Welcome! / ¡Bienvenido!



We are recording this meeting. It will be posted on the website.



We are saving the chat transcript

¿Habla español?



Para escuchar la reunión en español, haga clic en el ícono de globo en los controles de Zoom y seleccione "Español"

Para leer la presentación en español, busque el enlace en el chat o visite: rebrand.ly/españolpres





This session is part of the public comment period for this program

Review <u>draft</u> grant documents at www.cafarmtofork.cdfa.ca.gov/F2CFHP.html

Applications are <u>not open</u> for this program yet

Office of Farm to Fork
California Department of Food and Agriculture (CDFA)



What is a public comment period?

Public comments are due: December 6 by 11:59pm PST

You can submit comments by:



Attending a virtual public feedback sessions (like today)



Submitting comments at forms.office.com/g/Ve6ShuvP5B



Public comment letters: email to cafoodhubs@cdfa.ca.gov





What is a helpful comment?

It is specific, relates to a certain part of the draft Request for Application and draft grant documents, and offers solutions.

Example of a comment

The award amount for Track # is too low for us. Please change.

Example of a **helpful** comment

The maximum award for Track # is too low based on current infrastructure costs – a more helpful award amount would be \$X. This would enable our organization to XYZ.



Guiding questions

- How can we clarify?
- How can we simplify?
- What seems infeasible?
- How can we help?
- How can we create lasting impact?
- What language can we include to make the program better reflect work led by California Native American Tribes?





What is required and what can we design?

CA legislation requires



- Program purpose
- Prioritizing the creation of <u>new</u> community food hubs
- What types of food producers and buyers community food hubs should prioritize
- Option to provide the grant program in two phases as:
 - (Phase 1) planning grants only
 - (Phase 2) infrastructure and operations grants. Priority for Phase 1 grantees

What we designed (and want your feedback on)



- Definitions, including "community food hub"
- Who is eligible to apply
- Funding track details
- The application and scoring criteria
- Support that we offer applicants



What's the purpose of the program? IIII



Incentivize the creation and permanency of public-serving aggregation and distribution enterprises (i.e., community food hubs) by investing in planning activities and piloting investments in the capital aggregation and distribution infrastructure needed to:

- Increase purchasing of local, environmentally sustainable, climatesmart, and equitably produced food by schools and other institutions
- Build a better food system economy
- Support the local farming and Indigenous food production economies
- Accelerate climate adaptation and resilience and
- Employ food system workers with fair wages and working conditions.



How much funding is available? III



- Up to \$14.4 million available for entire program
- Funding planning and infrastructure/operations
- Proposing to provide this as a one-phase program: award planning and infrastructure funds at the same time
- One-time funding from California's General Fund



What are the priorities?



All projects must demonstrate how the project will:

- **Serve California food producers**. The community food hub must **prioritize** food producers that operate on 500 acres or less; are cooperatively owned; are using sustainable or climate smart agriculture practices or production systems; are following state labor practices; or who are socially disadvantaged, veterans, disabled, a beginning farmer or rancher, and/or limited resource farmer or rancher.
- Prioritize distributing California grown or produced foods to public institutions and nonprofit organizations, with primary emphasis on public schools, food banks, and other food distribution nonprofit organizations in the region.
 - Public institutions include several Tribal institutions (see definition in draft RFA).
 - Awarded projects may serve private institutions, such as private universities or for-profit grocery retail, as long as public institutions and nonprofit organization buyers are prioritized.
- Cultivate and maintain financial sustainability



Are there project priorities?

 The creation or expansion of a new community food hub (defined on later slide)



 Up to 10% of funding is set aside for California Native American Tribes and Tribal-serving nonprofit organizations



 Projects that demonstrate they will be producer-led community food hubs (defined on later slide)



How do we define "community food hub"?



an organization or business that serves as a supply chain intermediary by providing aggregation, distribution, and/or marketing services for local or regional California food producers to strengthen food producers' ability to reach wholesale, retail, and institutional markets.

These organizations or businesses may use a centrally located facility, such as a warehouse, or aggregate more informally, such as virtually coordinating supply chain activities for multiple local or regional producers.

For the purposes of this program, community food hubs must be able to identify the source of 100% of the food products that it sells.

What is a "food producer"? a person, group of individuals, nonprofit organization, or California Native American Tribe that leases, rents, or owns land in California (whether the land is publicly owned, privately owned, or Tribal land) and cultivates crops, raises livestock, and/or uses Indigenous food production practices on this land, and/or a California seafood harvester



What types of grants are available?



Track 1: Planning and Piloting

Award amount: \$50,000 - \$250,000 **Duration:** up to 24 months (2 years)

Track 2: Infrastructure and Operations

Award amount: \$500,000 - \$2 million **Duration:** up to 60 months (5 years)



No matching requirement for any tracks



An entity can only be a <u>lead</u> applicant for <u>one</u> track



Recipients of other state and federal grants are allowed to apply for either track



Who is allowed to apply? Part 1



Most types of entities are allowed to apply to either track, if they are:

- developing a "new community food hub" or
- expanding capacity of a "developed community food hub"

New community food hub

an entity that has either:

- (1) never conducted community food hub operations **OR**
- (2) has been conducting community food hub operations **AND** had an average annual gross cash income \$1 million or less during the previous three-year period.



Developed community food hub

a community food hub that had an average annual gross cash income range of \$1,000,001 - \$5 million during the previous three-year period.



Who is allowed to apply? Part 2





Can apply:

- Food and agriculture-related business
- Nonprofit organization
- California public school district
- California County Office of Education
- Cooperative business
- Certified B Corporation
- California Native American Tribe; Tribal school; Tribal-serving nonprofit organization
- Resource Conservation District
- University of California, California State
 University, and other public institutions of higher education



Cannot apply:

- Individuals
- Private schools
- Other local, state, and federal entities
- Food hubs, aggregators, and distributors that do not meet the definitions of "new community food hub" or "developed community food hub"

Community food hubs with an average annual gross cash income greater than \$5 million during the previous three-year period are not eligible to apply to the program, as proposed.



Who is allowed to apply? Part 3



Track 1 Planning and Piloting

If community food hub is currently operating, the **owner must be lead applicant.**

If the community food hub does not currently exist, lead applicants do not have to be expected owner.

Track 2 Infrastructure and Operations

Owner must be lead applicant.







What is the purpose of Track 1: Planning and Piloting?



Purpose: develop one or more plans, and pilot certain activities directly related to those plans, that

- (1) support the development of a new community food hub, or
- (2) expand the capacity of a developed community food hub.

Award Amount: \$50,000 - \$250,000

Grant Duration: Up to 24 months (2 years)

Project <u>examples</u>:

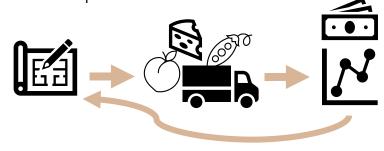
- Feasibility study
- Business plan
- Site design and engineering
- Marketing strategies

Piloting Activities (optional)

Test/pilot a new process, strategy, operation, or other activity that will directly benefit, improve, or advance the planning process. The purpose is to strengthen the plan, not to launch full-scale, long-term operations.

Example:

A project is developing a business plan for a new community food hub. The project will pilot early-stage operations by sourcing from local producers and selling to a public school. That sales data will directly support financial projections and product pricing for the business plan.





How can you use funds for in Track 1 projects?



Up to 20% of direct costs

Almost anything you need that is necessary and reasonable to meet project goals

Examples of allowed costs for planning

- Project team wages
- Venue rentals, food, or farmer stipends as part of outreach
- Fees for consultants
- Survey or mapping software
- Travel

Examples of costs not allowed

- Plans directly related to agricultural production or farm certifications for individual farms/ranches
- Costs related to direct-to-consumer food distribution

Allowed costs for piloting activities only include:

- Food safety certification and training
- Refrigerated vans
- Coolers and other food storage equipment
- Boxes and other food packaging supplies
- Construction costs necessary to implement piloting activities
- Rental fees for kitchen or food processing facilities to test development of lightly processed and/or value-added food products
- Wages for people directly working on the piloting activities

Indirect Costs: up to 30% of total direct costs. UC/CSU applicants use negotiated rates.



How will we score Track 1 applications?



Application Section	Points Available
Applicant Information	
Project Type	
Dollar Amount Requested	
Other Grant Awards	
Project Summary	
New Community Food Hub Priority	5 points
Project Team and Partnerships	25 points
Project Need	10 points
Objectives	20 points
Engagement Plan	15 points
Workplan and Budget	15 points
Letters of Support	10 points
Additional Applicant Information	
Total Possible Points	100

More points available for

- Projects that develop "new community food hubs"
- Projects serving food producers the program prioritizes, for example: food producers operating on 500 acres or less
- Projects that demonstrate how a project will be a "producer-led community food hub"

How we define "producer-led community food hub"

community food hubs in which California food producers are the owners, operators, and/or decision makers. The food producers have decision-making roles that directly affect the planning, design, and/or operations of the community food hub. Producer-led community food hubs could be using any form of legal business structure, whether it is a cooperative or not.





What is the purpose of Track 2: Infrastructure and Operations?



Purpose: cover infrastructure and operating costs to

- (1) establish operations or expand capacity for a new community food hub or
- (2) expand capacity of a developed community food hub

Award Amount: \$500,000 - \$2 million

Grant Duration: Up to 60 months (5 years)

Examples

- Purchasing land and constructing community food hub facilities, such as warehouses or food processing facilities
- Increasing storage, food processing, and/or transportation capacity
- Engaging, educating, and/or training food producer vendors to increase their capacity to sell to the community food hub
- Establishing partnerships and operations for inter-food hub trading/sales



How can you use funds for Track 2 projects?



Almost anything you need that is necessary and reasonable to meet project goals

Examples of allowed costs

- Project team wages
- Land purchases and leases (up to 75% of direct costs)
- Construction costs
- Refrigerated vans and trucks
- Food storage equipment
- Food processing equipment
- Costs related to training food producers
- Fees for contractors and consultants
- Inventory and sales software
- And more!

Examples of costs <u>not</u> allowed

- Costs related to direct-to-consumer food distribution
- Incorporation fees, business license fees, and other costs associated related to organizing a business or similar entity

Indirect Costs: up to 30% of total direct costs. UC/CSU applicants use negotiated rates.







Application Section	Points Available
Applicant Information	
Dollar Amount Requested	
Other Grant Awards	
Project Summary	
New Community Food Hub Priority	5 points
Project Team and Partnerships	20 points
Project Need	10 points
Operations	10 points
Objectives	25 points
Workplan and Budget	15 points
Metrics	5 points
Letters of Support	10 points
Additional Applicant Information	
Total Possible Points	100

More points available for

- Projects that are developing "new community food hubs"
- Projects that demonstrate how the project will be a "producer-led community food hub"
- Projects that serving more food producers
- Projects that will serve a public institution and/or a nonprofit organization buyer

Letters of Support

Max points possible if applicant submits 6 signed Letter of Support forms** from:

- Two CA food producers interested in selling to the food hub
- 2. Two public institutions or nonprofit organizations interested in buying from the food hub
- 3. One organization with business/economic development expertise
- 4. One food system supporter

**If Tribal-serving organization applicant, must include a Letter of Support from each CA Native American Tribe





How will we help during the application period?



- 1 Public virtual "office hours" twice each month during the application period
- 2 Answer questions sent to cafoodhubs@cdfa.ca.gov
- 3 Review draft application materials for up to 20 eligible applicants that are:
 - California Native American Tribes
 - Tribal-serving nonprofit organizations
 - California food producers that identify as:
 - Socially disadvantaged
 - Beginning farmers and ranchers
 - Limited resource
 - Veteran or
 - Disabled

Language interpretation will be provided if needed, but all applications must be submitted in English

- We <u>will not</u> write application materials. We <u>will</u> provide guidance and feedback on how to improve applications before applicant submits.
- Participation does not guarantee an application will be selected





Estimated timeline

Public comments are due: December 6 by 11:59 pm PST

Public feedback sessions

Monday, November 18 at 12 pm With live Spanish interpretation

Thursday, November 21 at 9:30 am Session intended for CA Native American Tribes and Tribal-serving nonprofit organizations

Tuesday, December 3 at 5 pm

Up Next

- Dec. 2024: CDFA reviews public comments
- Early Winter 2025: Application Opens
- Winter 2025: Application closes
- Winter Spring 2025: Score applications
- Spring 2025: Announce selected projects
- Summer 2025: Projects can begin



How can I learn more?

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