that further development of financial analytic and business planning tools was needed, along with other recommendations.

In addition, the project builds upon several other Sacramento region agricultural infrastructure studies, including those conducted by the Agricultural Sustainability Institute at UC Davis, and many local initiatives to expand access to locally grown fresh produce. A common theme is that the growing demand for locally-sourced food from businesses and institutions such as schools and hospitals, restaurants, food banks, retailers, food service operators, distributors, wholesalers and niche processors requires the development of expanded food aggregation and distribution capacity with dedicated market channels to meet the scale of demand and facilitate connections between growers and customers.

THE SACRAMENTO REGIONAL AGRICULTURAL INFRASTRUCTURE PROJECT

The purpose of the Sacramento Regional Agricultural Infrastructure Project (Ag Infrastructure Project) is to provide a business model, financial feasibility analytic tools and strategic plan for a self-sustaining mid-scale aggregation and distribution operation – a food hub with aspects of processing functions – to serve regional specialty crop producers, including small to medium-sized growers, especially those who lack the capacity to

¹ Farm and land estimates, 2012 USDA Census of Agriculture.

² SACOG Crop Map, www.sacog.org/rucs.

³ County Agricultural Commissioner Reports, 6 counties, 2012.

⁴ Food consumption estimates – SACOG Food Calculator, USDA data bases, 2012. SACOG estimate of share of local produce, 2007 USDA Census of Agriculture and SACOG Crop Map.

⁵ Harrison, Shawn, Dave Runsten and Libby O'Sullivan. “Establishing a Food Hub for the Sacramento Valley,” August 2012, p. v.

access business and institutional markets. The tools and plan are being developed as a resource for entrepreneurs, jurisdictions, investors and other interested stakeholders to advance the development of this infrastructure.

The Ag Infrastructure Project's hub feasibility analysis, contained in the *Business Plan*, assesses regional market demand for fresh produce (specialty crops); identifies levels of production, illustrative target crops, and operating costs for a viable hub operation model; and summarizes policy and other barriers that will need to be addressed. A key focus is to provide market channels and support for small to medium-sized growers – including new farmers, economically disadvantaged farmers, veterans entering agriculture and others – but the hub can be a market resource for growers of any scale. Participation of larger growers, especially in the initial phase of the hub, could help provide the product volumes necessary to achieve economies of scale that would in turn create the capacity to serve larger customers with cost-competitive pricing and reliability of supply, and establish a solid market base.

In the long-term, a financially sustainable business, whether for-profit or non-profit, will be the best way to provide market opportunities for small and medium-sized growers, working with a wide range of partners to address additional community and social benefit goals. A core aspect of the approach is to leverage existing resources within the region, including the food banks which are leaders in the local food system movement and have transportation, logistics and other capacity to help incubate a regional food hub. Other options include partnerships with existing fresh produce distribution companies and wholesalers which have a strong presence in the region, to provide them with a new market channel for locally sourced and identified produce and value-added products.

The Project's feasibility analysis shows that over the time needed to scale up market relationships with growers and customers and develop operational capacity, there appears to be enough demand in the region to support more than one hub, and more than one type of hub. This presents a valuable economic development opportunity that can benefit communities throughout the region, through creation of new jobs and potential capital investment. Information is presented in this document on different types of hub models and lessons from hub operations, to help expand the knowledge base and information resources about complementary approaches to the proposed hub model. The models show how food hubs are evolving in terms of value-added activities and systems approaches, including the changing role of food banks in catalyzing regional food systems.

Expanding agricultural infrastructure will help the region capitalize on emerging opportunities related to the burgeoning food economy and address important community objectives such as retaining more food dollars in the local economy; improving food security; reducing food waste; providing alternative opportunities for young and new farmers; and keeping valuable farmland in production. It will begin to rebuild the mid-scale agricultural infrastructure that had previously existed throughout the region but has been lost over time due to changing markets, industry consolidation, economies of scale, regulatory issues, urbanization and other factors.

The following sections of this report provide research findings and analysis intended to inform regional discussions and decision-making about the development of agricultural infrastructure. They include:

- Key Hub Research Findings - Summary of key findings regarding food hub trends and characteristics nationally, as overall context for understanding market and other dynamics of this emerging business model
- Sacramento Region Food System Capacity - Overview of existing fresh produce aggregation and distribution capacity in the region, illustrative institutional customers for fresh produce, and potential new projects which will shape the market environment and provide context for the development of a regional food hub; and,
- Profiles of Food Hub Models - Description of a variety of existing and emerging food hub business models that demonstrate a range of approaches to meeting varying market conditions, capacities and needs, including hubs with a market specialization, which are selected for their potential relevance to the Sacramento region, and of interest to for-profit and nonprofit food hub developers.

Research findings are based on interviews and meetings with stakeholders and key informants and the local, regional, state and national levels (see Appendix A for a list of interviewees); consultation with policy researchers nationally including USDA Agricultural Marketing Service and the National Good Food Network; input and guidance from SACOG Board members and Project Advisory Team; data collection and analysis; and a thorough literature review (see Appendix B for a list of references and resources). Project Advisory Team members include the Sacramento Food Bank and Family Services, Soil Born Farms, Yolo Food Bank and Yolo County Agricultural Commissioner's Office.

II. KEY FOOD HUB RESEARCH FINDINGS

The food hub movement is growing rapidly across the nation as a strategy to support and strengthen local and regional food systems. While the term “food hub” has a diversity of meanings, a common current usage describes an enterprise that provides aggregation, distribution, and marketing services and sometimes processing services to small and medium regional growers. It connects growers to larger markets they could not otherwise serve, and provides a source of fresh, sustainably grown locally produced food for regional institutional, wholesale and retail customers at a scale required to meet their needs. Below is a working definition for a regional food hub developed by the U.S. Department of Agriculture (USDA):



A food hub is “...a business or organization that actively manages the aggregation, distribution and marketing of source-identified food products, primarily from local and regional producers to strengthen their ability to satisfy wholesale, retail and institutional demand.”

James Barham et al, Regional Food Hub Resource Guide, U.S. Department of Agriculture, Agricultural Marketing Services, April 2012, p. 4.

Food hubs are often described in contrast with the more conventional commodity-scale aggregation and distribution food system that provides most of the food consumed in the United States today. In some cases there is a blend of the two, where many hubs work in concert with the existing distribution network, and many conventional distributors, wholesalers and retailers are carrying more and more locally-sourced food to satisfy a growing customer demand. Regional food systems experts at UC Davis refer to regionally-focused market channels for local fresh produce as “values-based supply chains (VBSC).”⁶

As of April 2014, the U.S. Department of Agriculture (USDA) Agricultural Marketing Services (AMS) estimates there are more than 300 food hubs currently in operation in the United States.⁷ Its July 2013 inventory found approximately 230 hubs. The increase reflects the expanded identification of existing hubs and creation of new hubs between 2013 and 2014. The number of hubs identified in California increased from 12 to 18 over the past year. Two are listed in the Sacramento region – Capay Valley Farm Shop and the Tahoe Food Hub.

The growth in the number of food hubs nationally illustrates the importance of this movement. As in the Sacramento region, growth is being driven by the increasing consumer demand for fresh, locally sourced foods and the desire to rebuild local food systems. There is a commitment to support local growers and economies; preserve local agricultural lands; increase food security and access to fresh and healthy foods, especially in underserved communities; and provide new business opportunities for small and medium scale producers. Consumer motivations include food taste, nutrition, freshness, quality and safety, and knowing the source and manner in which the food was produced.

⁶ Lerman, Tracy, Gail Feenstra and David Visser. “A Practitioner’s Guide to Resources and Publications on Food Hubs and Values-Based Supply Chains: a Literature Review,” Sustainable Agricultural Research and Education Program, Agricultural Sustainability Institute, University of California, Davis, p. 1. April 15, 2012

⁷ Agricultural Marketing Services, U.S. Department of Agriculture, “Working List of Food Hubs,” updated 04/28/2014; <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5091437>

Paralleling the growth in the number of food hubs nationally, since 2012 there has been a major increase in research about food hubs and their missions, legal structures, functions, operating characteristics and impacts. These efforts are part of policy attention on strategies and resources to develop viable local and regional systems. This focus is occurring because food hubs are showing promising potential as an emerging and viable business model, and require better understanding as experience is gained to guide design and investment decisions, and ensure success on the ground.

THE TREND FOR LOCAL AND SUSTAINABLY PRODUCED FOODS

Three questions come up often in discussions about local food system development and operating standards and criteria of food hubs regarding locally sourced products, and responsive infrastructure investments:

1. How is “local” defined?
2. Will the current trend for local be a lasting phenomenon?
3. What are the criteria for locally sourced foods in terms of sustainability and organically grown?

Local Definition

Definitions for “local” vary widely, including those used by the Federal Government. Some definitions span between 100 miles and 400 miles. USDA notes that it may not be possible to have one definition that fits all circumstances, due to varying conditions such as climate, geography, cropping patterns, proximity to population centers, infrastructure and other factors. The Agency suggests that “local food should have a ‘flexible’ definition that relies not only on the distance from which products are sourced, but also where the product itself was produced and how extensive a system is required to get it to the consumer.”⁸

The Sacramento region, as noted, is blessed with a great diversity of crops, favorable climate and others assets that many regions lack. In theory, defining local for most regionally produced agricultural products is feasible coming from within 100 miles. Some large institutions in the Sacramento region with local sourcing goals have definitions that extend beyond 200 miles in some cases, but still request that fresh produce suppliers try to source within 100 miles. For some consumers such as multi-site hospital systems that have centralized purchasing and food preparation, such as Kaiser Permanente which has 21 hospitals in Northern California and contracts out for its food service operations, buying local is not always easy to define. Kaiser Permanente (KP) defines local as within 250 miles from the South San Francisco facilities where meals are prepared, with the goal that providers purchase as much produce as possible from Northern California growers.⁹ KP’s focus is to increase the transparency of the food chain so that the source of the produce/the grower is known.

For purposes of the SACOG Ag Infrastructure Project, the economic analysis is assessing how much produce could be sourced from within the six-county SACOG region, while understanding that its regional “food shed” extends to contiguous counties and neighboring regions such as the San Joaquin Valley, the Bay Area, and the North Sacramento Valley.

⁸ Matson, James, Martha Sullins and Chris Cook, “The Role of Food Hubs in Local Food Marketing,” USDA Rural Development, Service Report 73, p. 7. January 2013

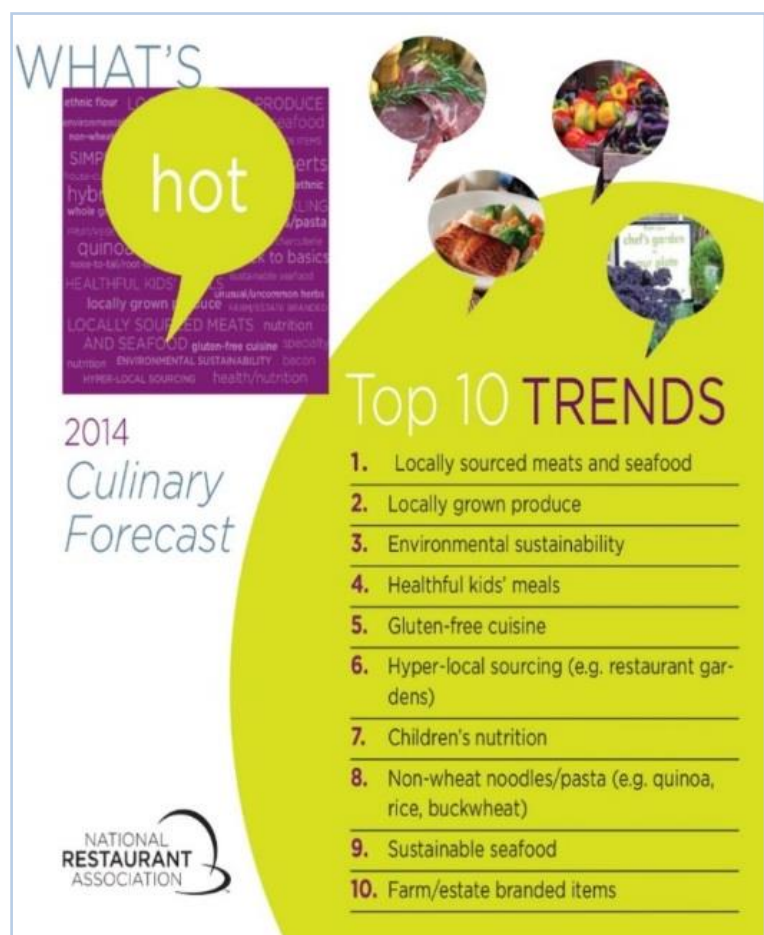
⁹ Reed, Kathleen. Sustainable Food Program Manager and National Farmers Market Coordinator, National Nutrition Services – Procurement and Supply, Kaiser Permanente. Interview conducted June 19, 2014.

Local Sourcing: Trend vs. Fad?

As the nation's farm to fork capital, it goes without saying that the Sacramento region is a national leader in the local food system movement and leaders, stakeholders and residents across all sectors are deeply committed to the development of a locally driven, sustainable, healthy food economy as a foundation of the region's future. Research by the National Restaurant Association and other industry organizations which are responding to consumer demand documents the strength of the trend towards locally grown foods. For example, the National Restaurant Association's 2014 Culinary Forecast, based on a national survey of nearly 1,300 professional chefs, identified the hottest menu trends for 2014. Locally sourced and healthy foods and environmental sustainability dominate the list. As noted by Hudson Riehle, Senior Vice President of the National Restaurant Association's Research and Knowledge Group:

"Today's consumers are more interested than ever in what they eat and where their food comes from, and that is reflected in our menu research trends. True trends – as opposed to temporary fads - show the evolution of the wider shifts of our modern society over time, and focus on the provenance of various food and beverage items, unique aspects of how they are prepared and presented, as well as the dietary profiles of those meals."

Hudson Riehle, Senior Vice President,
National Restaurant Association



Source: National Restaurant Association,
<http://www.restaurant.org/News-Research/Research/What-s-Hot>

The strong consumer support for local foods also is illustrated in the findings of the "2014 Ripe for Grocers: The Local Food Movement Survey" conducted by A.T. Kearney, which reported that seventy percent of survey respondents are willing to pay a premium for locally grown produce, and prefer retailers that carry more locally produced items. The research found a strong correlation between fresh and local, with smaller retailers

having an advantage regarding perceptions of “fresh.”¹⁰ Many other reports and surveys have documented similar findings, which also have been echoed in this project’s interviews and meetings with the California Restaurant Association and the members of its Sacramento Chapter, the California Grocers Association, and fresh produce distribution companies located in the region, among other businesses, who report that “local is the new organic” in the eyes of the customer.

Institutions such as schools and hospitals are major drivers in the trend for local produce. For example, in May 2014 the California State University (CSU) Board of Trustees approved a state-wide Sustainable Food Policy that “will govern the more than \$100 million spent on food across the 23-campus system.” Under the policy, each campus will have until 2020 to ensure that at least 20% of all food spending goes to farms and local businesses that met Real Food Challenge guidelines.¹² In July 2014 University of California (UC) President announced the UC Global Food Initiative which includes campuses exploring purchasing partnerships with K-12 school districts and new policies whereby local growers can become campus suppliers.¹³ UC Davis Food Services has an existing local/sustainable sourcing program and Yolo County has a farm to school program being managed by the Yolo County Agricultural Commissioner’s Office. Many K-12 school districts throughout the region are working to increase sourcing of local produce, either directly with growers or through their existing produce distributors.

One hundred and twenty-seven hospitals participate in the California Healthy Food in Health Care program, which “guides health care facilities to make food a fundamental part of prevention-based health care” through sustainable food purchasing. According to a 2013 survey, 91% of the participants purchase local and/or sustainable foods and beverages and 62% of facilities purchase organic food. Twenty-two facilities spent a combined total of almost \$3.6 million on local and/or sustainable food and beverages in 2012.¹⁴ Seventy percent of facilities report purchasing local and/or sustainable foods and beverages through their broadline distributors (p. 11).

Bay Area Hospitals Driving Demand for Local and Sustainable Food

In Northern California, a team of six hospitals in the Bay Area are participating in a Farm Fresh Healthcare Project to increase sourcing of local and organic produce from family farmers. As a result of the program, ten family farmers including a few in the Sacramento region have sold nearly 67,000 pounds of local and organic produce to the hospitals.¹¹ Growers ranged in size from 10 acres to 1,500 acres, with half between 200 and 500 acres. Two produce distribution companies also participate. The institutions are collaborating to combine hospitals’ purchasing power to help create economies and scale and market certainty for growers. As noted in the report, “finding alternative aggregation points can allow more sourcing from small-scale farmers.” One of the mid-range participating farms acted as an aggregator with available refrigeration capacity for approximately twenty smaller organic farms in the region (p. 5). One farm reported it was able to increase its organic strawberry acreage by 30%, and plans another increase of 30% as a result of the project (p. 12).

¹⁰ Riemenschneider, Pamela. “Survey: Consumers want local, willing to pay premium,” *The Packer*, May 6, 2014.

¹¹ Klein, Kendra. *Farm Fresh Healthy Project How-To Guide*, Health Care Without Harm, p. 5, Spring 2014.

¹² CSU Chancellor’s Office. “CSU Board of Trustees Approves State-wide Sustainable Food Policy,” May 21, 2014.

¹³ Dillard, Helene, Dean. “UC Global Food Initiative Initiated by UC President Napolitano,” *College of Agricultural and Environmental Sciences*, UC Davis. July 14, 2014.

¹⁴ Klein, Kendra and Sayre, Lucia. *California Healthy Food in Health Care*, Health Care Without Harm and Physicians for Social Responsibility, pp. 5, 10, 11, 2014.

Kaiser Permanente, which has three hospitals in the Sacramento region, asks their food service providers and distributors to meet certain criteria for procuring sustainably and regionally grown fresh produce in Northern California. The hospital system is large enough that it can drive demand back through the supply chain. Other hospital systems in the region such as Sutter Health work directly with a local fresh produce distribution company. See Section III for additional detail.

Sustainable, Organic Food Production?

During the course of this study, several people asked whether or not a Sacramento food hub would be focused on organic produce or conventional produce, or a mix. A focus of the local food system movement early on nationally was organically grown produce. Over time, trends have evolved to include an emphasis on environmentally sustainable production methods without necessarily being certified as organic. National research on food hubs conducted in 2013, described in the following section, explored the approach of food hubs related to procurement of locally produced foods and their use of specific criteria (requirement for) versus preferences for certified and non-certified organic, sustainably produced and other categories of food products. Requirements account for current production realities and cost structures. Findings are cited in the next section of the document.

Generally, organically grown foods are sold for a higher cost than conventionally grown produce, especially in mainstream grocery stores. As these stores and food companies enter the organic market on a larger scale, industry analysts foresee organic products being sold at or near the price of conventional products, reducing consumer barriers related to cost.¹⁵ According to Tom Johnson of PricewaterhouseCoopers in Minnesota, “Supermarkets are enhancing their organic selections because, in addition to being more profitable, shoppers are paying more attention to health in their food and household choices. It will grow exponentially in coming years. Organic is now becoming part of retailers’ commitment to wellness.”¹⁶ Consumer demand is being driven in part by consumers wanting to ensure healthy food for their children.

A recent Minneapolis Star Tribune newspaper article cited the following statistics¹⁷:

- According to the Organic Trade Association, sales of products labeled natural and organic grew 7.5 percent in 2012, twice the overall growth rate of conventional food products.
- According to USDA, while organic food sales were \$35 billion in 2013, they accounted for less than 5 percent of total at-home food sales.
- According to a TechSci Research Report, organic sales are expected to grow 14 percent annually through 2018.

The determination of the focus of a Sacramento Valley food hub would depend on the operator of the hub. However, commitment to a “values-based” approach for local food procurement includes an emphasis on environmental sustainability. Many growers in the Sacramento region already use sustainable production methods as well as organic. As noted in the surveys above, for many consumers, “local” equates with more

¹⁵ Ewoldt, John. “As organic foods go mainstream, prices likely to fall,” Minneapolis Star Tribune, as cited in the Sacramento Bee. May 25, 2014

¹⁶ Ibid.

¹⁷ Ibid.

sustainable production methods, given that the transparency of where their food is coming from and how it is produced is increased, and there is a potential connection with local growers. Research on many food hub models indicates that this approach can be feasible cost-wise, in part because the hub can help increase efficiencies, and in part because there is a market value for sustainably produced local foods. This is an important market driver in developing viable local food systems.

RECENT FOOD HUB STUDIES: SOME KEY FINDINGS

The local food system landscape is evolving so quickly that it is impossible to capture an exhaustive portrayal of all food hubs and other food system innovations. However, thanks to several recent and ongoing research studies on food hubs across the nation, the body of knowledge on this fast growing movement is building. This section summarizes some key findings from this research, including food hub business models, functions, operational characteristics, impacts and best practices across a wide spectrum of types and locales. Some of the referenced studies aggregate the findings of other studies and are helpful in gaining a broad perspective on recent research findings and efforts to advance understanding of this emerging business model.

The field of study is dynamic. This analysis identifies studies and organizations that can be ongoing resources, including for new information about diverse operating models. In particular, important resources are USDA's Agricultural Marketing Service (AMS) and the Wallace Center at Winrock International. AMS both conducts and supports research on food hubs, with many valuable publications and information on funding and capacity building sources. (<http://www.ams.usda.gov/AMSV1.0/>) The Wallace Center is dedicated to market-based solutions for a 21st century food system, and serves civic, business and philanthropic organizations by helping to "advance regional, collaborative efforts to move good food – healthy, green, fair, affordable food – beyond the direct-marketing realm into larger scale markets." To carry out this mission, the Center established the National Good Food Network as a networking, communications and information hub, documenting and reporting on new and emerging research on food hubs and food system innovations through webinars, electronic newsletters, research and conferences. The Network also supports the growing community of practice across the country, especially by "investing in groups and collaborative efforts engaged in scaling up aggregation and sales of good foods to more substantial wholesale channels." (<http://nationalgoodfoodnetwork.com/about/history>)

Findings of the National Food Hub Survey September 2013

This report is the largest food hub survey to date and provides a comprehensive overview of the state of food hubs. It was conducted by the Michigan State University Center for Regional Food Systems in association with The Wallace Center at Winrock International to address the lack of information on characteristics and overall performance of food hubs. USDA assisted with the development of the survey. One hundred and twenty-five hubs responded to the survey, with 107 usable responses, representing hubs from across the country and across metropolitan and non-metropolitan counties at all levels of scale. The universe of businesses surveyed excludes conventional commodity-scale produce distributors and other food hub-like businesses. Most of the hubs tend to be smaller and focused on locally sourced food. Thus, a local food hub-like operation associated with a conventional distributor or other business or organization is likely not represented in the survey results. Nonetheless the data provides an important profile of this quickly evolving food sector.

SUMMARY OF KEY SURVEY FINDINGS:¹⁸

Operating Characteristics and Sales:

- Sixty-two percent of the food hubs started operations within the last five years.
- Forty-seven percent are for-profit, 34% nonprofit, 13% cooperative and four percent publicly owned.
- Hubs with varying years of service and operational structures (including non-profits) were observed generating a positive cash flow.
- Average sales in 2012 exceeded \$3.7 million per hub.
- Over 95% of hubs are experiencing an increasing demand for their products and services.
- The average food hub supports 19 paid positions (full-time, part-time and seasonal).
- Sixty-six percent operate without grant funding. Those with grant funding tend to support food access and community initiatives such as food banks, mobile markets, food literacy, & youth employment opportunities; about half can accept SNAP benefits.
- Nearly half have stated commitments to social equity, increased food access and community and economic development.

Markets, Suppliers and Services:

- Seventy-six percent of the hubs reported that all or most of their producers (suppliers) were either small or mid-sized.
- Sixty-one percent are working with 40 producers or less.
- The hubs' most common customer base was restaurants, small grocers and K-12 food service operations. The hubs' own storefront retail, online stores and CSAs provide a significant percent of total gross sales.
- Seventy-four percent reported the majority of their customers are located within 100 miles.
- Many food hubs offer a number of additional services to their producers, customers and communities. More than 50% of food hubs indicated that they provided product storage and marketing services for producers and facilitated food donations to local food banks.
- The focus is on fresh produce and herbs; the average hub carries 5 different product lines, including meat and poultry, eggs, other processed or value-added foods, milk/dairy.

Very few of the hubs are engaged in value-added processing activities although many sell value-added products. This is an area of future interest as hubs see the potential to increase revenues from these types of activities. In general, many questions arise about producer practices around raising and handling crops and livestock, certification and safety aspects, and what hubs require of them. The survey found a relatively small percentage of hubs required produce that is certified organic (11%) but a high percentage that prefer it (60%); similarly, for non-certified but practicing organic – 17% required it but 73% preferred it. It should be noted that food safety certification practices and requirements will change with the implementation of the Food Safety Modernization Act (FMSA) for which rules are currently being developed by the FDA.

Many food hubs with varying years of service and operational structures, including non-profits, were observed to be generating a positive cash flow over time as operations scale up and experience is gained. (See the

¹⁸ Fischer, M., Hamm, M., Pirog, J., Fisk, J., Farbman, J., and Kiraly, S. "Findings of the 2013 National Food Hub Survey," Michigan State University Center for Regional Food Systems and the Wallace Center at Winrock International. September, 2013. Also the fact sheet: "Key Findings from the 2013 National Food Hub Survey" and webinar presentation September 19, 2013 <http://www.ngfn.org/resources/ngfn-cluster-calls>

Sacramento Valley Food Hub Business Plan for an example of the Food Hub Pro Forma which illustrates this finding). Researchers concluded that food hubs can be financially viable businesses. Findings also show that hubs help build the capacity and economic viability of producers. Noting that 76% of survey respondents said that all or almost all of the suppliers were either small or mid-sized, about half of the respondents reported that:

- All or most of their producers diversified their product offerings.
- Forty-five percent reported that all/most growers extended their growing season.
- Forty percent reported that all/most producers adopted more sustainable business methods.
- Thirty-five percent reported that all/most producers increased their financial literacy and/or business acumen.

Findings also indicate that it is easier financially to start a hub as a nonprofit that relies on grants the first few years, then transitions to a for-profit as the operation scales up. Marketing programs and capacity are critical to help hubs prepare for the needs of institutional markets. Many challenges exist such as accessibility to capital and other resources, including to increase trucking and warehousing capacity. As new businesses, many hubs indicated they are looking for guidance in managing growth and balancing supply and demand. A need for effective management skills was underscored.

Food Hub Benchmarking Study

This study was conducted by the Wallace Center, the Farm Credit Council, Farm Council East and Morse Marketing Connections LLC in 2013 to better understand how food hubs work as a market sector, with different business models, from a financial and operational standpoint rather than in terms of the kinds of foods delivered. The study addresses a major gap in information about the financial performance of food hubs. This information is important so lenders can understand the risks and values of investing in food hubs, especially as their numbers continue to grow to meet consumer-driven demand.

A cross-section of 15 hubs was analyzed using financial documents for 2011 and 2012. Given the limited sample size, the information is for the peer group and not the entire food hub sector. The study results showed losses, which may be a function of the small sample size. According to the report, “there is an inherently high amount of overhead cost in order to keep a food hub operating such as investment in the principal plant, warehouse, and transportation/delivery fleet...It is typical of a high volume, low margin business that overhead costs need to be spread over a large amount of sales.”¹⁹ The range of profit was up to 22%, demonstrating the potential for the food hub model.

Research conducted for the *2013 National Food Hub Survey* cited above indicates that older food hubs are profitable. An overall conclusion of the *Benchmarking Study* is that hubs are a growing part of the local food system and an emerging market and business model that is here to stay. It is important to understand hubs

¹⁹ National Good Food Network Collaboration Study. “Food Hub Benchmarking Study, Report on Findings 2013,” Wallace Center at Winrock International, Farm Credit East, The Farm Credit Council, and Morse Marketing Connections LLC, p. 10. 2013

better, including the financials aspects, the impacts they are having, and what is needed to help them work. Key findings are summarized below.

SUMMARY OF KEY SURVEY FINDINGS:²⁰

Operating Characteristics and Sales:

- Average age of hub: 11 years
- Average revenue: \$1.65 million, for average 301 days of operation
- Facilities: 9,000 s.f., 2 loading docks, delivery fleet with average 54,000 miles driven annually
- Status/operations: Nonprofit – 53%; take ownership of product as opposed to being a broker – 73%; sales from value-added products – 4%;
- Sources of revenues: sales (84%), grants & contributions (9%), other enterprises (6%)
- Average full time equivalent employees: 5
- Average equity: 57% (% of asset based owned by the company)
- Average Cost of Goods Sold (cost of procuring the product that is re-sold): 68%; Cost of Sales (expenses incurred to see products): 11%
- Gross Margin (overhead): 21.3%; Net Margin: -2.99%

Customers and Vendors:

- Sourcing distance 521 miles
- Strictly organic – 20%; grow some of own product – 27%; buy from own incubator farms – 33%
- Customers: grocery/food stores (43%), restaurants & caterers (22%), other distributors (19%), direct retail (6%), institutions (schools, hospitals, government) (5%), food processors (4%)
- Average number of customers: 326
- Product sales to largest customers: 19%, to largest 10 customers (64%)
- Average number of vendors: 79 (farmer vendors, 57%); purchases with 10 largest vendors – 50%
- Food safety certification required: 33%
- Membership fees charged: to vendors 13%, to customers – 20%

The Role of Food Hubs in Local Food Marketing

This study, completed in early 2013 by USDA, looks at recent research and studies to define what a food hub is and various distinguishing characteristics. These include the services that hubs provide, typical organizational and business structures, operational issues and constraints, reasons for establishment and their economic role in the food system value chain. Findings focus on what food hubs need to do to serve as a viable solution for local food marketing. Several funding sources and case study models are provided. The list below shows the range of functions that food hub can provide: ²¹

²⁰ Presentation by Chad Gerencer, Morse Marketing Connections, Gary Matteson, Farm Credit Council, and Erin Pirro, Farm Credit East. National Good Food Network Webinar, <http://www.ngfn.org/resources/ngfn-cluster-calls/financial-benchmarks-for-food-hubs>. August 15, 2013

²¹ Matson, James, Martha Sullins and Chris Cook, “The Role of Food Hubs in Local Food Marketing,” USDA Rural Development, Service Report 73, pp. 24-33. January 2013

FOOD HUB FUNCTIONS:

- **Market access** for local small and medium size growers and local food availability for customers, including larger customers such as institutions and retail chains
- **Access to capital**, including private equity and private and public loans and grants to support local food system infrastructure that individual growers might have trouble accessing
- **Transportation and distribution**, one of the costliest and most complicated aspects of a hub
- **Food product brokerage services**, connecting growers with the correct market outlet
- **Increasing market share** by bundling different products and from different producers, including for CSAs
- **Season extension** by providing cold and dry storage, sourcing from different producers with different harvest schedules and greenhouses
- **Facilitating consumer-producer relationships**, especially important for transitioning farmers
- **Technical assistance and producer development**, building production and/or marketing capacity among their producers
- **Cooperative purchasing**
- **Insurance coverage and certifications** (such as GAP and HACCP)
- Minimal or more advanced **processing services**
- Support for local **economic development or other social objectives**
- **Information flow and sharing** to support production, product differentiation, respond to consumer demand, and provide education
- **Professional and dedicated management** for food hub operations

Using the **USDA Regional Food Hub Resource Guide's** categorization of different types of food hubs, which notes that regional food hubs are generally classified by either their structure or their function, the study describes several possible legal (business) structures. A food hub's legal structure and form of governance reflects its mission and business model. They are summarized below:

TYPE OF HUB LEGAL STRUCTURE	DESCRIPTION OF ENTITY
Privately Held Business Corporation – C, S, LLC; Benefit, partnership – joint venture, limited; sole proprietorship, or subsidiary of other entity	Can be various corporate or partnership ownership structures, or other. Primary objectives are to return profits to their owners while providing food aggregation and distribution services to producers and customers. Some companies also include social objectives to respond to consumers or to reflect the values of their ownership.
Non-Profit (benefit corporation, many producer-owned - some operating as cooperatives, charity, subsidiary of other entity)	Many non-profits are established for social reasons, which may include specialized services and technical assistance to its suppliers and customers. As they become more engaged in commercial activities many evolve to convert to, or create, for-profit affiliated enterprises.
For-Profit Cooperatives (producer-owned, retailer-owned, consumer-owned or possibly a combination of types)	Commonly, cooperatives are democratically led by the membership for the direct benefit of the members. They are governed by an elected board and day-to-day operations are managed by professional staff. Member fees provide some of the working capital and excess revenues are typically returned to members either through direct payments or other goods or services.

TYPE OF HUB LEGAL STRUCTURE	DESCRIPTION OF ENTITY
Publicly held (government run, concession, non-profit operated)	The number of publicly held food hubs is limited, although many food hubs have been launched with the assistance of public resources. Over time, it can be difficult for commercial activities to be publicly-owned. Even if a public entity was involved early on, most hubs gravitate towards a different ownership structure as they grow.
Informal	Informal food hubs are not common, but some are supported by an internet platform that allows information sharing between buyers and sellers through online postings but provide little other services.

Although the regional food hub movement continues to grow, there are many challenges that will need to be addressed; some are similar to what other small businesses experience. They are summarized as follows:

FOOD HUB CHALLENGES:

- **Initial capitalization and ongoing access to capital**, including unconventional and unique government sources (some sources may require certain governance structures or organizational objectives)
- **Liability, risk management, adequate insurance coverage, contracting expertise**
- **Management and operational expertise**, matching facilities and staff to a growing enterprise
- **Regulatory compliance and food safety protocols**, including as they change over time
- **Adequate information systems** for financial control, business management and decision making, customer education and marketing
- **Understanding evolving food trends and customer demands**
- **Gaining access to or developing adequate infrastructure capacity** (aggregation, processing, packaging, storage, distribution, marketing and management) necessary to address market demands for quality, production methods, consistent supply
- **Understanding and meeting owners, members, producer or customer needs**, requirements, goals, and business objectives
- **Operating profitably and still delivering products at competitive or acceptable prices**, particularly in early stages
- **Producer knowledge**
- **Good strategic planning** for start-up and growth
- **Ongoing advisory and technical assistance services**

The study draws on examples from around the country and previous research to identify some common keys to success. The “Roadmap” is as follows:

LESSONS FOR FOOD HUB DEVELOPMENT: THE “ROADMAP”	
1	Develop a strategic plan with clear goals and vision
2	Engage all stakeholders early and identify their interests and capabilities to achieve: ■ Management and leadership that addresses producers, investors and business partner (vendors, service providers, etc.) needs and requirements. ■ Skilled personnel with the knowledge and experience to achieve management and operational success for financial systems and controls, regulatory requirements, marketing, packaging, food handling/quality control/inventory management, producer advising and business and customer relations ■ Well-matched producers and business partners in size, levels of expertise, and common business objectives ■ Previous experience producing and distributing food to local markets
3	Understand the logistics of dealing with the locations and levels of expertise of producers, markets to be accessed, backhauling potential, and the services and pricing implications to address those.
4	Provide producer education and advisor services to inform and coordinate production, address food handling and safety requirements, and develop common expectations as to the services available and requirements of the hub. This can include partnership with an outreach entity.
5	Develop protocols to reduce risk and address food safety and quality requirements of customers. These can include practices to achieve required certifications, mandated post-harvest handling practices, and providing affordable liability insurance coverage.
6	Secure adequate capital for the type of operation envisioned, including investments in accounting and management software and equipment, receiving and food handling, sorting, processing and packaging equipment, delivery and distribution vehicles, warehousing and real estate costs and marketing and communication initiatives. Include an online capability and adequate working capital to cover regular expenses. Some of these functions may best be outsourced but still require capital.
7	Explore a variety of business structures to determine the most appropriate form to support the mission and business goals. Remain flexible and self-evaluate periodically to determine if changes are necessary to better accomplish goals as the enterprise evolves.
8	Identify and understand available sources of financial and technical support. Many unconventional capital sources beyond commercial loans, which are difficult for new businesses to acquire without a track record, are now available. Technical assistance can come from small business assistance organizations, non-profits, academic institutions, government programs and advisors, business partners or outsource service providers. Donated, shared, or second-hand equipment can help with cost control. All owners must be financially invested to share in the risk for the success of the organization.
9	Acquire, analyze, present and manage information efficiently for informed management decisions and a free flow of timely information to producers and customers. This is critical for reducing risk, maintaining quality control, providing high levels of customer responsiveness and education, maximizing sales, and regulatory compliance. Trained staff and good technology systems are vital.

Food Hubs: Solving Local, Small Farm Aggregators Scale Up with Larger Buyers

This study was prepared in March 2014, by the Wallace Center at Winrock International. Its focus is to inform food industry representatives on the growth and readiness of regional food hubs as needed intermediaries to help get local foods into grocery and food service supply chains. Serving as the nexus between smaller producers and larger suppliers, regional food hubs are “the scaling up strategy for local food.”²² Teaming up with food hubs allows retailers and food service companies to differentiate themselves with local food programs and satisfy strong consumer demand. Together they can develop supply chain solutions to increase local food access at the scale needed for safe and reliable distribution of local foods through large-volume wholesale channels. The case studies describe strategies for addressing issues of: packaging and quality control; food safety; seasonality; consistency; and transportation. Five case studies are presented on five established food hubs, including Common Market in Philadelphia which is profiled in this document.

Innovations in Local Food Enterprise: Fresh Ideas for a Just and Profitable Food System

This report was prepared in 2013 by the Wallace Center at Winrock International. It is based upon learnings from the Center’s Healthy Urban Food Enterprise Development Center and the work of others focused on creating market-based and non-market based-food access solutions to fresh food access and community development. Findings identify areas of innovation that link solutions across areas such as affordability and profitability, infrastructure and logistics, community engagement, and marketing. The enterprises featured in the report “aim squarely at healthy food access in low-income communities and income generation for their own operations and/or new income streams for local and farm enterprises.”²³ The report presents several case studies, two of which are provided as models later in this report: DC Central Kitchen and the Agricultural and Land-Based Association (ALBA).

Hudson Valley Food Hub Initiative: Research Findings and Recommendations

The Hudson Valley Food Hub study was completed in 2013, with research conducted by the Hudson Valley Pattern for Progress and the Urban Design Lab at the Earth Institute at Columbia University. The study examined the potential to develop additional aggregation, processing and distribution infrastructure as a viable means to support small to medium growers and surrounding communities in the Hudson River Valley of New York. Concluding that a hub would support the local economy, it provides recommendations on which food hub features would be most beneficial to strengthen sustainable agriculture and the regional food value chain. Some of the recommendations are tailored to the unique needs of the Hudson Valley, while some are more widely applicable:

- Focus food hub development on distribution and logistics and marketing services. Marketing is not just about branding; it is about pursuing market opportunities and cultivating buyers for local food products.

²² Cantrell, Patty and Heuer, Bob. “Food Hubs: Solving Local,” The Wallace Center at Winrock International, p. 1. 2014

²³ Muldoon, M.F., Taylor, A.K., Richman, N., Fisk, J. “Innovations in Local Food Enterprise: Fresh Ideas for Practitioners, Investors, and Policymakers,” p.5. 2013

- Target a variety of products (meat, dairy, value-added) in addition to produce to maintain a year-round supply of products.
- Provide traceability and information about product sources and production methods, which are being demanded by buyers.
- Target anchor buyers in the retail and institutional food sectors.
- Identify, train, and recruit staff knowledgeable in the food industry and logistics.
- Invest in food hub development by complementing the existing distribution network and infrastructure.
- Provide farmers business and production services to improve efficiency, increase production and get them wholesale-ready.
- Enhance production, processing and distribution infrastructure to strengthen the local food value chain and to complement food hub development.
- Partner with existing organizations to deliver services and to coordinate local food system information and other resources.

OTHER RESOURCES

There are numerous other studies with useful information about food hubs and the many dimensions of food system infrastructure. Several are listed in Appendix B. As noted, many reports and resources are available through the websites of USDA, Agricultural Market Service and the National Good Food Network. This is a rapidly evolving field of study and new reports and valuable information are being made available on a frequent basis. Additional specific food hub feasibility reports and guides are referenced in the project's hub feasibility analysis and *Business Plan*.

III. SACRAMENTO REGION FOOD SYSTEM CAPACITY

As noted earlier in this document, it is estimated that most of the fresh produce consumed in the region is brought in from many different outside sources. A priority goal for the region, as articulated by the RUCS project, the Farm to Fork initiative, the Sacramento Food System Collaborative, Greenwise and the Next Economy Ag and Food Cluster, among other efforts, is to increase the amount of locally grown food consumed locally from the current estimate of two percent of total food consumption.

To achieve this goal it is important to understand the market context for developing appropriately scaled and focused food system infrastructure, including food hubs, for the region. This section provides an overview of existing food system infrastructure for the aggregation and distribution of fresh produce for different types of customers. It identifies the primary food service operators and fresh produce distributors serving the region, located in or near the region, and presents information on major institutional and business consumers of fresh produce and their suppliers as illustrative of current market arrangements. It also identifies some proposed local projects which have some aspect of hub-types functions. Thus, this review helps situate how a potential Sacramento Valley Food Hub would fit into existing market relationships, capitalize on potential partnerships, and respond to possible gaps in the current local food system.

In many regions of the country where food hubs have been started, the impetus has been to provide fresh, sustainably locally grown produce to local consumers primarily through aggregation and distribution of this produce from many smaller growers for direct market channels such as farmers' markets, retail operations, and Community Supported Agriculture (CSAs). These hubs meet a critical market gap, especially in regions with limited growing capacity and/or existing market infrastructure, and are often mission-driven.

Comparatively, given the breadth of the Sacramento region's agricultural economy, capacity of its growers, climate, soils and long growing season, the region has strong – although somewhat unevenly distributed – direct market assets for fresh produce. There are almost 50 farmers' markets – both California Certified Farmers' Markets and several sponsored by food banks, community-based organizations and hospitals; more than 30 CSA programs; and numerous farm stands and agri-tourism destinations such as Apple Hill, operating throughout the region, serving households, restaurants and other consumers directly with locally grown fresh produce and prepared products.

There are several farms in the region, mostly based in Yolo County, which are relatively large and have experience and capacity to deal with several types of market outlets. They are selling directly to consumers at farmers' markets and farm stands and through their own and others' CSA programs; to food banks, restaurants, schools and retailers – including in a few cases their own retail outlets; and to wholesale fresh produce distribution companies.

In addition to direct-to-consumer market assets, there are significant aggregation and distribution facilities in the Sacramento region. A great deal of this infrastructure is for large external-based markets, such as for rice, nuts, and tomatoes. Several aggregation and distribution companies in the region are large-scale wholesale grocers and distributors and they are not geared to sourcing locally grown produce for local markets. Multi-store grocery store chains which are local owned, including Raley's and Nugget, have major distribution centers

in the region and source from local growers in season as well as from growers outside the region, primarily through their fresh produce distributors, especially for year round supplies of fresh produce. The Sacramento Natural Foods Co-op and the Davis Food Co-op are pioneers in sourcing fresh produce from local growers.

There are a variety of companies supplying the region with food management services and fresh produce that are a cross-section of local, California-based, national or international firms. While their facilities are located in the region or in Northern California, most of the produce they supply for the region is sourced from outside of the region, including from national and international markets. This enables companies to supply customers with consistent sources and levels of produce on a year-round basis.

There is a major gap in getting more locally grown produce into market channels across the region at the scale needed to supply schools, hospitals, the hospitality industry, grocery stores, government, and other institutions on a reliable, consistent and cost-effective basis. While it is difficult to quantify a precise target for expanded local market connections and consumption, efforts are moving the dial in the right direction. However, there are many practical challenges that must be addressed to make this goal a reality. It is important to understand existing market relationships, assets and gaps so that grower and customer needs can be met through development of appropriate agricultural infrastructure.

OVERVIEW OF FRESH PRODUCE DISTRIBUTORS SERVING THE SACRAMENTO REGION

This section provides information regarding twelve fresh produce distribution companies that are based in or near the Sacramento region which are primary fresh produce suppliers to and food service managers for major business and institutional customers within the region. Table 1 presents a listing of these companies with an overview of the company, their facilities, sales, and operations, and their primary clients and service areas. Information was obtained by interviews with some of the companies and source materials they provided, company websites, newspaper articles and research reports including *“Establishing a Food Hub for the Sacramento Valley.”* There is a new food hub in Placer County – the Tahoe Food Hub – which is beginning to provide fresh produce to restaurants, schools, casinos, hospitals and other institutional and business customers in the North Lake Tahoe area. A profile of the Hub is included in the next section of the report.

Table 2 following provides additional information about a cross-section of institutional customers and their overall food service and fresh produce providers. While these are not exhaustive lists of customers and suppliers, they do illustrate that this marketplace is complex, dynamic, and ever-evolving. A Sacramento Valley Food Hub operator would need to explore these market relationships further, especially to assess the potential for partnerships beyond a customer-supplier relationship. One of the major opportunities identified by the national research on food hubs and development of effective market channels for local grown produce is to develop partnerships with existing providers as the expanded source for locally grown produce, assisting them to access these products more easily.

Also, Table 1 notes that beyond fresh produce, several companies provide customers with a range of value-added products such as dairy, oils, meat, grains, and so forth; redi-cut products for which they contract with other companies; customized products such as salads and meals; and products such as frozen purees. These represent additional opportunities for services and products to be provided by a local hub. These potential services are described more fully in the Food Hub Business Plan.

**Table 1. SACRAMENTO REGION FRESH PRODUCE DISTRIBUTORS
SACRAMENTO REGION, 2014**

Company/Location	Company Overview	Clients/Service Area
Capay Valley Farm Shop, Esparto	Community-owned S-Corp founded in 2007. Aggregates, markets and distributes for 45+ farms located within a 35-mile radius of its hub in Esparto, CA. Offers multi-farm CSA program and wholesale service of fruits, vegetables, pastured meats, eggs, olive oil, nuts and honey. About one-third of business is CSAs.	Sacramento and the greater San Francisco Bay Area. Serves CSA customers at dozens of businesses, hospitals, state agencies, specialty retail locations as well as residential home delivery. Serves customers including restaurants, corporate food service, caterers, and specialty retailers to meet their wholesale needs. Five percent of total sales is in Sacramento region; will be expanding sales in the region.
Farm Fresh to You, West Sacramento and Capay Organic (the farm), Capay	Family owned and operated. Farm Fresh to You since 1992, the farm since the 1970s. Bundled CSA service with produce from Capay Organic and other contracted growers. \$20 million in revenues in 2013. Offers flexible agreements, customized boxes. An farmer/aggregator model, where Capay Organic acts as an aggregator for local farms for other customers; has 100 vendors. Has aggregation and distribution facility and call center in West Sacramento, which handles ordering and customer service. Has proprietary data base and software system. Customized line set ups for putting the CSA boxes together. Has more than 100 employees in Yolo County and about 500 employees statewide. Owns 140 vans for door to door delivery and trucks for distribution to their hubs, and uses a few leased semis for North to South transport. Runs the CSAs year round; wants to keep customers throughout the winter, so they can move to local as seasonal produce comes in. Farms 450 acres in Yolo with nearly 60 types of crops, and 150 acres in Imperial Valley to address seasonality issue. Also purchases from about 60 small farms in the region and larger ag producers. Key to success is logistics; there are plenty of small growers who want an outlet. Contracts with Bay Fresh Produce, Tracy, for redi-cut. Provides services to small growers, with food safety requirements and certification, insurance umbrella.	Customers: 70% is CSAs; 29% is grocery stores, brokers, restaurants; 1% is schools. Has 40,000 CSA clients, door to door. Sacramento facility distributes to the region and out to their 3 Northern California hubs – San Francisco, San Jose and San Leandro. Southern California facility distributes to Los Angeles, Orange and Ventura counties. Participates in several programs to increase access. Coordinates distribution of produce to Harvest of the Month program for Yolo County Farm to School program for 36 schools, and fresh produce for West Sacramento schools. Working with UC Davis Food Service. Will grow specific produce at request of customer. Could expand to grow for/sell to schools although not easy financially, but willing. Sells at 13 farmers' markets in Bay Area and Sacramento. Looking to increase corporate sales for company-sponsored CSA or corporate cafeterias. Partners with food banks for produce donations and low-cost buying options. 7000 people annually tour the farm, including students; there are many hosted events.

Company/Location	Company Overview	Clients/Service Area
FreshPoint, San Francisco and FreshPoint Central California (Turlock)	North America's leading fresh produce distributor, owned by Sysco, among North America's largest foodservice distributor. S.F. facility features more than 1,900 items such as fresh fruits and vegetables, including specialty organic produce, frozen products, bread, dairy and cheese, pasta, fresh cuts, fresh juices. Has a 50,000 s.f. state-of-the-art green facility. Entire warehouse is refrigerated. Purchases from Northern and Central California growers, including several in the Sacramento region. 125 employees. Central California has state of the art distribution facility and new fleet. Offers full product line of fruits, vegetables, herbs, fresh juices, organics, exotic and baby vegetables, and full line value-added vegetables and salads.	S.F. supplies Northern California, including premier restaurants, hotels, cruise lines, schools and other institutions. Also distributes to Asia, Hawaii and the East Coast. Central California serves Northern California and Western Nevada. Additional clients include contract feeders, healthcare, retail. Fresh-Cut Division produces hundreds of customer-specific redi-cut fruit and vegetables, proprietary or custom mixes, custom salads, etc. on made to order basis.
General Produce, Sacramento	Family-owned, in business 80 years. \$100 million in sales, 250 employees. Owns sizable fleet and warehousing (over 110,000 s.f. of refrigerated space), has large investment in tracking technology. Has a Mt. Shasta warehouse/division with 30 people. They buy as much local produce as possible for schools and other customers, and prefer to do so when the price point is possible – when local is in season. Schools do specify local preference. Buys from all over as well, and provides custom packaged products, pre-cut, organic, ethnic foods, floral products, eggs, dairy, juices and produce supplies. Service area is Northern California, Western Nevada and Southern Oregon.	Food service about 30% - schools, restaurants, convalescent homes; retail about 50% including independent and chain grocery stores, hotels, caterers; export and wholesalers about 10% each. Major client is Revolution Foods in Oakland – supplies healthy prepared meals for the San Francisco Unified School District (and Charter School in Yuba County). Contracted supplier for Elk Grove Unified School District. Handles specific requests by districts to manage purchases from individual growers when they have supplies.
Next Generation Foods, Olivehurst	Founded in 2006 by 5 th generation farmer, to create and maintain a market for value-added agricultural products from family farms in the area. Items are grown using organic and sustainable farming practices and include various rice medleys, balsamic vinegars, bulk walnuts and other products.	The company primarily distributes bulk quantities of products to restaurants and retail accounts in Northern California; also available for households. Costco sometimes carries the rice products.
Nor-Cal Produce, West Sacramento	40 year+ family-owned company, full service wholesale produce distribution company. Purchases from local growers.	Nugget Market is major long-term customer.

Company/Location	Company Overview	Clients/Service Area
Produce Express, Sacramento	Thirty year old company, Wholesale distributor of fresh produce, for-profit privately owned. Purchases from about 35 growers in the Sacramento region, working to expand purchases; sources local strawberries from Southeast Asian farmers. Also buys from the San Francisco Wholesale Produce Market. Estimated \$23 million in sales in 2010, maintains a fleet of 30 trucks. Also sells specialty products like dairy, cheese, oils, vinegars, honey, pasta, juices, frozen purees, heirloom grains including rice, beans; provides redi-cut products for customers, from Sunsen and Tam's. Has 50 employees. Could source more local growers if demand were greater.	Serves primarily food service operations including restaurants in the greater Sacramento Valley region, both high end and chains; also sells to some schools, state agencies with cafeterias, others including UC Davis Medical Center. All commercial, no retail customers. K-12 school customers are primarily private schools but engaged in trying to sell to schools. Is major source for specialty locally grown produce for the restaurants, focus on seasonal. Can provide very small scale to very large scale.
ProPacific, Durham, with offices and warehouse in Sacramento	Founded in 1983. Also has distribution facilities in Durham, Redding, and Eureka. Specializes in fresh produce but also supplies eggs, dairy, cheese, deli products, frozen items, and other prepared foods.	Serves foodservices, retail, healthcare, schools, institutions and distributors in Central and Northern California, the Bay Area, and Western Nevada. Can provide third party logistics.
Rohrer Brothers, Sacramento, Milpitas, Santa Rosa, Salinas	Nearly 100 years old. Buys from farms all over the country.	Clients include small markets to supermarkets, fast food, fine restaurants, institutions located in California, Nevada, Asia and the Pacific Rim.
Sodexo	International food services company.	Has several major customers in the region, including Beale Air Force Base, UC Davis and other schools.
Sysco Foods, Sacramento	Global company with food distribution services for restaurants, healthcare and educational facilities, lodging establishments, others, and equipment and supplies for the food service and hospitality industries.	Has several customers in the region, including several large schools districts, and Rideout Memorial Hospital.
Trinity Fresh, Sacramento	Established in 2007. Wholesale distributor. Manages all produce procurement on behalf of customers from field to distribution. Has one-stop ordering and tracking for customers for range of products offered with proprietary online presence and software platform (Trinity Technology). Provides full line of produce,	Serves multi-unit restaurants and institutions, including schools, hospitals and casinos. Includes Cattlemens Steakhouse, Thunder Valley Casino Resort, Jackson Rancheria and Sutter Hospitals. Operates distribution centers in Northern and Southern California and the

Company/Location	Company Overview	Clients/Service Area
	organics, dairy, eggs, dried fruits, nuts, flowers, fresh pre-cut items, high-end Asian food products. Works with growers throughout California, Western US, Mexico, Canada, some organic fruit from overseas; not that many in the region, but they branding current products Farm to Fork and working with new growers. They contract directly with some growers to grow specific produce. Suppliers of prepared, minimally processed food include Tams Fresh-Pac and Renaissance Food Group. More than 75% of dairy comes from within 100 miles. Has 23,000 s.f facility with 9,000 s.f. dry space, 2 large coolers and 1 smaller cooler; call center for customer service for 3 locations. Serves as advisor for Arden Garden Market project.	Southwest and Texas. Offers seasonal locally produced (within 100 miles) fresh produce. Will supply what customers need. Has a fleet of about 20 trucks with 18 distribution points. Currently offer only a small share of organic produce due to customer type. They partner with Capay Organic in Southern California. Donates to Sacramento Food Bank & Family Services and Senior Gleaners. Is bidding on school contracts, especially for higher ed institutions.

Sources: Project team interviews with suppliers; Greenwise Joint Venture Interviews; SACOG records; "Establishing a Food Hub for the Sacramento Valley" report; websites; marketing materials

ILLUSTRATIVE MAJOR CUSTOMERS AND SUPPLIERS

This section provides an overview of current Sacramento regional food system dynamics in terms of selected major suppliers and institutional consumers. Table 2 is an illustrative summary of some major institutional and business customers of fresh produce in the region and who their suppliers are. It is a complicated system with many different types of vendors and purchasing arrangements.

Information was generated from interviews with both customers and suppliers, jurisdictions, economic development professionals, associations, county farm bureaus, and agricultural commissioner offices; SACOG records; research reports; websites; and marketing materials. Information for the five largest school districts in Sacramento County was provided by Greenwise, which has been attempting to identify purchasing and procurement practices and origin of fresh local produce and food miles. Data is incomplete in that most of the food distributors that service the school districts are only able to give geographic information for their supplier, generally an aggregator, and not the grower. However, the school districts are committed to sourcing more locally grown produce, and have some measures in place to maximize local food procurement.

The development of a marketing channel for locally grown produce in the Sacramento region must take into consideration the breadth of existing contracts and relationships in place in order to find the right structures and best fill marketing niches and opportunities. The Ag Infrastructure Project's business plan recommendations address operational, policy and partnership issues to be considered given the existing marketplace and capacity.

As noted above, based on the overall research the Project Team conducted on hub models and food system research findings around the country, and extensive consultation with many food system stakeholders in the Sacramento region, one clearly emerging pathway is to focus on development of a hub providing a market channel for locally sourced and identified foods that fits into existing supply networks and provides more streamlined access to the resource that many distributors and food services companies are working to provide to their customers. These findings will be addressed in the analysis of the financial feasibility tools and business plan.

**Table 2. MATRIX OF SELECTED INSTITUTIONAL PURCHASERS OF LOCAL PRODUCE AND PRIMARY DISTRIBUTORS
SACRAMENTO REGION, 2014**

Institution/Purchasers	Distributor/Supplier/ Food Management	Other Fresh Produce Suppliers	Notes
Beale Air Force Base, Yuba County	Sodexo		Contract food service overseeing many food operations.
Bon Appetit – Intel Folsom Campus (part of Compass Group Company – non-commercial food services/on-site restaurant company)	Have list of qualified vendors for various products – produce is San Francisco Specialty Produce (sources from some local growers); Has some flexibility for local purchases;	Two primary local organic farm sources: Watanabe and Azolla Farms; supplements with a few others; can buy specialty items from Produce Express	Serves 6,500 meals per day; buys some ready-cut produce – Produce Express does this well. Other Bon Appetit accounts in the region: Oracle (Rocklin), William Jessup University (Rocklin), Vision Services Plan (Rancho Cordova), McGeorge Law School (Sacramento); also Genetech (Vacaville) and University of the Pacific (Stockton).
CSU Sacramento	20 contracted retail locations including national franchises, 5 self-operated locations		11% of produce in 2010-2011 was locally/regionally grown; furthering commitment to purchase local foods by partnering with farms like Capay Organic.
Davis Joint Unified School District	Capay Organic a major supplier, direct sales purchases from several local growers		Capay Organic is central distributor for Yolo County’s Harvest of the Month. 3,000 meals per day, one kitchen can handle it. Has a salad bar at every school, garden-based education and field trips to farms.
Elk Grove Unified School District; 66 schools, more than 62,000 students	General Produce		Serves about 60,600 meals per day. Has big central kitchen, warehouse, cooks many meals from scratch, distributes to theirs dozens of school sites; jointly bids on produce with San Juan Unified School District. Has less storage than Sacramento.
Esparto Unified School District	Produce Express	Produce Express buys from Capay Valley farmers	District has a new central kitchen; much produce is organic. Provides approximately 575 meals a day.
Folsom Cordova Unified School District, 33 schools, 18,893 students	Pro Pacific		Serves about 9,200 meals per day
Kaiser Permanente (KP) – 3 hospitals in the region, North and South Sacramento and Roseville	KP contracts with FoodService Partners which operates a Central Commissary in South San Francisco to provide patient meals, and with Morrison Health Care Food Services (part of Compass Group) to operate cafeterias in hospitals	FoodService Partners contracts with US Foods which in turn contracts with Daylight Foods, Inc. (Milpitas) for fresh produce including organic, and other products, mostly from Central and Northern California farms	Part of 21 hospital system in Northern California region. 7,000 patient meals per day prepared mostly from scratch in Central Commissary and sent to hospitals. Fresh produce is pooled; it is difficult to provide locally grown produce to specific hospitals. Morrison is working with KP on healthier food choices and purchasing sustainably/locally grown fresh produce, with KP goal to purchase 20% of fresh produce from within Northern California by 2015. KP has programs which supports farmers’ markets on hospital grounds; sponsors “Healthy Eating, Active Living” collaborations that include local food initiatives.

Institution/Purchasers	Distributor/Supplier/ Food Management	Other Fresh Produce Suppliers	Notes
Placer Food Bank, Roseville	Purchases from a variety of growers		Weighs, sorts, packs and distributes 6 million pounds of food annually through more than 60 regional hunger-relief organizations; includes about 2 million pounds of fresh produce. Serves Placer, El Dorado and Nevada counties.
Rideout Memorial Hospital, Yuba County	Sysco	Has several fresh produce vendors	
Sacramento Charter High School	Sodexo		Has Edible Sac high Program with student run-garden. Sodexo works with the program to offer food fresh and from scratch.
Sacramento City Unified School District, 75 schools, 47,897 students	Sysco, FreshPoint	Has a farm to school program and purchases from local growers for certain crops such as strawberries and apples	Serves about 41,250 meals per day Passed bond to build a central kitchen; has Farm to School Coordinator building relationships with local growers. Bids for produce. Produce budget is \$1.3 million. Has salad bars in every school. Has large storage facility. Has a full-time grant writer who seeks funding to subsidize local purchasing.
Sacramento County			County jails serve 15,000 meals per day; no purchase local requirements. Have discussed possibility of regional institutional purchasing cooperative agreement (9 school districts in the county).
Sacramento Food Bank and Family Services	Capay Organic, Capay Family Farm Shop, Durst Farms, Soil Born Farms, Farm to Family Program (Delta), others including donations from Farm Fresh to You, General Produce, Trinity Produce		Produce is 40% donations and 60% purchases, at wholesale market prices, at a mutually agreed upon price, mainly due to farmer having excess of crop, or wanting to offer lower price due to mission. Distributed 1.5 million pounds of fresh produce in 2013.
San Juan Unified School District, 70 schools, 47,116 students, about 24,400 meals per day	General Produce		No central kitchen, staff cook fewer meals from scratch; jointly bids on produce with San Juan Unified School District. General Produce buys local when in season; buys when price point is possible for the district. They handle purchasing and handling if school district wants to buy from local grower.
Sutter County School District	Sysco		

Institution/Purchasers	Distributor/Supplier/ Food Management	Other Fresh Produce Suppliers	Notes
Sutter Health, Sacramento Sierra Region, 9 hospitals	Trinity Fresh - Sources much of their produce locally from their growing Farm to Fork program, when seasonally available, also buys from California, Western US, and elsewhere		Provides all fresh produce and dairy (5% of (purchases)); almost all other food products are purchased from U.S. Foods through Novation non-profit healthcare provider group. Monthly purchase list is stable throughout the year – about 40 items have guaranteed contract prices that do not fluctuate over the year; the rest fluctuate by season and market price. Some purchases are value added (washed, prepped, etc.); need to get actual prices paid from distributors. Buyer cannot recommend paying premium for local produce.
Thunder Valley Casino	Trinity Fresh, General Produce. Trinity buys from local growers like Capay Organic, Durst, Timco		Buys from both suppliers, based on costs
Truckee/Tahoe School District	Produce Plus		Wrap around farm to school program. Has a local preference in bidding. Note: working with new Tahoe Food Hub
Twin Rivers Unified School District, 59 schools, 31,632 students	Pro Pacific		Brings weekly farmers' market a flyer for Pro Pacific and asks farmers to work with them to integrate crops. Bids for produce; produce budget is \$1.5million
UC Davis Dining Services	Sodexo is food service manager. Fresh Produce supplier is FreshPoint. Manager got some local growers including Capay Organic and Next Generation Rice accepted in FreshPoint Primus network. Capay bills FreshPoint, FreshPoint bills Sodexo, but Capay delivers directly to the school.	Capay Organic also does some limited aggregation and provides insurance for some smaller growers. Some campus-grown food is purchased from UC Davis Farms - olive oil, sun-dried tomatoes, meat. Also white and brown rice from Yuba and Butte counties	Has student, faculty and staff population of over 53,000. Three dining commons on campus serve 50,000 meals each week. Sustainability Manager is charged with maximizing the amount of local products served. Procurement handled through a national contract; FreshPoint SF provides fresh produce. Sodexo spent more than \$1.5 million in 2011/2012 on products from local and sustainable growers (19% of all food purchases). Local defined as within 250 miles but focuses on 50 to 150 miles. UCD has a central kitchen. UDC budgeting more (a premium) to get local grown food. FreshPoint might be interested in working with a new distribution intermediary that provides local, sustainably grown seasonal produce if it can be permitted by national contracts. Sodexo might also be interested. All food suppliers must be covered by \$5 million liability policy, be GAP certified, sign a hold harmless agreement.

Institution/Purchasers	Distributor/Supplier/ Food Management	Other Fresh Produce Suppliers	Notes
UC Davis Medical Center	US Foods is main food vendor. Produce Express is main fresh produce distributor	Produce Express purchases from many local growers	The Center has more than 6,500 employees, provides care to more than 200,000 patients per year. Per the report “Establishing a Food Hub for the Sacramento Valley,” the Center’s Dept. of Food and Nutrition Services is responsible for patient meal services, 4 retail food outlets, and catering. It is self-operating and provides an average of 1,800 meals per day. The retail outlets process 5,000 transactions daily, with annual sales of \$3.6 million In 2009, the Center sent \$455,070 on purchase of fruits and vegetables, 14% of total food purchases. They have really not ventured into organic produce yet; have some concerns they would be able to get the quantity they need for the price they can pay, They purchase local yogurt and milk. Alchemist CDC is facilitating a Veggie RX program, a new program where patients receive vouchers to use at farmers’ markets; a dietician gives nutrition education. Has a weekly seasonal farmers’ market on Medical Center property.
West Sacramento School District	Direct sales from Capay Organic		No central kitchen. Need to deliver to each school. Capay provides specific produce items.
Winters Unified School District	Buys directly from local growers		Prepares meals from scratch
Woodland School District	Buys directly from a few local growers and Rohrer Brothers		Rohrer Brothers – local produce wholesaler and distributor
Yolo Food Bank	Yolo County growers sell and also donate produce.		Fresh produce donations (39%) and purchases (61%); Key farms are local organic farms, large and small, and conventional producers, all produce is local.
Yuba County Charter School	Revolution Foods	General Produce supplies produce to Revolution Foods	Company is based in Oakland, provides prepared organic meals.
Yuba County School District	Sysco		

Sources: Project team interviews with institutions, suppliers and other key informants; Greenwise Joint Venture research and interviews; “Establishing a Food Hub for the Sacramento Valley;” UC Davis “Sustainable Foodservice Progress Report 20112;” SACOG data; websites; newspaper articles

PROPOSED PROJECTS

Demonstrating the great interest in the Sacramento region to capitalize on emerging market opportunities in the local and regional food system, there are several proposed commercial and community-centered projects at various stages of planning and implementation for retail, wholesale and processing facilities. They are geared to providing opportunities for local growers and food entrepreneurs to reach expanded local markets, including direct to consumer, farm to school, and farm to business/institution. The Sacramento Food Bank and Family Services and the Yolo Food Bank also have facilities expansions and retrofits in the planning phases that will increase their capacity to aggregate, pack and distribute fresh produce from local growers to clients and community-based partners and, possibly, incubate value-added fresh produce packaging and processing activities and enterprises. The following is a list of the some of the region's proposed projects.

Table 3. Proposed Food Projects, Sacramento Region, 2014

Project Developer	Proposed Project
Arden Garden Market, North Sacramento	A 501 (c)(3) planned as an independent marketplace, 45,000 s.f., for locally-sourced and prepared foods, open daily, year-round, with outdoor fresh produce market 3 days a week, an Ethnic Foods building, food literacy programs, community events, food-related business entrepreneurship. Hub planned with rental stalls for growers. Target is 200 vendors (food and other products). Currently fundraising, planning to begin operations summer 2014. North Sacramento is a USDA-designated food desert.
Capital Commerce Center, Sacramento County	Former Campbell Soup property, 130 acres with existing facilities including warehousing/distribution, production/food processing, cold storage and freezer, and several land/build to suit sites for new facilities. Has excellent utilities and transportation access. Major redevelopment project that is focused on food processing, distribution and related industries as well as other uses. Surrounding area on Franklin Boulevard is undergoing revitalization activities.
North Yuba Grown, North Yuba County	Local producer organization with growers from North Yuba County and Butte County, seeking space for a food hub packing, storage and distribution facility. Members include olive oil producers, grass fed beef ranchers and poultry, vegetable and produce growers, bakery, wineries/vineyards, grocery store. Has North Yuba Grown agri-tourism project funded by CDFA Specialty Block Grant to develop a farm trails map, working with UCD Small Farm Center. Sourcing to local school, has direct and retail sales. Developing hoop houses and other ways to extend seasonal products. With expansion can connect with regional markets.
Northwest Land Park LLC, Sacramento	Infill residential project in Northwest Land Park, redevelopment of industrial site. Will eventually include relocation of existing food distribution companies. Future project will include a 10,000 s.f. year round market for local produce vendors in the structure currently occupied by Produce Express; a 2.5 acre farm planned, to supply neighboring schools with produce.
Sacramento Certified Farmers' Market	Farm to Fork Chef's Market to provide a farmers' market for restaurants - in planning stage, for one day a week, near site of current Sunday farmers' market.
Sacramento Food Bank and Family Services, Sacramento	The Food Bank is renovating its main distribution center to create over 15,000 S.F. of dry storage space and more than 2,500 S.F. of cold storage space and upgrade all facilities for increasing its capacity to handle, process and store fresh produce. The warehouse and cold storage spaces will be professionally racked for high storage of bins and pallets. Processing will include repacking/bagging. The renovation will allow

Project Developer	Proposed Project
	the Food Bank's capacity increase its fresh produce from 1.5 million pounds in 2013 to 2 million by the end of 2014. Food Bank also plans to upgrade and add equipment like forklifts.
Sacramento Public Market, Downtown Sacramento	In planning stages to identify site; will be modeled after markets like the San Francisco Ferry Terminal Building, Napa's Oxbow Market, and Seattle's Pike Market, to provide a permanent market place for regional farmers and complement existing farmers' markets. Would include restaurants and prepared foods; could entail some hub functions. Seeks to raise profile of the region related to Farm to Fork.
West Sacramento Urban Farm Project	Urban agriculture infill project sponsored by the City of West Sacramento as part of its effort to address blight and support its overall Global Food Hub strategy. Project is on 2/3 acre - farmers and farm operation will be provided by the Center for Land Based Learning. Markets for the produce include contracts with local restaurants, grocery stores and sales at the West Sacramento Farmers' Market. The City is looking at several other infill sites as well.
World Food Center, UC Davis	UC Davis is developing a proposal for a long-range plan for a third University campus, focused on agriculture, food and nutrition. The plan is in the early stage of formation, but possible locations could be downtown Sacramento or West Sacramento. The campus could contain research facilities including in the area of food processing which would be relevant for the hub.
Yolo Food Bank, Woodland	The Food Bank purchased a 36,500 S.F. industrial building in 2013 adjacent to existing Food Bank operations, to expand capacity to access, co-pack, store and potentially process fresh produce, and to develop financial self-sufficiency by owning instead of leasing facilities and potentially generating some revenues streams. The building has been gutted and will be reconfigured for the following uses: half of the building will be for food bank operations (office, warehouse, distribution); other parts will be for commercial kitchen for culinary training for low income residents and/or for leasing space to potential entrepreneurs, and a processing line for co-packing, jams, sauces, freezing and other activities to extend the season, reduce waste and provide nutritious food in the winter. The Food Bank is preparing engineering cost estimates for a capital campaign to raise funding for the retrofit and expansion. Also looking to expand with 3-4 refrigerated trucks.

Sources: Interviews with Dan Friedlander, Arden Garden Market, Kevin Smith, Northwest Land Park LLC, Joe Rodota, Sacramento Public Market, Ernesto Lucero, City of West Sacramento, Mary Kimball, Center for Land Based Learning, Nate Ellis, Hackman Capital, Gary Hawthorne, North Yuba Grown; Discussions with UC Davis World Food Center; Meeting with North Yuba Grown growers; Meetings/interviews with Blake Young, Jeremiah Rhine, and Erik Kintzel of Sacramento Food Bank and Family Services, and Kevin Sanchez, Yolo Food Bank; West Sacramento Urban Farm groundbreaking; websites, newspaper articles

There is also an on-line hub/marketplace in the planning stage, the North Sacramento Valley Food Hub, to be launched sometime in 2014 to facilitate increased sales between local growers and local grocery retailers, restaurants, distributors, schools, hospitals, hotels and other institutional buyers.

IV. PROFILES OF FOOD HUB MODELS

This chapter presents profiles of diverse food hub business models from across the country and in California that have potential applicability for the Sacramento region. These models helped inform the development of the project's *Business Plan*. While the *Business Plan* analysis is based on a for-profit hub model, the profiles demonstrate the possibilities of alternative approaches in developing regional food system infrastructure over the next several years. This project's analyses show that there is potential for more than one hub in the region and more than one type of hub. It is up to the individual entrepreneur/investor to determine the preferred model(s); these profiles are intended as a resource to show different operational aspects that could go into a hub.

The Project Team identified these models through a literature review of the reports summarized in this document as well as other research reports and food hub feasibility studies; interviews with food hub experts at USDA AMS, USDA Rural Development California, the Wallace Center and others; and research on individual hubs identified in USDA's inventory of regional food hubs and via consultation with the Wallace Center. The Project Team used the following criteria to help select the hubs that are profiled:

- At a level of scale geographically and financially that would be relevant for the Sacramento region;
- A viable for-profit model, especially with a value-added/processing component;
- A robust nonprofit model with a focus on regional food-system building;
- An evolving model of a food bank to fresh produce focus;
- Partnership with a distribution company; and,
- Focus on particular niches and customers, especially schools, for which customized approaches are needed given the specific requirements and constraints to be addressed in serving these types of institutional customers.

As described earlier in this report, USDA identified three general types of market models: farm to business and institution, farm to consumer (households and individuals), and a hybrid – a combination of both.²⁴ Food hubs also have several different business (legal status) models: privately held (for-profit), nonprofit, cooperative, publicly held, and informal. Some are mission-driven, serving various social objectives; some have primarily a business mission; and some are oriented to accomplish a combination of both. Some hubs are specialized, serving only a select group of growers or commercial markets. Many hubs provide additional supportive services to growers – including new farmers – and/or customers, which provides for an additional revenue stream. The models included in the profiles below incorporate as many aspects as possible of these approaches, to provide a range of perspective and possibility.

Most food hubs across the country do not have processing functions, although many do include processed foods as part of their product offerings in order to respond to customer needs, diversify their supplies, and extend seasonality. Many hubs are developing social enterprise programs that have facilities like community kitchens or food incubators that provide training and business services for food businesses and prospective employees and operators, rather than as part of the function of the food hub itself. According to national food hub research, there

²⁴ Matson, James, Martha Sullins and Chris Cook, "The Role of Food Hubs in Local Food Marketing," USDA Rural Development, Service Report 73, January 2013, pp. 11.

is a strong interest in looking at these types of value-added activities as a way to strengthen the financial viability of hub operations, extend the season, provide jobs, and fill gaps in mid-scale agricultural infrastructure.

The profiles generally describe each hub's level of sales, business model, strategic objectives, area served, customers served, services offered, and additional information. They cover a range of models, operating characteristics, approaches and activities, including those blending business and social enterprise goals, and food banks that are transitioning to more comprehensive approaches to address hunger and poverty and foster the development of sustainable food systems in their regions. They illustrate the variety of options that are available.

The list of food hub research references and resources in Appendix B includes reports that have additional information on many different types of food hubs and models. The Project's *Business Plan* contains information on the recommended business model, services and revenues sources for the Sacramento Valley hub operation, incorporating information from this and other research and analysis. The following organizational/business models are profiled in the following section by type:

FOR-PROFIT

1. Blue Ridge Produce
2. ECO – Eastern Carolina Organics (Grower and Owner, LLC, Wholesale Organic Produce Distributor)
3. Farm to Table Co-Packers
4. Gourmet Gorilla (specialized – schools)
5. Revolution Foods (specialized – schools)
6. Veritable Vegetable – Wholesale organic produce distributor (privately-held)

NONPROFIT

1. ALBA Organics
2. Common Market
3. DC Central Kitchen
4. Farm Fresh Rhode Island
5. Iowa Food Hub
6. Tahoe Food Hub

FOOD BANKS

1. North East Georgia
2. Rochester

The food banks are nonprofits but are included as a separate category to highlight the transformational role they are playing in regional food system infrastructure development.



FOR-PROFIT



Food Hub Name: Blue Ridge Produce
Year Established: 2011
Annual Sales: N.A.
Location: Elkwood, Virginia
Website: www.blueridgeproduce.net

Business Model: Private for-profit LLC, owned by two co-founders. Formed to create efficient, high-value market channel to support the local farming community, increase production and increase access to healthy, locally-grown produce

Area Served: Virginia, Washington, D.C. metro area and the East Coast

Strategic Objectives: Increase the capacity and accessibility for small to mid-size diversified fresh produce growers to connect with high-value wholesale markets, build the identity of the Blue Ridge brand – “a new model for local produce distribution”; also builds a value-based relationship with growers

Customers Served: Primarily large grocery store outlets and wholesalers

Services Offered:

- Purchases and aggregates fresh fruits and vegetables grown locally, regionally and statewide from farms and markets them to wholesalers; produce can be conventionally and organically grown
- Working with more than 40 growers, totaling 10,000 acres of tillable land; ranges from small artisan growers to those with larger tracts; key services are: post-harvest handling, farm pick up, packing, cooling, marketing and distribution
- Also provides training and technical assistance to growers, enabling them to enter larger markets and increase farm income; assists with planning to increase production of most profitable crops; will assist growers with GAP certification
- Strives to build a values-based relationship with growers of all sizes which will help to scale up agriculture in the region to take advantage of growing market demand for locally grown foods, and to source from organic, local and low spray producers

Additional Description:

- Two primary lines of business: production and aggregation. Buys directly from farmers and aggregates and packs the produce to distribute to the wholesale market. Owns a 33 acre industrial site; 35,000 s.f. warehouse with cooler space; the site has 2 acres of greenhouses where tomatoes and lettuce are grown hydroponically in the off-season
- Purchased 420 acre farm, with agricultural easement; hopes to lease land to growers for production
- Will seek B-Lab certification (B Corp certification as a for-profit benefit corporation)
- Aiming to encourage new generation of entrepreneurial farming; there are emerging opportunities for Asian vegetable growers with consumer interest in their products
- Building a brand identity consistent with the image of the Blue Ridge Foothills, with attributes of clean air and water, beautiful farms, sense of community. Will brand produce with Blue Ridge identity along with the grower’s farm brand.

Sources: website

FOR-PROFIT

Food Hub Name: ECO – Eastern Carolina Organics
Year Established: 2004
Annual Sales: N.A.
Location: Durham, North Carolina
Website: <http://easterncarolinaorganics.com/about.php>



Business Model: Started as a pilot project of the Carolina Farm Stewardship Association, to support emerging organic farmers and organic tobacco farmers while improving the supply of local organic produce. In 2005, became a private, grower- and manager-owned LLC with 13 growers and 2 staff owners. Today, ECO works with over 40 growers and 100 customers as a fresh produce wholesale distribution center. ECO pools diverse harvests from several regions, to meet the demand for a steady stream of high-quality, seasonal food choices throughout the year. Committed to development of a sustainable food system.

Area Served: Eastern North Carolina, ships to customers in the South and beyond; works with growers in North and South Carolina

Customers Served: Markets and distributes wholesale Carolina organic farm produce to retailers, restaurants (chains and independents), buying clubs, Whole Foods, corporate cafes

Services Offered:

- Marketing and distribution
- Post-harvest handling, packaging
- Business/production planning - Production Coordinator works with core growers to set crop plans for each year
- Certifications
- Provides ways for conventional growers to enter the expanding organic market, including assistance with transition to organic farming
- Educates the public about the benefits of buying local, organic produce
- Enables participating growers to profitably sell products
- Growers “pick to order” for customers, managed through ECO
- Advocacy

Additional Description:

- Eighty percent of sales go back to growers.
- Each winter coordinator collects updated demand data from customers and tailors production to local market demand. Customer collaboration has resulted in increasing certain crops and initiating new ones based on suggestions from chefs
- Has very experienced staff on growing and distribution networks
- Seeks partner growers with crop appropriate infrastructure, including Internet access, irrigation, post-harvest washing, packing and refrigeration, transportation, greenhouse
- Region extends from coast to mountains, providing year round growing season
- Retrofitting a 26,000 s.f. warehouse as an “ECO-Hub” for all produce grown by their farm collective in the East Carolina region. Plans to surround the ECO-Hub with like-minded businesses and organizations, will host environmentally sustainable demonstration projects

Sources: <http://easterncarolinaorganics.com>; National Good Food Network Webinar, Starting a Food Hub, May 16, 2013, www.ngfn.org

FOR-PROFIT

Food Hub Name: Farm to Table Co-Packers
Year Established: 2010
Annual Sales: N.A.
Location: Kingston, New York (Hudson Valley)
Website: www.farm2tablecopackers.com



Business Model: Full-service for-profit contract packaging company that manufactures and packages foods and other products for its clients, owned by two partners. Provides bottling, canning, IQF, dry pack services.

Area Served: Primarily works with Hudson Valley growers, sells in the Albany and New York areas and the Northeast

Strategic Objectives: Founded to meet gap in getting local products into markets. Partners with nonprofits and state entities which promote Hudson Valley products and support growers with funding and capacity

Customers Served: Largely distributes goods to retail outlets, farm stands and colleges between New York City and Albany

Services Offered:

- Works with local farms to create new products and find more ways to get them into the marketplace, along with their own products. Processes food such as jams and sauces both for the farms and for small food producers, often connecting food producers with local farmers. Company is part of the Hudson Valley Food Hub, along with Hudson Valley Harvest, which was founded in 2011 by a farmer, that sources meat and produce from local farmers, freezes the items and sells them to stores and restaurants throughout the Northeast, including Whole Foods in New York City. The two companies work with more than 75 regional farms, from small to very large commercial operations. Handles vegetables, fruit, eggs, meat, honey and grain; has over 60 private labels.
- Farm to Table Co-Packers helps farmers lower costs for packaging and distribution; provides a process that connects farmers with business resources such as Northeast Center for Food Entrepreneurship at Cornell University, the SBDC, and the Hudson Valley Agri-Business Development Corp (HVADC; assesses co-packing needs; tests recipes; and provides full production and packaging.

Additional Description:

- Prices paid to farmers are often above standard wholesales market prices, focus on fair & sustainable
- Company was founded to address gaps in distribution access. Founders had two firms: Winter Sun Farms which works with local farms to produce local quick frozen vegetables and fruit that is distributed to more than 1,000 CSA customers during winter months and colleges, and Pika's Farm Table which produces a line of frozen soups, quiches and appetizers using local produce sold at farmers' markets and retail operations. Processed over 800,000 pounds of fresh produce in 2012.
- Employment ranges from 20 people during off-season to 60 people during harvest. 30,000 s.f. with a full processing line, a full bakery, and an incubator/test kitchen in a former IBM building. The facility has 3 loading docks and more than 10,000 s.f. of storage for refrigerated, frozen or dry goods.
- The State of New York funded 5 distribution hubs across the state, focusing largely on processing raw foods into frozen food or canned goods, to create new entry points for farmers into markets. HVADC along with Farm to Table Co-Packers and Hudson Valley Harvest received a \$775,000 state grant to expand more processing equipment, cold/freezer storage, and trucks and distribution depots. Will increase production capacity by 25%. Farm to Table Co-Packers has had multiple funding sources.

Sources: websites; "Farms' food hubs mean business," by Kristen Brown, February 19, 2013; "Mid-Hudson Success Story, Farm to Table Co-Packers: a fresh take on farm fresh food," Empire State Development; "Cutting Edge State Level Initiatives for Food Hub Development," National Good Food Network Conference, March 2014

FOR-PROFIT

Food Hub Name: Gourmet Guerilla
Year Established: 2009
Annual Sales: \$4.5 million in 2013
Location: Chicago, IL
Website: <http://www.gourmetgorilla.com/>

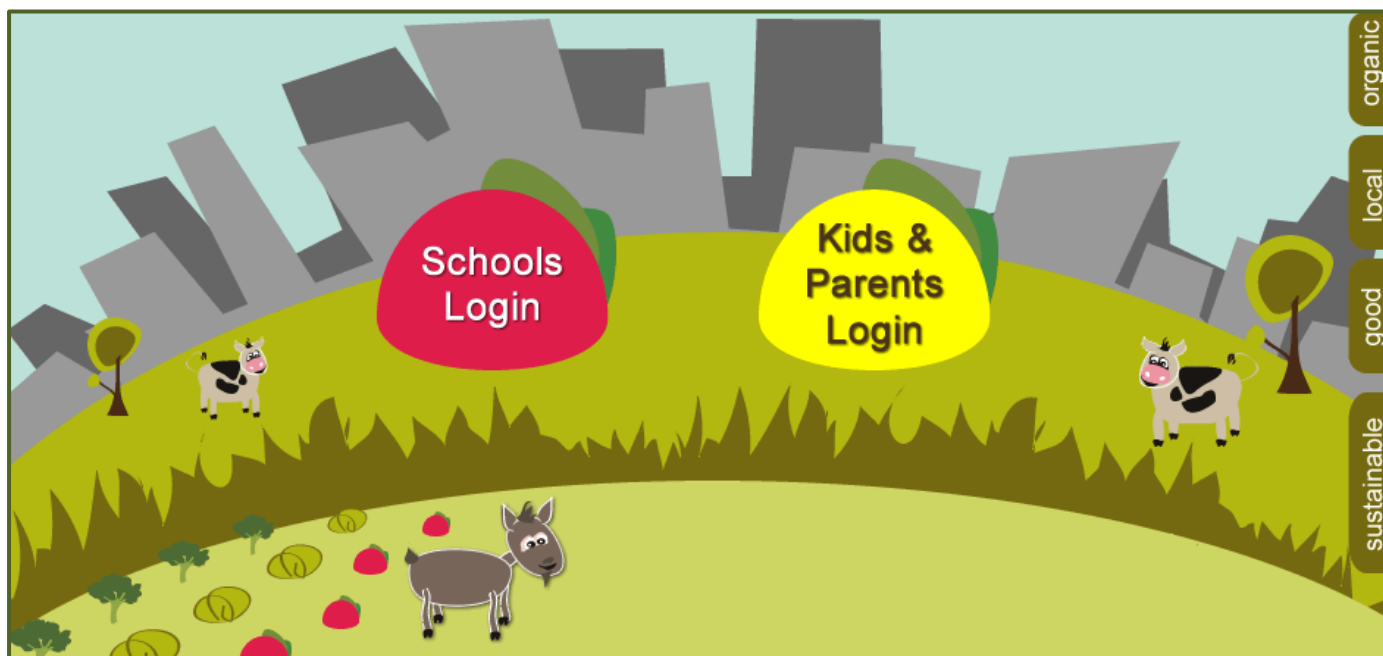


Business Model:	Mission-driven for-profit, privately held business, founded by 2 parents. Created to bring healthier meals to Chicago-area schools by providing local sustainably and organically produced meals and snacks to K-12 schools and early childhood programs. Meals are produced at own commercial kitchen and delivered daily.
Area Served:	Greater Chicago Area and Wisconsin; works with a network of rural and urban growers, food hubs, dietitians, nutritionists, chefs and organic food product producers.
Strategic Objectives:	Provide higher quality ingredients from more local sustainable sources (stimulate local food economy), efficient labor and processes (bring better ingredients to schools at lower cost), and products children like and are nutritionally balanced; exceed USDA, Illinois Board of Education and other requirements for nutrition; serve the underserved community
Customers Served:	90 K-12 schools, early childhood programs (public, charter, and private)
Services Offered:	■ Prepared meals from scratch (breakfasts, lunches and snacks) for schools and early childhood programs, delivered daily; deliver meals hot and cold ■ Prepares 10,000 meals every weekday from industrial kitchen ■ One stop online ordering monthly or daily for schools and parents; multiple healthy, flavorful menu choices daily; all meals made with local, sustainably grown and organic produce; emphasis on foods that are familiar to children ■ All meats are free range, grass fed and all natural, not subjected to artificial growth hormones & antibiotics, or artificial preservatives; peanut and tree nut free facility
Additional Description:	■ Working towards zero waste facility; has “environmentally responsible” delivery vehicles ■ Sources mostly from Mid-West vendors in Illinois (organic vegetables and fruit from urban and nearby farms), Indiana (meat), Michigan (meat), Missouri (meat), Wisconsin (organic dairy and pasta) ■ Designed initial website themselves and had \$28,000 in start-up capital from investors and a micro-loan ■ Business has double in size nearly every year. Employs 45 people working out of 4,000 s.f. kitchen space; plans to hire 80 more with an in-town move to a 15,000 s.f. space that will increase refrigeration to 11,000 s.f. and provide loading docks

Sources: <http://easterncarolinaorganics.com/>; National Good Food Network Webinar, Starting a Food Hub, May 16, 2013, www.ngfn.org

The following is a sample menu from Gourmet Gorilla, and the view of the web page designed to make it easy for parents and schools to order online. Ordering is available daily or monthly.

Sample Menu					
Sample Month Menu					
	Monday	Tuesday	Wednesday	Thursday	Friday
Week1	Tomato 	Coconut 	Kumquat 	Dates 	Cucumber 
Week2	Raspberry 	Kiwi 	Grapes 	Lychee 	Blueberry 
Week3	Blackberry 	Watermelon 	Jicama 	Corn 	Plantain 
Week4	Radishes 	Celery 	Peppers 	Broccoli 	Sugar Snap 



FOR-PROFIT

Food Hub Name: Revolution Foods
Year Established: 2006
Annual Sales: Almost \$70 million in 2013
Location: Oakland, California
Website: www.revolutionfoods.com

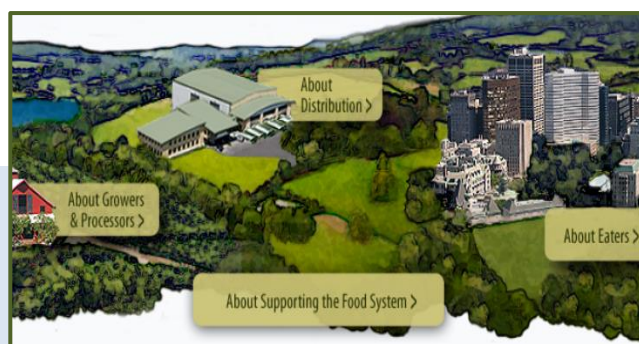


Business Model:	For-profit enterprise, B Corp. Started to bring healthy meals into school cafeterias. Mission is “to build lifelong healthy eaters by making kid-inspired, chef-crafted™ food accessible to all.” Goal is to produce and distribute unprocessed, balanced meals to students across the U.S. Company is dedicated to improving children’s health, reducing obesity, and improving academic, social and emotional success.
Area Served:	Schools in ten states and Washington, D.C., mostly in low-income urban areas in Colorado, New Jersey-New York metro area, New Orleans area, Northern California/Sacramento, Texas, Southern California
Strategic Objectives:	Operates in areas with high population density so that costs can be spread over a larger volume of product, to provide healthy foods to children who would otherwise not have access to it. Committed to creating a sustainable and profitable financial model.
Customers Served:	K-12 schools – 200,000 prepared meals a day or a million meals a week, in nearly 1,000 schools in 25 cities; 2/3rds of children are in low-income households. Includes a Yuba County Charter School.
Services Offered:	■ Provides support to schools and food service directors by providing fresh, hand-prepared breakfast, lunch, snack and supper meals and products. Meals include only natural, whole ingredients free of fructose corn syrup, artificial colors, flavors and preservatives. More than 100 entrée options. ■ Fresh meals are prepared daily and delivered from 7 centralized culinary centers, since many schools do not have the equipment to handle fresh foods. When they set up a new regional location they have to find a facility to prepare the meals. Preference is to renovate an existing facility, including empty warehouses. Has \$9 million contract with S.F. Unified School District. ■ Now offering retail meal kits in grocery stores; partners with schools to offer nutrition education programs. Products also in school vending machines. ■ Model includes a supply chain of fresh food providers daily; uses scale to achieve affordability; all meals are reimbursable and compliant with the National School Lunch Program.
Additional Description:	■ Has more than 1,000 employees in ten states; able to employ workers who might not otherwise have a job. Also hires workers who have disabilities. 21% of employees are from underserved communities. Workers earn above minimum wage and full-time workers have health care benefits. ■ Owners have business backgrounds; started company with venture capital. Secured economic development loans and grants for workforce development and other activities, from City of Oakland. They have not yet reached profitability but are positioned to do so. ■ Partners with food providers who share values, including Food in the Road, a community of family farmers, chefs and food business workers. 50% of suppliers are local and independent. ■ Selected in 2012, ranking #5, on The World’s 50 Most Innovative Companies; for past 2 years, received #2 spot in Inner City 100 awards from the Initiative for a Competitive Inner City. ■ 50% growth rate in 2012, same rate expected in 2013.

Sources: websites; “North American Food Sector, Part One; Program Scan and Literature Review Report,” Urban Sustainability Directors Network, 2013

FOR-PROFIT

Food Hub Name: Veritable Vegetable
Year Established: 1974
Annual Sales: \$44 million in 2013
Location: San Francisco, CA
Website: <http://www.veritablevegetable.com/>



Business Model: For-profit mission-driven, wholesale primarily organic produce distributor, places high value on relationships with growers, customers and employees and on a sustainable food system; a women owned business. Seeks to maximize profit for small-and mid-sized farmers by paying the highest return possible for their products. Company was originally formed as a collective. Designated a Certified B Corp in 2014.

Area Served: California, portions of the Southwest with 24 distinct truck routes; also ships to New York and Hawaii

Customers Served: 700+ wholesale buyers and other customers, including retail stores, restaurants, institutions, schools, corporate campuses, hospitals and other organizations

Services Offered:

- Offers organic and sustainably produced produce
- Purchases from more than 300 producers (2013)
- Online, fax or phone ordering
- Source tracking and production method documentation
- Order by 3 pm for next day delivery
- Operates 24/7; trucks operate along set routes picking up produce directly from farms, and delivering it to customers; provides quality control and connections
- Daily fruit and vegetable availability lists with specific farm source and production method for each lot; can order by farm
- Serves wholesale customers of all sizes
- Publishes bi-weekly food trends, supply issues newsletter for customers
- Works with growers to forecast crop needs and market opportunities

Additional Description:

- Operates in environmentally sensitive manner: trucks, warehouses and waste; has its own fleet of zero-emission, hybrid trucks. Company diverts 99% of its waste; routes unsellable product to local food banks
- Operates 38,000 s.f. of warehouse space, another 6,000 s.f. in development (2013); 15,500 s.f. of warehouse space are walk-in coolers; another 3,000 s.f. of walk-in coolers are in development
- Supports food system education through website and media availability of principals
- Is the oldest organic produce distribution company in the country, with 120 employees
- Sole distributor of fresh produce to Sacramento Natural Foods Co-Op – farmers who sell directly to the Co-Op also sell to Veritable Vegetable
- Working with small and mid-sized growers is more expensive but this is part of the company's mission and what customers want
- Has participatory management systems

Source: website; "Innovations in Local Food Enterprises"

NONPROFIT

Food Hub Name: ALBA Organics
Year Established: 2002
Annual Sales: More than \$5 million in 2013
Location: Salinas and Watsonville, CA
Website: <http://www.albafarmers.org/>



Business Model: Licensed organic produce aggregator and distributor owned by the non-profit Agriculture and Land-Based Training Association (ALBA), a 501(c)3. Supports approximately 50 growers, primarily Latino, low-income growers who receive access to land, storage and cooler space, delivery infrastructure, sales support and sales training. ALBA seeks to create business opportunities for farm workers and other aspiring farmers of limited means by offering farmer education and small farm incubator programs that provide graduates with subsidized access to equipment and land leases. Producers have ongoing training and market access opportunities.

Area Served: Monterey Bay Area and San Francisco Bay Area and other northern California locations

Customers Served: Approximately 80, including wholesale distributors, corporate food services, hospitals, universities (i.e., Stanford Dining Services), schools, grocery stores, restaurants, retail stores, Asilomar Conference Center; also sells at farmers markets

Services Offered:

- Locally grown, source-identified certified organically grown produce; purchases from variety of farmers through ALBA Organics and within the region
- Customer delivery service
- Can arrange custom growing relationships to meet customers special needs
- Opportunity to support small scale organic farmers, many of whom are immigrants
- Fifty percent of funding is public
- Partners with schools and university customers to offer agricultural education and onsite farm field trips
- Initiated a food enterprise incubator, leasing 30,000 s.f. facility to expand warehouse space and create a commercial kitchen incubator, in partnership with El Pajaro Community Development Corporation

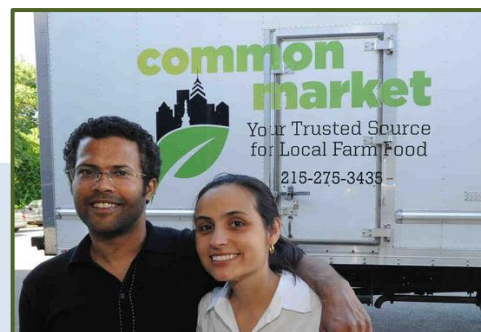
Additional Description:

- Crops are grown at 2 organic farms – 110 acres and 195 acres; facilities include office, resource center for training (ALBA Rural Development Center), maintenance workshop, produce cooler, distribution facilities, delivery trucks near Salinas. With growth, has moved main office to warehouse and cooler facility in Watsonville, providing more support to growers in the surrounding area
- More than 50 crops are grown
- There are 10 ALBA employees; 100 part-time or full time jobs generated by incubator businesses per year
- 350 farmers have entered into its Small Farm Education program over the last 12 years; 170 graduates. Offers marketing education on packing and sales for wholesale and retail distribution, and food safety and quality control.
- First year farmer apprenticeships – growers have access to land, irrigation equipment, from one half up to eight acres at the farm incubator

Sources: website; North American Food Sector, Part One; Program Scan and Literature Review; Innovations in Local Food Enterprise report

NONPROFIT

Food Hub Name: Common Market
Year Established: 2008
Annual Sales: More than \$4 million
Location: Philadelphia, PA
Website: <http://commonmarketphila.org/>



Business Model:	Mission-driven wholesale produce distributor of locally produced foods to approximately 200 wholesale customers; works with more than 75 growers and processors; a 501(c)3.
Strategic Objectives:	Does not aim to be customers' sole grocery provider, but rather, to be the solution for locally sourced food. Goal is to strengthen small to medium-sized regional growers while providing access to locally produced foods, especially to underserved communities, through wholesale customers; to encourage sustainable growing practices; to pay a fair price to farmers; to help preserve farmland in region and keep food dollars local
Area Served:	Greater Philadelphia/Mid-Atlantic Region for customers; growers are located in Pennsylvania, New Jersey and Delaware within 200 miles (farms average 125 acres in size)
Customers Served:	Schools, colleges, hospitals, workplaces, grocers, non-profits, faith-based institutions
Services Offered:	■ Aggregation and distribution of fresh produce and other value-added products from sustainable producers; has a farmer outreach team ■ Source and production information for customers on each case and invoice ■ Self-certification of each grower according to GAP protocols; implemented a HACCP plan and passed third party safety audit ■ Shared facilities to help serve underserved populations
Additional Description:	■ New facility (2013) with 52,000 s.f. warehouse space, 10,000 s.f. office space and 10,000 s.f. cold storage; delivery fleet of 3 trucks; stocks more than 750 products ■ Originally financed through personal savings and credit cards and a planning grant from the State of Pennsylvania via a bond measure ■ Continued with small grant and loan guarantee from the state and revolving line of credit to borrow against receivables; additional foundation grants and after 3 years, new PRI* financing for new facility (\$1.2 million) and to refinance earlier debt, through impact investment fund RSF Social Finance. *PRI=program-related financing, typically financing for charitable or social purposes ■ Combined single ordering (consolidated availability) list for all caseload products ■ Sells seasonal fruits and vegetables, grocery items, grain, dairy, eggs, & meat ■ Offers frozen and canned products plus protein, grain, dairy and other minimally processed value-added local products manufactured by others during winter ■ Operates six days per week, year-round ■ Does no processing, but carries local products from those that do ■ Developing co-located/co-packer/local processor Philly Good Food Lab to provide dedicated food preparation space and dry and cold storage for like-minded food enterprises and local entrepreneurs that can benefit from Common Market supply and distribution services, thus collaboratively growing the local food economy; generates revenue by leasing space to co-packers, micro-growers, processors, partners ■ Maintains a relationship with secondary providers (Sysco, US Foods, etc.) to have items when locally produced food is not available

Sources: website; Interview notes of Cutting Edge Capital with Haile Johnson, Founder; Case studies in National Good Food Network reports

COMMON MARKET

The graphic below illustrates the role of Common Market as the intermediary between the wide range of food products from local farms and the variety of customers which it serves. Products are marketed as “Delaware Valley Grown – Good – Fresh – Local.”

Common Market works with a wide variety of customers, including public and independent schools, universities, hospitals, retail food co-ops, supermarkets, nonprofit organizations, elder care facilities, value added producers, food trucks and more. Our goal is always the same: to make your local food program successful!



We understand that you rely on us to deliver the freshest local food grown in the Delaware Valley. Our friendly staff will work with you to select the right seasonal products for your store or cafeteria, arrange a convenient delivery time and provide you with marketing and other support for your local program.

NONPROFIT

Food Hub Name: DC Central Kitchen (DCCK)
Year Established: 1989
Annual Sales: \$13 million (2012)
Location: Washington, D.C.
Website: www.dccentralkitchen.org



Business Model:	Non-profit 501(c)3 Integrated model with commercial kitchen, centralized processing, culinary training, business Incubation, meal preparation and foodservices, food waste recovery; has a nonprofit and for-profit approach to revenue generation.
Strategic Objectives:	Created to reduce waste, high costs and redundancy for Capitol region non-profits dedicated to fighting hunger. Uses food as a tool for individual and community empowerment
Area Served:	Washington, D.C. area
Customers Served:	Partnership with nearly 100 partner agencies and 10 public schools, local nonprofits, city agencies, and other organizations in. Serves 10,000 meals per day (half go to schools)
Services Offered:	■ Prepares healthy, made-from-scratch meals for schools and partner agencies ■ In-house catering business providing jobs ■ Partnership with corner stores in underserved communities to provide fresh produce – generates 60% of income ■ Culinary training program ■ Provided a pilot healthy meals program for 7 DC elementary schools ■ Provides jobs for graduates of programs ■ Food literacy education programs
Additional Description:	■ Has 145 full- and part-time staff, 68 of whom are DCCK graduates ■ Non-profits who receive meals send their clients to enroll in DCCK's job training programs; many are ex-offenders. Averages 80-90 graduates a year; most are employed by institutions, schools and other non-profits; DCCK also hires program alumni to support its own programs and revenue-generating social enterprises ■ Buys food at auction. Partners with local farmers to buy seconds of fruits and vegetables. Total poundage of locally sourced meals in 2011 was 22% ■ Freezes fresh produce at harvest time in-house at their two production facilities using blast chillers, then shipped off-site to contracted freezer storage space until needed for use in menu items later in the year ■ Sales are 64% of revenues, charitable donations are 36% ■ Invested \$\$156,000 in local farms; prevented \$1.2 million in food waste

Sources: website; North American Food Sector, Part One; Program Scan and Literature Review; Innovations in Local Food Enterprise

NONPROFIT

Food Hub Name: Farm Fresh Rhode Island (FFRI)
Year Established: 2004
Annual Sales: \$1.11 million in 2012
Location: Pawtucket, Rhode Island
Website: <http://www.farmfreshri.org/>



Business Model: Hybrid model: farm fresh to consumer and farm fresh to business/institution; 501(3)c, with holistic approach to rebuilding a year round food system – has many programs to promote market access, culinary training, food entrepreneurship, ag land preservation, health and nutrition, farm to school, community education; does not do direct distribution.

Strategic Objectives: Expand local food production; increase efficiency of processing, distribution and sales; foster and support new class of business built around local foods; increase number of outlets to buy/eat local foods. Increase consumption of locally produced foods from 1% in 2009 to 3% in 2015 – the 99% Opportunity to buy more local.

Area Served: Rhode Island, Boston Metro Area for customers; growers and producers are from Rhode Island, Connecticut, Eastern Massachusetts

Customers Served: Restaurants, stores, farmers markets, hospitals, worksites, schools

Services Offered:

- Runs 9 farmers' markets, operates Wintertime Market – year round indoor market with produce in winter from hoop houses, greenhouses, etc.
- Market Mobile – farm to chef/institution delivery, through on-line ordering system direct from 50 family farms, farmer sets prices, food origin preserved; orders are by farm, not commodity.
- Harvest Kitchen – trains at-risk youth in culinary programs, provides internships, youth make local food products sold at farmers' markets, stores, etc.
- Open Kitchen – FFRI provides commercial kitchen space for lease with co-packing, cold storage, some freezer and provides network of commercial kitchens and facilities to incubate food entrepreneurs, provide access to counseling, loans
- Veggie Box – delivery of produce boxes to work sites and community centers
- Farm to School – 39 school districts buy some local produce; also, education programs
- Provides information to vendors, customers; hold events; provide nutrition education and programs for seniors, families, SNAP/EBT, Farm to Food Pantry donation program
- Community events

Additional Description:

- \$220,000 in sales in 2009, \$1.5 million in sales for growers in 2012
- Works with network of partners and expanding to regional New England food system; partners include state agencies working with at-risk youth
- Has 20 staff
- Revenue sources include several foundations (29%), state/federal grants (14%), Market Mobile (25%), individual donations and Local Food Fest (11%), market fees (9%), Veggie Box (7%), Harvest Kitchen sales (3%)
- Working on expansion of aggregation/distribution capacity next to Wintertime Market
- Provides on-line resource for local farms and markets

Source: website

FARM FRESH RHODE ISLAND HARVEST KITCHEN



Source: Farm Fresh Rhode Island



NONPROFIT

Food Hub Name: Iowa Food Hub
Year Established: Pilot Project, hub started in 2013
Annual Sales: N/A
Location: Cedar Rapids, Iowa
Website: www.iowafoodhub.com



Business Model:	Hybrid – Farm to Consumer and Farm to Business/Institution; 501(c)3; manages the aggregation, distribution and marketing of source-identified food products from local and regional producers to strengthen ability to satisfy wholesale, retail, institutional demand.
Strategic Objectives:	Created for research, education, and demonstration to develop ways to connect farmers and families with food grown close to home. Goals: to increase sales and consumption of locally grown food; operate a more efficient food distribution system; support local small-to-mid-sized farms that can supply schools, hospitals, grocers, restaurants
Area Served:	Northeast Iowa, works with growers and processors, some beginning, some established
Customers Served:	Schools, institutions, consumers at business sites
Services Offered:	■ Worksite Food Box Program – provides year-round, weekly local food deliveries to mid- to large-sized worksites, including university sites, other schools; targets customers who do not belong to CSAs; has a variety of options including food boxes with meat, veggies, meatless, with fresh bread, eggs only, and weekly staples. Ordering is done on line; farmers set price. Has 13 locations, moved from pilot project to anchor enterprise in 2013 ■ Working on system for EBT/SNAP benefits for underserved communities ■ Information dissemination about what works ■ Farm to School program and institutional sales; does custom hauling for its producers ■ Local food procurement and sales ■ New market development and research with focus on schools, institutions, grocery stores; transfer information to growers
Additional Description:	■ Partners include Northeast Iowa Food and Farm Coalition, Northeast Iowa Food and Fitness Initiative, Coop Extension, University of Iowa, Luther College, Northeast Iowa Community College, John Deere Dubuque Works and Community Foundation of Greater Dubuque ■ Obtained private and public grant funds to develop model and offer specialized technical assistance to farmers and food producers ■ Food boxes include fresh produce and wide variety of products from Iowa food processors

Source: website; "Iowa Food Hub Worksite Food Box Program Connecting Local Growers, Consumers," Jean Caspers-Simmet, May 5, 2014, agrifnews.com

NONPROFIT

Food Hub Name: **Tahoe Food Hub**
Year Established: 2013
Annual Sales: N/A
Location: Truckee, CA
Website: <http://www.tahoefoodhub.org/>



Business Model:	Nonprofit wholesale aggregator and distributor of sustainably-produced produce, eggs and meat to restaurants and institutions in the Tahoe/Truckee area, taking advantage of its close proximity to year-round production.
Strategic Objectives:	Mission-driven to support regional sustainable agriculture, small farmers, local economies and to provide a healthier range of food products to the community. Goals: Increase access to local fresh foods by connecting wholesale and institutional buyers to regional food program. Create new markets for small-scale farmers, ranchers and specialty food businesses. Also experimenting with local year-round production capacity in dome greenhouses to improve food security. Plans to work with agencies supplying healthy food to at-risk populations.
Area Served:	Tahoe area/Truckee distribution; is sourcing within 100 miles, primarily from the Sierra foothills and eastern Sacramento Valley (Placer, Nevada, Yuba, Butte counties)
Customers Served:	Restaurants, schools, hospitals, resorts and casinos, small grocers, food providers who serve those in need
Services Offered:	■ Farm to Market Program (F2M) - Wholesale aggregation and distribution of regionally and sustainably produced produce, eggs and meat. Includes Farm to School Program (F2S) – partnering with Harvest of the Month; developing Farm to School Fund so local businesses/individuals can contribute to buying local food ■ Customer deliveries ■ Helping customers with the source and production methods of food served ■ Developing a recognized regional brand that customers can use ■ Healthy Food Access Program - Serving underserved populations with high quality food in partnership with social service providers ■ Sierra Agroecology Center – education about agriculture in an alpine ecosystem and sustainable farming practices. Partnering with Truckee Community Farm on an experimental 850 s.f. geodesic greenhouse
Additional Description:	■ Organized with start-up staff and board and in fundraising mode currently ■ Raised \$28,000 in funding through crowdsourcing to purchase truck, assisted by the Sierra Business Council

Source: website

FOOD BANK

Food Hub Name: Food Bank of North East Georgia
Year Established: 1992 (Food Bank)
Annual Sales: N/A
Location: Athens, Georgia
Website: www.foodbankng.org



Business Model:	Nonprofit, developing a Whole Community Food Network model that brings together a food bank, farms, communities, educational institutions, nonprofits and businesses to build the local food system.
Strategic Objectives:	Food Bank mission is to end hunger as part of overall effort to alleviate poverty; provide fresh and nutritious food to the needy; and to develop sustainable local food system. Developed new strategy to improve outcomes in 5 mountain counties of 14 county service area. Assessment identified need for more fresh produce distribution, storage, processing capacity to serve farmers and clients. Launched a \$3.2 million capital campaign in 2013 to build a permanent facility with warehouse, fresh prep, quick freezing, commercial kitchen, and community education space, leveraging Food Bank expertise/assets.
Area Served:	5 Northeast Georgia mountain counties served by the Food Banks's Rabun County branch facility
Customers Served:	In 2013, the Food Bank provided 3.5 million pounds in the Rabun County branch area for 30,000 people through 44 agencies - 25% of total Food Bank service area. Goal is to expand to 5 million pounds of food
Services Offered:	- Food Hub will provide marketing, aggregation services for growers; Rabun Phase 1 facility will offer fresh prep and processing capacity, storage, and transportation infrastructure and equipment. Staff will provide one-on-one assistance to farms, and market development, sales, distribution. Key opportunities: Farm to School and higher education; winter farmers' market with frozen produce; sales to restaurants and grocery chains; 80% of food hub revenues will go to farmers - Facility plan: 15,000 s.f. warehouse, 5,000 s.f. freezer and cooler storage, office, community education rooms. Quick freezing operation will process 15,000-20,000 pounds per week, for later distribution to local agencies, Athens warehouse, etc. - Community kitchen to provide licensed space for farmers to develop value-added and frozen products through a kitchen use fee and/or co-packing with the hub's quick freezing (IQF) services; will provide job training opportunities and incubate businesses - Food Hub benefits from availability of other pieces of the network, such as warehouse, processing, and transportation capacity - Farm to School Georgia Organics – offers hands-on learning - Education on diet and nutrition; growing, cooking and preserving fresh foods – classes for food service professionals, social services and institutions - Obtains food from many sources, processes it and stores the product in dry, refrigerated and frozen storage, for distribution for emergency food services - Has mobile pantry programs with farmers' market style delivery
Additional Description:	- Partners: Northeast Georgia Locally Grown, local farms, University of Georgia, Georgia Organics, Small Business Development Center, USDA, schools, Sustainable Mountain Living Communities, Pittulloch Foundation, residents - Food Bank as a partner reduces capital needs - Majority of farms are small, mostly selling through farmers' markets and on-line cooperative marketing site, Northeast Georgia Locally Grown. Farmers want assistance to help them expand their farms

Source: website; National Good Food Network – "Food Banks as Regional Food Hub Partners," 2013

FOOD BANK

Food Hub Name: Foodlink
Year Established: 1978
Annual Sales: \$28.9 million in revenues, 2013
Location: Rochester, New York
Website: www.foodlinkny.org



Business Model: Nonprofit regional food bank; evolving to a food hub with innovative programs. Hunger prevention requires increasing food access via market-based solutions. Raises revenues from donated food, fees for service, sales of wholesale food, public support, government/other grants, events

Area Served: 10 counties in Central/Western New York

Strategic Objectives: Increase in hunger caused by Recession, along with decreases in donated resources, spurred change - committed to use assets and resources to impact on the cause (poverty) rather than the symptom (hunger) and change food system. Belief that food banks should be involved in economic development

Customers Served: More than 500 community partners, including food pantries, soup kitchens and shelters, and non-emergency organizations such as day care centers, group homes, senior homes, etc.

Services Offered:

- Provides 16.7 million pounds of food per year – 30+ food-related programs, 65 full time staff
- Proactive purchasing of healthy foods; does menu planning for agencies; has 5 unique nutrition education programs aimed at building food literacy
- Food Access Programs: farm stands – 12 sites with community partners; curbside market, a social enterprise – 30 sites, mostly public housing; healthy corner stores – pilot, working with 3 stores; 10 garden project sites; 3 million pounds of produce distributed
- Freshwise Kitchen prepared and provided more than 885,000 meals for children; growing thousands of pounds of food at community gardens and Foodlink's urban farm

Additional Description:

- Moving from passive model (receive donated food, redistribute) to proactive (purchasing, growing processing food), from charity to social enterprise; also embracing market-based solutions, focus on health. Diversifying customer base of non-emergency nonprofit organizations that can't afford to shop retail; working directly with individuals and select for-profits (e.g. corner stores)
- Investing in local economy – over \$250,000 spent on local farms, offers storage capacity at below market value; pilot commercial kitchen program; expansion of locally produced purchased products
- Has job training programs for Freshwise Kitchen and food bank
- Infrastructure includes 80,000 s.f. warehouse, 3,700 s.f. cooler, 5,200 s.f. freezer, 10,000 s.f. commercial kitchen; fleet of 13 trucks, including refrigerated; also has inventory system, skilled workforce, critical relationships
- Starting value added-processing of apples for distribution as a Food Bank product, and for small and mid-sized farmers that lack infrastructure, who will brand and sell the products; will expand Farm to School and Farm to Institution programs

Sources: website, National Good Food Network webinar, "Food Banks as Good Food Partners," December 13, 2013; Foodlink 2013 Annual Report

FOOD HUBS/LOCAL FOOD SYSTEM PROGRAMS TO WATCH

As this report has shown, local food system/food hub innovations are rapidly unfolding throughout California and the country. There are several new models and programs that bear watching – a few are summarized below. Some of them highlight the evolving role of nonprofits and food banks in their local food system, as they craft new strategies to address hunger, poverty and unemployment.

Project/Location	Description
Baltimore Food Hub, Baltimore	A \$1.4 million EDA investment in the work of the Historic East Baltimore Community Action Coalition Inc. will help revitalize the abandoned historic buildings of the city's Eastern Pumping Station to catalyze Baltimore's food economy. The project will address a shortage of commercial kitchens and food processing facilities for specialty food products by creating a center of entrepreneurship and jobs. The Hub will offer comprehensive services and resources, including an incubator with commercial kitchen space, food storage facilities, farm stand and garden center. The \$16.3 million project is projected to open in 2015. A prominent local chef will have a production kitchen, and Big City Farms will build an urban farm on the site. With job training, the project could create 100s of jobs. Bon Appetit, a food service provider for nearby Johns Hopkins University, will be one of the partners along with the University.
Bellingham Food Bank – Food Bank Fresh, Washington State	The Food Bank contracts with seven partner farms to grow fresh produce for food bank clients, working off season with local farms to develop a crop list for the upcoming harvest year, establishing prices that allow for a reasonable return and paying them up front for their contract. In so doing the Food Bank increases the amount of fresh produce in the community, and creates a new market outlet for farmers who can grow their wholesale and CSA program at the same time. ²⁵
Food Bank of North Alabama	Serves 11 Northern Alabama counties. Has added programs that address food system issues. In 2012, launched the pilot program the Farm Food Collaborative, which helps Alabama farmers sell local food to schools, hospitals, workplace cafeterias, and grocery stores. Created a revolving loan fund offering financing to growers and/or locally-owned food-based enterprises to create jobs for low-to-moderate income persons or provide services in under-resourced communities. Working with partners on a grass-roots effort to form the North Alabama Food Policy Council, to foster a more-locally based food system where no one goes hungry and where local dollars stay in the community.
Snohomish County Food Hub, City of Everett, Washington State	Construction of a 60,000 s.f. farmers' market and food hub is underway, scheduled to open in 2014, offering high-quality local fruit, vegetables, meat and dairy products as well as value-added foods produced on-site with local ingredients. Will include a large commercial kitchen and processing facility where farmers can make products to sell at the market or across the nation. The marketplace will offer 90 retail spaces of varying sizes to farm producers in the Puget Sound area. The project was developed through working with farmers to keep agriculture in the County economically viable and meet consumer demand for fresh and local foods. It will anchor a housing project and hotel with space for restaurants. The entire project is estimated at \$50 million, financed through the EB-5 investment program. The project is being privately developed but the Snohomish County Growers Alliance will manage the project. ²⁶

Sources: websites; newspaper articles, EDA e-newsletter, "Success Story – Expanding Baltimore's Food Economy and Job Market," November 2013.

²⁵ Morange, Max. "Food Bank Fresh Aids Whatcom County farmers, ensures produce for clients," The Bellingham Herald, June 17, 2013.

²⁶ Washington State Dept. of Health, <http://depts.washington.edu/waaction/action/n1/a18.html>.

Artist's rendering of the Baltimore Food Hub



Source: <http://www.eda.gov/news/blogs/2013/11/01/success-story.htm>

APPENDIX A: LIST OF PROJECT INTERVIEWEES/RESOURCES

ORGANIZATION	CONTACTS
Agricultural Advisors, Inc.	John Post, President, Yuba and Sutter Counties
Arden Garden Market	Dan Friedlander, Developer
Bon Appetit	Andrew Tescher, General Manager, Intel Campus
California Air Resources Board	Judy Nottoli, Air Resources Engineer, Office of the Small Business Ombudsman
California Department of Food and Ag	Karen Ross, Secretary Elysia Fong, Farm to Fork Coordinator Sarah Hanson, Farm to Fork
California Department of General Services	Robert Ullrey, Food Procurement Unit
California Grocers Association	Ron Fong, CEO Keri Askew Bailey, Policy Director
California Health and Human Services Agency	Diana Dooley, Secretary Jim Suennen, Associate Secretary, Office of External Affairs Janne Olson-Morgan, Assistant Secretary, Program & Fiscal Affairs
California Restaurant Association	Jot Condie, CEO Bobby Coyote, Owner, Dos Coyotes, Chapter President Allison Zander, Program Manager
Capay Valley Farm Shop	Thomas Nelson, Co-Founder and President Ronit Ridberg, Director of Business Development
Capay Valley Vision	Nancy Pennebaker, Chair
Capay Organic, Farm Fresh to You	Thaddeus Barsotti, Co-CEO Barbara Archer, Communications Director Victoria Berends, Branding Director
Center for Land-Based Learning	Mary Kimball, Executive Director
Corti Brothers Grocery	Darrell Corti, President
City of Davis	Joe Krovoza, Mayor Rob White, Innovation Officer Sarah Worley, Economic Development Director
Davisville Farms	Jim Donovan, Managing Partner
El Dorado County	Norma Santiago, Supervisor, District 5 Brian Veerkamp, Supervisor, District 3 Charlene Corvath, Agricultural Commissioner
El Dorado County Farm Bureau	Valerie Zentner, Executive Director
Evans and Brennan (School Food Service Consultants)	Georgianne Brennan
Foodlink, Rochester, N. Y.	Mitch Gruber, Community Access Manager
Foodways Consulting	Libby O'Sullivan
Full Belly Farm	Paul Muller, Co-Owner Judith Redmond, Co-Owner
Gnos Farms and Farm Credit West	Craig Gnos, Owner and Board Member
Governor's Office of Business and Economic Development (GO-Biz)	Andrew Strumfels, Office of Permit Assistance

ORGANIZATION	CONTACTS
Greenwise	Sarah Leddy, Project Manager, Foodwise Colin Mickle, Foodwise Coordinator Katherine Mitchell, Foodwise Fellow Amarachi Okemiri, Foodwise Fellow
Hackman Capital	Nate Ellis, Capital Commerce Center Lead
Kaiser Permanente	Kathleen Reed, Sustainable Food Program Manager and National Farmers Market Coordinator, National Nutrition Services – Procurement and Supply Jake Rosenberg, Assistant Administrator for Support Services, Sacramento Medical Center
Manas Ranch	Fred Manas, Owner
Mariani Nut Company	John Aguiar, Sales
North Yuba Grown	Gary Hawthorne, President
Northwest Land Park development	Kevin Smith, Project Manager
Placer Community Foundation	Veronica Blake, CEO
Placer County	Joshua Huntsinger, County Agricultural Commissioner Dave Synder, Economic Development Director
Placer Food Bank	Dave Martinez, Executive Director Alan Osterstock, Programs Director
Produce Express	Jim Mills, Sales Representative
Placer Real Food	Joanne Neft, Author and Marketing Specialist
Public Health Institute	Ronit Ridberg, Food Procurement Project Consultant, California Health in all Policies Task Force
Rideout Memorial Hospital, Yuba County	John Weiler, Former Board Chairman; Business Manager, Oji Bros. Farms, Inc.
City of Sacramento	Dean Peckham, Manager, Economic Development Leslie Fritzsche, Downtown Development Manager
Sacramento County	Don Nottoli, Supervisor, District 5 Phil Serna, Supervisor District 1 Lisa Nava, Chief of Staff, Sup. Serna Troy Givans, Director, Economic Development Juli Jensen, Agricultural Commissioner
Sacramento Food Bank and Family Services	Blake Young, President & CEO Jeremiah Rhine, Chief Operating Officer Erik Kintzel, Food and Operations Director
Sacramento Public Market Project	Joe Rodota, President & CEO, Forward Observer
SODEXO, UC Davis Food Service	Linda Adams, Director
Soil Born Farms	Shawn Harrison, Executive Director
Solano-Yolo Farmbudsperson Program	Michelle Stephens, Farmbudsperson
Sutter County	Stanley Cleveland, Supervisor, District 2 Mark Quisenberry, Agricultural Commissioner Danelle Stylos, Development Director
Sutter Health, Sacramento Sierra Region	Jack Breezee, Regional Director Food and Nutrition Services
Trinity Fresh	Paul Abess, President Danee Brady, Marketing Manager

U.S. Department of Agriculture (USDA), D.C.	Jim Barham, Economist, Agricultural Marketing Service Errol Bragg, Director, Agricultural Marketing Service Terry Long, Director, Market News, Fruit and Vegetable Programs, Agricultural Marketing Service
USDA California	Val Dolcini, State Director, Farm Service Agency Glenda Humiston, California State Director, Rural Development Robert Tse, Special Projects, Rural Development
University of California Cooperative Extension	Cindy Fake, Horticulture and Small Farms Advisor, Placer-Nevada Counties Chris Greer, County Director, Rice Farming Systems Advisor, Sutter-Yuba and Colusa Counties
University of California, Davis	Bob Adams, Executive Director, Sustainable Ag Tech Innovation Center, Child Family Institute for Innovation & Entrepreneurship Edward Silva, Program Coordinator, Sustainable Ag Tech Innovation Center, Child Family Institute for Innovation & Entrepreneurship
Valley Vision	Bill Mueller, CEO Robyn Krock, Project Manager, Food System Collaborative
Wallace Center at Winrock International	Jeff Farbman, Senior Program Associate
City of West Sacramento	Christopher Cabaldon, Mayor Chris Ledesma, COuncilmember Mark Johannessen, Mayor Pro Tem Diane Richards, Manager, Economic Development Ernesto Lucero, Economic Development Specialist
Williams-Paddon	Jim Williams, Owner, Advisor, Next Economy Project
City of Winters	Cecilia Aguiar-Curry, Mayor John Donlevy, City Manager
City of Woodland	Tom Stallard, Councilmember
Yocha Dehe Wintun Nation	Betsy Marchand, Advisor
Yolo Ag and Food Alliance	Kristy Lyn Levings, Chair Co-Owner, Chowdown Farm
Yolo County	Don Saylor, Supervisor, District 1, Yolo Food Connect Mike McGowan, Supervisor (former) Diane Parro, Deputy to Supervisor Saylor John Young, Agricultural Commissioner Dennis Chambers, Chief Deputy Ag Commissioner Nicole Sturzenberger, Farm to School Outreach Coordinator
Yolo Food Bank	Kevin Sanchez, Executive Director
Yuba City	Darin Gale, Economic Development Director
Yuba County	Roger Abe, Supervisor, District 4 Mary Jane Griego, Supervisor, District 3 John Nicoletti, Supervisor, District 2 John Fleming, Economic Development Coordinator Kevin Mallen, Director, Community Development and Service Agency Louie Mendoza, Agricultural Commissioner
Yuba-Sutter Chamber of Commerce	Steve Dambeck, Director of Visitor Services
Yuba-Sutter EDC	Brynda Stranix, President/COO
Yuba-Sutter Farm Bureau	Megan Foster, CEO A.J. Anderson, Chair, Young Farmers and Ranchers Group

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