REGIONAL PRIORITY PROJECT PRIORITIZATION PROCESS

PROJECT INFORMATION FORM

IF ADDITIONAL SPACE IS REQUIRED FOR ANY RESPONSE OR YOU WANT TO SUBMIT ADDITION DOCUMENTS , CLEARLY IDENTIFY THE DOCUMENTS WITH THE PROJECT NAME AND EMAIL THEM TO FKENNEY@ADDISONCOUNTYEDC.ORG.

DOWNLOAD AND SAVE THIS DOCUMENT TO YOUR COMPUTER, COMPLETE THE FORM, THEN CLICK THE SUBMIT BUTTON.

PROJECT NAME:

ACORN Food Hub

TYPE OF PROJECT:

- [x] Infrastructure:
  - [ ] Water
  - [ ] Wastewater
  - [ ] Broadband
  - [ ] Transportation
  - [ ] Public Facility
  - [x] Other: Food System
- [x] General Development:
  - [ ] Industrial
  - [x] Commercial
  - [ ] Residential
  - [ ] Mixed
- [ ] Site/Facility Development for Specific Business
- [ ] Workforce Development
- [x] Business Development
- [ ] Other:

PROJECT SPONSOR:

Organization Name	ACORN Network
Organization Mailing Address	PO Box 404, Bristol, VT 05443
Organization Email	info@acornvt.org
Organization Phone	802-382-0401

Contact info for the person submitting project information:

Name	Lindsey Berk
Title	Executive Director
Mailing Address	8 Rossiter St, Brandon, VT 05733
Email	lindsey@acornvt.org
Phone	802-382-0401

PROJECT PRINCIPAL(S) (if different than above):

Person 1:

Name	
Title	
Organization	
Mailing Address	
Email	
Phone	

Person 2:

Name	
Title	
Organization	
Mailing Address	
Email	
Phone	

PROJECT DESCRIPTION (5000 Characters):

ACORN is applying for funding to build a zero-carbon food hub in Middlebury, the seat of the Champlain Valley's robust agricultural region.

The ACORN Food Hub is a centralized digital and physical space that facilitates the sales, aggregation, and distribution of locally produced food products to local wholesale markets. There is also the opportunity to partner with urban-focused businesses such as Essex Food Hub and Farmers to You that bring Vermont products to metropolitan areas. The Food Hub has cold and dry storage capacity, serves as an address for freight deliveries for remote farms, and as a distribution space for ACORN's Farmacy Food is Medicine program. We have the opportunity to create other aggregated CSA opportunities. The Food Hub may also include space for a commercial kitchen for new and emerging food businesses, including new catering operations by the migrant Latinx community, as well as other community groups including the Middlebury Natural Foods Co-op, HOPE, CVOEO and the Middlebury College Knoll.

The ACORN Food Hub will work in conjunction with ACORN's Online Wholesale Market that uses Local Food Marketplace to aggregate small and medium sized producers' inventory online to make it easier for wholesale buyers to purchase products and receive one invoice. As of November 2023, ACORN has three staff members working part time on the Food Hub, has secured bookkeeping assistance, a walk in cooler and freezer, and a cargo van for regional delivery.

The ACORN Food Hub:

• Creates a value based supply chain (VBSC) that "maintains the identity of the farmers who grow or raise a product, and that preserves the social, environmental, and community values that are incorporated into production." (UC Sustainable Agriculture Research and Education Program, 2017). VBSCs allow farmers to maintain ownership over their brand and production values because the distributor and the buyers help to carry the farmer's story forward.

• Establishes an aggregation point with cross-docking and storage to increase sales and distribution of locally produced foods, with the goal of making local food more accessible and affordable to area residents. These services are used by local businesses and community non-profits.

• Secured funding to purchase a refrigerated van to facilitate the distribution of aggregated orders to wholesale buyers along the Route 7 Corridor.

• Is operating an e-commerce bulk and wholesale market for local foods where producers can sell products to buyers.

• Creates the ability for consumers to purchase food in bulk at wholesale prices as self-organized neighborhood buyers, bringing down the price of local

PROJECT LOCATION (3000 characters):
Provide the physical location of the project and/or the area to be served by the project

With its access to Routes 125, 7 and 30, ACORN has identified Middlebury as the ideal location for a food hub in Addison County, which will serve the whole Champlain Valley, from southern Chittenden County to northern Rutland County. Participating producers also agree that regular trips to Middlebury are already part of their schedules and would be the most convenient location for this space. Middlebury is the location of ACORN's Farmacy Food is Medicine program, as well as Middlebury College, Addison Central School District and Porter Hospital, all of which would be some of the major institutional buyers of the online market.

Specific physical requirements for the food hub space will be access for trucks and access to a loading dock. A keypad locked vestibule that allows 24 hour access to delivery and pick-up is also desired. An office and space for gathering/celebrating local food is also an identified need.

PROJECT PURPOSE AND BENEFITS (3000 Characters):
Describe the purpose and benefits to the region of the project. Describe if/how the project builds capacity within the region for improved regional development/economic development/ community development, including: advancing workforce development; expanding entrepreneurship efforts; supporting or enhancing existing business clusters, or other economic impacts within the region.

A centralized aggregation site allows farms to meet volumes demanded by wholesale buyers.

ACORN's online wholesale market addresses the purchasing challenges for the immediate future, and the ACORN Food Hub aggregates local products in the region and streamlines distribution. This Hub makes the supply chain more transparent, increases access to local markets, increases producers' sales, and increases productivity due to more reliable wholesale demand. This stable flow of income increases the net income for participating producers, allowing them to be able to purchase more inputs and hire more labor to ultimately strengthen the local economy. Lastly, buyers at anchor institutions (school districts, hospitals, colleges) can source more local food, creating a more equitable and just food system.

This physical space allows local food products to be aggregated, stored and distributed. This project offers the possibility for small farmers to reach wholesale buyers in a streamlined manner, saving time and money while shortening the supply chain, making local food more accessible to a wider sector of the community. Ideally this space will be powered by renewable energy and an EV delivery vehicle will be used to further reduce the carbon emissions of the local food system. Having a more localized distribution network will lower the costs of food and help make it easier for producers to transport their products.

Measurable benefits include:

- Increase in local food sales for the online wholesale market and for the

PROJECT TIMELINE, MILESTONES, AND STATUS (3000 Characters):
Describe the project timeline, the current status of the project, and impediments to proceeding. Include factors such as site control, engineering and design, financing/funding identification and commitment, and permitting. Clearly identify where the project is in the timeline and what work remains.

Twelve years ago ACORN attempted to create an online market to overcome the barriers of wholesale buying. In the 2012 Addison Wholesale Collaborative report, we wrote that to "fully achieve the benefits of a buyer-seller network requires a larger user group than was available in Addison County at the time of the pilot. We have shown a spotlight on the path forward and will proceed ahead in collaboration with... other regional partners." In retrospect, the AWC was too early. The local food system, on both the supply and demand side, was too thin to support it.

From 2012-2020, ACORN hosted many farmer meetings, focus groups, and interviews to learn what obstacles farmers were facing, as well as opportunities for growth. We learned that farmers are interested in connecting with other farmers in a number of ways: bringing food to NYC or Boston, filling larger institutional buys, and selling locally-grown meat collectively. They are interested in increasing local sales, creating an online sales platform, and new opportunities to sell or donate surplus produce, especially when the season is erratic (a simplified market for seasonal fluctuations).

PROJECT PRINCIPAL EXPERIENCE/PARTNERSHIPS (3000 Characters):
Describe project principal(s) experience, ability to complete the project, and describe any projects partnership(s) and how the partnership(s) will help ensure success.

The ACORN Network, founded in 2009, is a non-profit with the mission to promote the growth and health of local food and agriculture in Vermont's Champlain Valley by providing support to farmers and food producers, engaging in food education and ensuring access to healthy food for all members of our community. ACORN, at its core, is nimble, a catalyst for developing local, sustainable and collaborative solutions that adapt to current times.

ACORN's Board of Directors is composed of a variety of people with a wide spectrum of expertise: current and retired food producers, business executives, employees of the Center for an Agricultural Economy, NOFA-VT, the Middlebury Natural Foods Co-op, a Middlebury College student, and a worker-owner of the Anti-Oppression Resource and Training Alliance (AORTA).

ACORN's Executive Director, Lindsey Berk, supervises the food hub along with a steering committee comprised of an ACORN Board member, the ACORN Food Hub Manager, and food producers.

Key members from the community (all of whom have written letters of support) will be invited to be part of the core team: Fred Kenney of Addison County Economic Development Corporation, Greg Prescott, GM of the Middlebury Natural Foods

PROJECT SUPPORT AND REGIONAL NEED (4000 Characters):
Describe how the project is consistent with identified local and regional goals, advances regional needs identified in plans, reports or public forums, and describe the community support and engagement. Include reference and link to the municipal and/or regional plan, report, or forum identified. Also describe how the project leverages regional human, social, financial, cultural, and/or physical capital, and supports, compliments, or enhances existing efforts.

The Food Hub tackles many of the priorities identified in our region; greenhouse gas emission reduction, increased access to local food, and improved farm viability. It is important to note the majority, if not all, of the food producers that partner with ACORN include various aspects of regenerative agricultural practices as part of their core business models.

The ACORN Food Hub addresses four of Vermont's Climate Action Plan strategies:

- "Reduce greenhouse gas emissions from the transportation... and agricultural sectors"
- "Encourage smart growth and related strategies,"
- "Achieve long-term sequestration and storage of carbon and promote best management practices to achieve climate mitigation, adaption, and resilience on natural working lands;"
- "Build and encourage climate adaptation and resilience of Vermont communities and natural systems."

The state legislature funded the second 10 years of Farm to Plate in 2020. The Food Hub directly addresses goals 1, 2, 3, 6, 10, 11, 12 and 14 (of 15 goals) announced in the recently published Farm to Plate Strategic plan for a resilient local food system.

The Food Hub reduces Greenhouse Gas emissions from two of the three highest emission sectors of Addison County, agriculture and transportation, according to CEAC's recent Greenhouse Gas Inventory Report for the county.

The 2019 Local Food Wholesale Market Assessment Report published by Vermont Farm to Plate offered a solution to the state's distribution challenges by stating that there is "potential for other intermediated market players – aggregators, processors, distributors, food hubs etc. – to continue to disrupt the marketplace with innovative product and logistical solutions that can supply local food that authentically represents the values consumers are in search of." These intermediated markets are part of a value based supply chain (VBSC).

In September 2021, Rural Vermont recommended to the VT Climate Council that the state invest in "strategically located, local, regional infrastructure related to food processing... and food storage. COVID has provided us a lived experience of systems disruption on a global scale - and it has significantly affected demand for local and regional food system infrastructure. The State must consider what

PROJECT COST, IDENTIFIED AND COMMITED FUNDS/FINANCING, AND FUNDING GAP:

Provide the total project cost and complete the simple sources and uses chart.

Total Project Cost: 275,000

Sources:

Source	Amount
Specialty Crop Block Grant	10,000
NBRC Food Hub Infrastructure	2,815
Kendall Foundation	95,782
Total Sources:	108597

Uses:

Use	Amount
Personnel	74,692
Administration	46,640
Support Services	22,000
Buildings and Grounds	127,600
Vehicle with Reefer/Freezer	75,000
Total Uses:	345932

Funding Gap: -237335

Note: Uses must exceed sources or there is no funding gap

Budget Narrative (3000 Characters):

Describe the amount of funds/financing that have been identified and include a clear status of the funds (Received, committed, applied for, identified, etc.) including the dates of receipt, commitment, application, expected distribution, etc. Clearly identify any funding gap.

ACORN secured $58,300 in funding from the USDA's Specialty Crop Block Grant program for 30 months, supporting the establishment of the online wholesale market with Local Food Marketplace and hiring two part-time employees. Approximately $10,000 of that remains. We received $60,618 from the NBRC Food Hub Infrastructure grant to secure warehouse infrastructure. About $2,800 of that remains. In July 2023, ACEDC received $50,000 from USDA RD for a Food Hub feasibility study. This will be finished June 2024 and will identify the specific costs of a fully scaled food hub in Middlebury. We were awarded $95,782 by the Kendall Foundation in October 2023 to improve Farm to School and to purchase an EV van with freezer and reefer.

We signed an MOU with CVOEO to share warehouse space on Exchange Street. CVOEO's cost of renting this space is $2,500/month, which is what ACORN had priced out prior to CVOEO signing their lease.

Capital funding will go to renting or buying a small commercial warehouse and outfitting it with cold and dry storage. The 2015 budget developed for the Addison County Food Commons in Greg's Meat Market shows initial capital funding needs, to cover total operational costs, staff, equipment, rent, utilities and support services, to be around $250,000. This includes one year salary for a full time Manager and two part-time positions. We have added in additional costs such as a delivery van outfitted with a freezer and reefer. The business plan shows the food hub will need to be run as a non-profit; multiple funding revenues include the use of a margin on goods sold through the market, fees for service, community philanthropy and public funding and grants.

We were awarded an NBRC Food Hub Infrastructure grant for $60,618 which covered our immediate cold and frozen storage needs, but we expect to max those spaces out in the next growing season.

A robust and engaging marketing plan to reach potential new local buyers and increase demand among eaters is also central to the success of this market. We will rely on collaborative marketing efforts with the Department of Tourism, Agency of Ag, Chamber of Commerce and Economic Development Corporations, all participating food businesses, churches, libraries, schools and our local news media. We would also need funding for a

JOB CREATION (4000 Characters):

Provide the number of full-time jobs to be created and/or retained by the project, a description of the benefits package to be offered to the majority of the new/retained jobs, and the average wage of the jobs to be created/retained.

Our business plan currently reflects two full-time jobs (Operations Manager and a Sales/Marketing Manager) as well as a delivery driver/ support person. Right now we have funding to support three part time positions until March 2024. Wages would be at least $22-$25/hour to attract and retain talented employees. We are offering paid time off and partial dental/vision plan and would love to offer more health benefits and a retirement plan, but need to figure out funding for that.

CLEAR FORM

PRINT FORM

SUBMIT PROJECT