

CSA pick-up at Clear Brook Farm

# Promoting Low-Income Food Access in Bennington, Vermont

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#### **Executive Summary**

Bennington is a town of great contrasts. On the one hand, it boasts a long history as a farming, manufacturing, and technology center, with a highly skilled workforce. Personal income has grown markedly in recent years. County residents earned a combined total of \$1.7 billion in 2015, an increase of 150% over 1969.

Yet this largesse is not shared by the low-income residents of the town. Nearly half (43%) of the in-town population earns less than a livable wage. School officials said that more than 80% of the students in the district qualify for free and reduced lunch, since their families earn less than 185% of the poverty level. Accordingly, the district offers free lunch to all students. One service agency reported that they are offering food to one of every four adults in the central part of town.

Those we interviewed told dire stories about town and rural youth growing up with no parents, or parents that are addicted to opioids, or suffering from dependency themselves, or disabled. Perhaps most importantly, many youth and adults hold limited self-esteem, or feel utterly marginalized and alone.

Although dairy was once a mainstay of the Bennington economy, the farm and food economy fares badly today. Over the past 27 years, county farmers spent \$1 million more each year producing commodities than they earned from selling them. Meanwhile, county consumers spend \$100 million buying food sourced outside the county.

Responding to these and other challenges, Northshire Grows commissioned a study to explore ways of improving access to food for low-income residents. This grant was obtained from USDA Rural Development in Montpelier. Our team explored many possible paths: Refurbishing a historic farm property in hopes it would be a source of jobs. Scaling up wholesale production of produce on local farms so lower-cost foods would be available to those with less spending power. Expanding institutional purchasing in order to help those farms ramp up production. Expanding, or fostering new, food processing firms. Offering more services to those with limited incomes.

We also spoke in depth with several courageous leaders who work closely with low-income residents. The overwhelming conclusion these experts drew was that working with this population relies intensely on forming one-on-one relationships of trust. Many folks with limited means are caught in a complex web of concerns. Solving one issue leads may only make it clear that something else is now an obstacle. For example, one might attend a cooking class, but not own cooking utensils, or have no reliable transport to go to the grocery, or simply work too many shifts to take charge of one's own life.

Developing bonds of trust seems to break through some of the limitations people may feel, allowing them to tackle these complex issues as they arise because they feel less alone.

We also heard our sources state that too many programs that strive to help lowincome residents focus narrowly on a single issue, or get lost counting the number of people they serve, rather than intervening to empower their charges.

Our conclusion is that some deep foundational work needs to be done to engage low-income residents in planning and implementing the programs that serve them, so the programs remain relevant and nurturing. We suggest ways of building economic exchange among low-income residents, because there is no sign that the prevailing market economy will respond to their concerns. Further, we found that those who work directly with limited-income residents would benefit from being better networked themselves, and offering more coordinated initiatives.

Understanding that poverty is structural, and that the issues low-income Benningtonians face are complex and ever-changing, we sought to understand the systems "lever" that could be pushed to move systemic poverty to a better place. Our conclusion was that offering low-income residents a sense that they genuinely belong was the best way to start.

These, then, are our recommendations:

## 1. Low-income advocates and service providers should continue to meet on a regular basis to develop more strategic approaches to overturning poverty.

Such meetings should allow participants to learn more about each other's work, coordinate more effectively across organizational and geographic lines, identify gaps in service, and foster collaborative initiatives.

We were asked, "How do we use making prepared meals for others a job-creation opportunity?" Strategic planning around this concept seems exceptionally valuable. Another participant added, "How do we make the collaboration actually work for low-income residents, not simply be something done in the name of residents?"

Our respondents also highlighted the need to keep the concerns of low-income residents visible to the broader community. Such outreach should be one priority of the collaboration. One way to do this is to create venues where lower-income and more prosperous residents might mingle, to increase mutual understanding and potential collaboration.

## 2. Low-income advocates and service providers should create a sustainable and reliable way of welcoming low-income residents into a community context in which they feel empowered.

One of the key topics to be discussed is how to engage low-income residents in a fabric of community where they feel connected rather than isolated, and productive rather than passive. The concept of a membership group, whether recognized formally by a membership card or not, seemed to resonate with people we spoke with, but this idea should be further fleshed out and adopted.

As one roundtable participant stated, "It is more effective to develop a small number of close relationships rather than pushing 100 people through a program. This work is all about one-to-one relationships."

Another added, that in working with low-income residents, it is important to "make food delicious again." Often the bare bones ingredients given to recipients do not incite interest in eating.

## 3. The Bennington community must grow new farmers, and increase food production for household consumers.

Bennington County is leaking more than \$100 million each year as it grows and buys food. This makes it imperative that public officials find resources that can be invested in growing new farmers on a sustained basis, building supportive infrastructure that creates local efficiencies in food trade, and encourages county residents to purchase food from farms in their community.

While these investments will not provide a rapid return, they are essential for stopping the outflow of money — which currently is helping create further poverty, both now and in the future, in a county that is already plagued with considerable difficulty.

Perhaps the most difficult step to take is also the most essential. Without training new farmers, not enough food can be grown for local consumers. At the same time, this is a complex topic, because efforts to foster new farms must simultaneously build new consumer interest, or the new farms will only pirate sales off of farms that have been raising food for local consumers for decades.

Low-income residents could certainly benefit from these initiatives, if they become engaged in exchanges of food and skills that build an economy among low-income residents. If low-income residents are merely asked to provide low-cost labor to provide food to more prosperous residents, little will improve.

The Career Development Center took some interest in developing programs that would engage their students, many of whom are low-income, in planning local food systems, constructing facilities (such as greenhouses, hoophouses, irrigation systems, etc.) at CDC shops that could create some of the required infrastructure. Efforts such as these look very promising.

#### People Interviewed

Name	Position	Organization
Sue Andrews	Executive Director	Kitchen Cupboard / Greater Bennington
		Interfaith Community Services
Christopher Barnes	Associate Principal	Mount Anthony Union High School
Michael Batcher	Regional Planner / Solid	Bennington County Regional Commission
	Waste	
Elyse Belarge	AmeriCorps VISTA	Bennington County Regional Commission
Rep. Bill Botzow	Legislator	Vermont House of Representatives
Laura Boudreau	Curriculum and PD Director	SVSU at Mount Anthony Union High School
Athena Lee Bradley	Projects Manager	Northeast Recycling Council
Tanya Brown	Science Teacher	Mount Anthony Union High School
Thom Bruso	Youth Coordinator	Turning Point Center
Catherine Bryars	Regional Planner	Bennington County Regional Commission
Chris Callahan	Extension Agent	UVM Extension
Donald Campbell	Regional Director	Vermont Land Trust
Erica Campbell	Farm to Plate Program	Vermont Sustainable Jobs Fund
	Director (in October)	
Sen. Brian Campion	Legislator	Vermont Senate
Jake Claro	Farm to Plate Program	Vermont Sustainable Jobs Fund
	Director (current)	
Jonathan Cooper	Community & Economic	Bennington County Regional Commission
	Development Specialist	
Dale Coppin	Director	Grateful Hearts
Paul Costello	Executive Director	Vermont Council on Rural Development
Jim Cross	Science Teacher	Mount Anthony Union High School
Ben Doyle	Community & Economic	USDA Rural Development
	Development Specialist	
Susan Pratt Fox	Executive Director	Meal on Wheels of Bennington County
Michael Harrington	Director, Economic	Town of Bennington
	Development	
Meg Honsinger	Assistant Director	Career Development Center
Jamie Jerome		Fairdale Farm
Ellen Kahler	Executive Director	Vermont Sustainable Jobs Fund
Katherine Keys	Program Director	Youth Agricultural Program
Wendy Klein	Work-Based Learning	Career Development Center
	Coordinator	
Andrew Knafel	Owner	Clear Brook Farm
Laura LaCroix	Planning Director	Southwest Vermont Medical Center
Lisa MacDougall	Owner	Mighty Food Farm
Denise Main	Family Services Director	Sunrise Family Resource Center
TH: 1 .1 3.5		H C L E
Elisabeth Marx	Senior Philanthropic Advisor	Vermont Community Foundation
Chris Marzen	Principal	Mount Anthony Union High School
Michelle Marrocco	Community and Economic	Bennington County Regional Commission
D 41' 3.5'11	Assistance	V II CD
Rep. Alice Miller	Legislator	Vermont House of Representatives
Susan Poland	Business Programs Specialist	USDA Rural Development

Jaime-Lynn Schmidt	Culinary Program Director	Career Development Center
Susan Sgorbati	Director	Bennington College Center for the
		Advancement of Public Action
Kenneth Sigsbury	Chair	Alliance for Community Transformation
Jim Sullivan	Executive Director	Bennington County Regional Commission
Ilsa Svoboda	Executive Director	Meal on Wheels of Bennington County
Tiffany Tobin	Director of Hospitality	Southwest Vermont Medical Center
	Services	
Jim Trimarchi	Planning Director	Southwest Vermont Medical Center
Catherine Wilcox	Vice President	Wilcox Ice Cream
Craig Wilcox	President	Wilcox Ice Cream
Howard Wilcox	Owner	Wilcox Ice Cream

#### Promoting Low-Income Food Access in Bennington, Vermont

#### **Purpose**

Northshire Grows established the purpose of this project in a memo to Crossroads Resource Center dated April 12, 2016:

This Feasibility study will consist of a research and development phase, an interview and convening phase, data aggregation, and best practices comparison to determine next steps in building a more secure local food system for Bennington, Vermont. Access to local food for all socioeconomic groups, technical assistance needs for the farms and food businesses to make this food available and supply and demand channels and their potential will all be addressed.

Our meeting with USDA Rural Development staff on October 7, 2016, affirmed that the Agency's priority was to address the food needs of low-income residents of the Town of Bennington.

In addition, Northshire Grows has expressed several other potential purposes:

- Explore industry modalities that will increase economic opportunities, create jobs and improve our region's quality of life.
- Build out a sound social enterprise covering food production, aggregation, and distribution.
- Pursue manufacturing as a source of workforce development and increased prosperity.
- Support Bennington organizations that work directly with low-income residents to improve food access.
- Increase farm income for farmers selling food to local markets.
- Intervene in an ongoing development process for the former Putnam Hotel in Bennington, to ensure that low-income food shopping needs will be addressed.
- Unite the North and South Shires.
- Unify food work in Bennington and Windham Counties.
- Maximize the South Shire's position and role as a hub for visitors.
- Foster stronger farm-to-school programs.

All of these appear to be subordinate to the overall direction of improving food access for low-income residents of the town.

#### Methodology

This exploration of the potential for increasing food access for low-income residents of the Town of Bennington began with an initial three-day tour of the region October 4-7, 2016 focused on interviews with farmers and low-income food advocates, compilations of demographic and economic data by both the Bennington

County Regional Commission and the Consultant, and finally a three-day tour April 5-7, 2017 focused on deeper conversations with low-income service organizations.

A list of those interviewed is included above. Interviewees were selected and scheduled by Northshire Grows. Many of the meetings were group meetings in which diverse stakeholders described their work and offered their thoughts on what was most needed to improve the food system of the area. Many of these meetings specifically addressed low-income food access. Rosalie Wilson, a business consultant from northern Vermont, joined all of the interviews and took detailed notes.

Secondary data was compiled from public sources; a summary of the farm and food economy is included in this report as Appendix 1.

#### Conditions in the Town of Bennington

Our respondents noted that Bennington is a town of contrasts. On the one hand, it has a long history of manufacturing, including battery manufacturers, technology firms, engineering firms, and plastics manufacturers. This means it supports a highly skilled workforce.

Personal income has grown markedly. County residents earned a combined total of \$1.7 billion in 2015, an increase of 150% over 1969, after adjusting for inflation.<sup>1</sup>

Income data by sector are only available for the County as a whole; these show the decline of traditional forms of income. Personal income earned by manufacturing workers fell 25%, from \$207 million in 2001 to \$152 million in 2015. Ten firms in the county manufacture food, hiring 96 employees earning a combined total of \$2.7 million.

Meanwhile income earned by health care workers became the number one source of earned income, rising from \$139 million to \$194 million during the same period.<sup>2</sup>

The number one source of personal income in Bennington County is interest, dividends, and rental income, at \$440 million, relatively steady over the past 16 years. This is a solid indicator of stored wealth, both from former farms and manufacturing jobs, and wealth owned by older people who have moved into the county in recent years.

Co-existing with this, however, is considerable poverty. 38% of all residents of the Town of Bennington live in a household earning less than a livable wage, defined as 185% of the poverty line. 20% live below the 100% of poverty level.<sup>3</sup>

In the urban sections of the town, poverty rates are even higher, with 43% of residents living in a household earning less than a livable wage and 23% living below the 100% of poverty line.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Bureau of Economic Analysis, Regional Income Data.

<sup>&</sup>lt;sup>2</sup> Bureau of Economic Analysis, Regional Income Data.

<sup>&</sup>lt;sup>3</sup> Federal Census, American Community Survey for 2011-2015.

School officials told us that more than 80% of the students in the school district qualify for free and reduced lunch, meaning their families earn less than 185% of the poverty level. This means the district offers free lunch to all students.

Figure 1 shows that transfer payments — public programs that transfer money to residents through retirement programs, unemployment compensation, and SNAP benefits — increased 66% from \$245 million in 2001 to \$406 million 2015. These public programs are now the second largest source of income for county residents.<sup>5</sup>

500 Sources of Personal Income in Bennington County, 2001 - 2015 450 400 350 nterest, Dividends, & Rent (2015 dollars) 300 250 Wholesale Trade Retail Trade 200 lealth Care and Social Assistan 150 100 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015

Figure 1: Personal Income Sources in Bennington County, Vermont, 2001 - 2015

Source: Bureau of Economic Analysis

Given that government workers earned another \$141 million in 2015, income from all public sources totals \$547 million. This is 34% of all income earned by Bennington County residents.<sup>6</sup>

Of all these public payments, SNAP benefits constitute a relatively minor share of income, with low-income residents collecting \$9.6 million in benefits in 2015. This was less than the peak of \$11.4 million in 2012. However, SNAP benefits were zero in 1969, and there has been a steady increase in SNAP benefits since then.

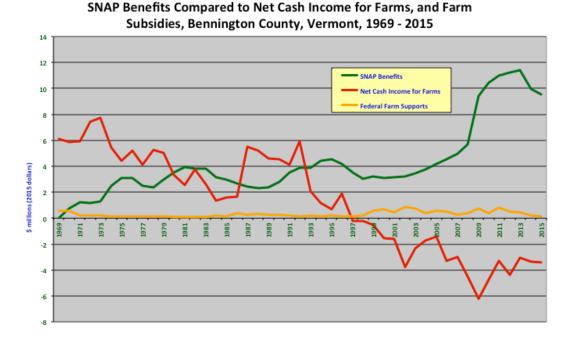
<sup>&</sup>lt;sup>4</sup> Federal Census, American Community Survey for 2011-2015.

<sup>&</sup>lt;sup>5</sup> Bureau of Economic Analysis, Regional Income Data.

<sup>&</sup>lt;sup>6</sup> Bureau of Economic Analysis, Regional Income Data.

As Figure 2 below shows, SNAP benefits actually constitute a more important source of income than farming does. Interestingly, SNAP use rose as net cash farm income declined.

Figure 2: SNAP Benefits Compared to Federal Subsidies and SNAP Benefits to Bennington County, Vermont, 1969 - 2015



Source: Bureau of Economic Analysis. Note that more farm income data is found in Appendix 1.

Our respondents highlighted several conditions they encounter in the community. One pointed to a "workforce void" that makes it difficult to attract new industry. As manufacturing income has declined, there has been an erosion of skills in the workforce.

Our sources highlighted the fact that 40% of the housing stock is rental housing. Generally speaking this is affordable housing, but not of high quality. Some low-income residents live in hotels. Transportation is very limiting for those who do not have a vehicle. Census data show that very few town residents rely on public transit to go to work. For those who wish to shop for groceries, buses stop close to both Hannaford's and Price Chopper, but customers might wait close to an hour for one to arrive. Carrying groceries on board the bus, and then hauling them home from the bus stop, is a formidable challenge.

As will be seen below, a host of social conditions, not all related to poverty, contribute to a sense of diminishment. Southwest Vermont Medical Center reports that 60% of the babies born at the facility are to mothers on Medicaid. One of every four residents makes use of food assistance through the Community Kitchen. The

former head of Meals and Wheels, Susan Fox, pointed out that many of her clients do not cook for themselves.

Many youth live without parents, while some live with parents who are addicted to heroin or opioids, or have chemical dependency issues of their own. Some residents have difficulty finding work because they have failed a drug test, or simply do not show up for work. We heard several expressions of concern about the quality of the schools.

People noted that even in a relatively small community, communication was a challenge, in part because the population is relatively scattered.

#### The Bennington County Farm and Food Economy

Our quantitative overview of the county's farm and food economy shows that the Census of Agriculture counted 350 farmers in the County in 2012, although some residents were not sure that was an accurate count. These farms sell a combined total of \$13.5 million of food products per year (1989-2015 average), spending \$14.5 million to raise them,<sup>7</sup> for an average loss of \$1 million each year. This is an average net loss of 7% of sales, or \$3,000 per farm.

This means farm producers spent \$28 million more producing crops and livestock than they earned by selling these products over the years 1989 to 2015. Moreover, farms have been selling at a loss for many years. Production costs have exceeded cash receipts every year since 1997, and farmers earned \$9.5 million less by selling farm products in 2015 than they earned in 1969 (in 2015 dollars). Overall, 62% of the county's farms reported that they lost money in 2012.

Helping offset these losses, farmers earn \$1.5 million per year of farm-related income — primarily custom work, and income from renting land (this is the 27-year average for 1989-2015). Federal support payments are an important source of net income for the 20% of county farms that receive them, averaging \$388,000 per year over the same years.

Interestingly, the consumer market for food in Bennington County far outweighs the commodity markets farmers currently strive for. County consumers spend \$104 million buying food each year, including \$61 million for home use. Most of this food is produced outside the county, so consumers spend about \$100 million per year buying food sourced outside.

Farmers sold a combined total of \$771,000 of food products directly to household consumers in 2012. This amounts to 5% of farm cash receipts, and 0.7% of the county's consumer market. Direct sales like this are important to farmers since they receive full retail value for each product they sell.

<sup>&</sup>lt;sup>7</sup> Bureau of Economic Analysis Regional Income Data.

<sup>&</sup>lt;sup>8</sup> Bureau of Economic Analysis Regional Income Data.

<sup>&</sup>lt;sup>9</sup> USDA NASS Census of Agriculture, 2012

The overview of the county farm and food economy is included in this report as Appendix 1.

#### **Results of our Interviews**

Several themes emerged in our interviews:

#### **Developing the Colgate Farm**

Our team devoted considerable attention to the site of the first dairy co-op in Vermont, Fairdale Farms (Colgate Farm), on Highway 9 west of town. When this milk processing plant was closed by owner Dean Foods in 2002, to move operations to East Greenbush, New York, 125 jobs were lost to the Bennington region.<sup>10</sup>

The purpose of our visit was to determine whether this site could be developed into an economic engine by purchasing the land, developing food manufacturing businesses, and creating a tourist attraction. The owners indicated that the site is available for sale, and that they would go to extra lengths to support a purchase that would protect the land and its heritage.

This is a site rich with potential given its important history, its location close to Bennington and the nearby Hubbell Homestead event center, its existing retail storefront/café spaces, its storage space, and its commanding view of a spreading valley.

At the time of our visit, no specific investors had been identified who might take an interest in a heritage development, and it was clear from walking through the compound that, while the site has considerable potential, it will take considerable capital to bring it into condition for hosting a food enterprise. It is not clear there is sufficient excess dairy capacity in the region to enable the property to return to a dairy processing use. A later visit with an ongoing dairy operation, Vermont Dairy, confirmed that their markets are largely outside the region, and primarily family members are employed.

The conclusion we drew is that while this is an exceptionally worthy effort, it would be difficult to use this project as a focus for low-income job creation since jobs would be relatively skilled, and the investment needs of renovating the building would put considerable pressure on any enterprise that might locate there to grow rapidly in order to repay debt. Since low-income advocates have also expressed the concern that many low-income members of the Bennington community do not have cars, it is also questionable whether they could conveniently travel to this site.

Certainly the potential exists for this site to serve as a low-income job generator if a very special investor were identified who wished to train workers, provide transportation, and grow the business (and site) in such a way that it would focus on low-income residents. At the time of our visit, no such investor was known.

<sup>&</sup>lt;sup>10</sup> iBerkshires.com (200). "Garelick Farms, former Fairdale Farms, to close its doors." May 1. http://www.iberkshires.com/story/5498/Garelick-Farms-former-Fairdale-Farms-to-close-its-doors.html?ss\_id=1734

For the time being, we suggest that this concept be placed on hold since the scope is well beyond the current resources of Northshire Grows and its partners. For the purposes of this particular grant, it was decided to focus our efforts more on discussions with farmers and low-income communities in order to tackle their needs more directly.

#### **Scaling Up Produce Production**

The benefits of scaling up production to suit wholesale markets, including school nutrition services, colleges, the Vermont Veterans Home in Bennington, grocers, and others, were explored by interviewing the only two farms in the region that are operating at sufficient scale to consider addressing wholesale markets: this included Clear Brook Farm in Shaftsbury, and the Mighty Food Farm in South Shaftsbury. Both are certified as organic growers by Vermont Organic Farmers Association (VOF).

Clear Brook Farm is in its 23<sup>rd</sup> season of operation under owner Andrew Knafel. The farm grows bedding plants, certified organic vegetables and fruits on 25 acres of land. It employs as many as 25 part-time and full-time people during peak seasons, with about five working close to year-round. Another 20 acres are devoted to cover crops and straw each year. Most of the farm's produce is sold directly from the farm stand on the property, which also carries value-added foods produced by nearby processors.

Mighty Food Farm just expanded into a large farm outside of South Shaftsbury so it could grow more vegetables on better land. Owner Lisa MacDougall launched the farm in 2006, and places a focus on building the soil on her land and its biodiversity through composting, cover crops, green manuring, biological pest control, and crop rotation.

Although both farms have sold produce wholesale, neither farm makes it a priority. Each owner prefers selling directly to customers they know, and can build mutual loyalty with. Each prefers selling at a retail price rather than a wholesale price. Each enjoys the social contact they get from selling at their farm stand, or through a farmers' market, or CSAs. Andrew said he was actually in the process of shedding some wholesale accounts.

Each farm has donated considerable produce to food relief efforts in the region. In particular, Mighty Food Farm (we learned in April) donated 1-2 [xx I'm checking this figure] tons of produce to Community Kitchens in 2016. Making such donations allows each farm to make productive use of produce that might otherwise go unharvested in the fields, as well as garner good will in their communities. Clearly, low-income recipients benefit from having access to high-quality organic produce, as well.

If these farms that operate at considerable scale already do not see wholesale trade as a priority, there are at least three potential paths for Bennington to take. One is to train farmers who specifically enter the field of farming so they can farm for wholesale markets. The second path would be to build an aggregator that could

handle produce raised on smaller farms and convey it to larger purchasers. Third, schools and other institutions that support local farms could work directly with smaller farms to help them to ramp up production by contracting in advance for specific food items.

Each of these options has potential benefits and drawbacks. These are discussed briefly in a later section of the report.

#### **Expanding Institutional Food Purchasing**

To explore the potential for institutional purchasing of food grown by local farms, we met with officials at the Southern Vermont Medical Center. This included Planning Director Jim Trimarchi, Nutrition Director Tiffany Tobin, and Chef Laura LaCroix.

As the largest employer in the region, the hospital pays attention to a wide variety of community issues. Not only has it sourced food from local farms, it has invested in home renovation efforts and economic development initiatives.

The hospital nutrition service serves more than 400,000 meals per year, and estimates that about 80% of the foods they serve are cooked from scratch. The kitchen also maintains its own herb garden. With the help of students, the hospital has also planted its own produce garden. By reducing costs in other arenas, the food service has been able to pay a slightly higher price to local farmers when they buy fresh foods. By keeping the food service open to the public, the hospital considers their nutrition program a community service as well.

The hospital has purchased food from YAP, Clear Brook Farm, and Mighty Food Farm. However, purchasing has declined over the past few seasons. It would appear that the hospital food service wishes to pay less for the fresh foods it orders from these farms. The farms have balked. They suggested that farms need to go to scale to bring prices down, and to simplify ordering. The food service also buys milk from Crescent Creamery and can order New York State produce through its primary distributor, US Foods.

Trimarchi noted that they are shifting their business model to one that accentuates preventive health work. In the future, "The Federal Government is going to pay us to keep people well," he noted, devoting less of a priority to paying a fee for each medical service that is offered. This means they are less certain about the income they will receive, so they feel more cautious in budgeting as they make this transition. He anticipates that overall revenue will decline from \$150 million to \$110 million, so the hospital is working diligently to cut costs.

Officials also indicated that they were not in a position to offer forward contracting with farmers who might wish to supply their food service. Later, Grateful Hearts told us that they are raising food for the medical center from farms across the New

<sup>&</sup>lt;sup>11</sup> Willard, Abbey (2012). "Bringing Locally Grown Food to Southwestern Vermont Medical Center." Vermont Agency of Agriculture, Food & Markets. *AgriView*, 76:16, September 14.

York border, because hospital officials indicated they serve a large number of clients there, and wanted to expand community outreach efforts there.

The hospital is required by law to spend 5% of their revenues on preventive health activities in the community. Based on figures we were given, this appears to be a total of about \$7 million per year. Yet this money has been devoted to other priorities than increasing food production.

When asked if the medical staff have begun to issue "prescriptions" for fresh fruits and vegetables, as many hospitals have done nationally in order to prevent disease, Trimarchi cautioned that taking such a step was tricky legally, because it is difficult to prove that consuming more produce will improve health outcomes. This leaves medical staff open to legal liability if they were to write such orders.

All the same, the hospital has set up a CSA operation specifically for patients with cardiopulmonary diseases. Clear Brook Farms delivers 50 such shares directly to the CPR unit for patient use. Each CSA share lasts 12 weeks, and patients can choose to renew. Tobin noted, however, that some recipients do not have refrigerators in their homes, so cannot make maximum use of these shares.

Trimarchi also noted that 60% of the babies delivered at the hospital are born to patients who are receiving Medicare benefits. This makes it difficult for them follow good nutrition practices. Many cannot afford the best food available. Many have limited access to transportation. Many choose on a monthly basis whether to buy food or medicine.

So the hospital collaborates with both the Vermont Food Bank and the Molly Stark Elementary School to deliver monthly deliveries of relief foods to both the school and the hospital. "We have to go to them," Trimarchi said.

School officials indicated that USDA purchasing procedures posed an obstacle to public schools ordering food from local farms. Susan Sgorbati of the Bennington College Center for the Advancement of Public Action recalled that the college made an effort to purchase food from local farms, but found that one supplier could not reliably make deliveries. Many farms lacked product liability insurance, which also interfered.

it seems that larger institutional food purchasing initiatives await the appearance of farms that produce larger quantities of food, conceivably at a lower price, and perhaps new aggregators that can deliver larger quantities with minimum time spent placing orders. Alternatively, hospital or school officials could decide to devote some of their preventive health dollars to foster local food production on smaller farms.

#### Fostering Food Processing Businesses

Our team interviewed two food businesses to gain a better sense of the opportunities for employment for low-income residents.

When we visited **Gringo Kitchens** in Arlington, we learned that the business was up for sale. This tortilla chip and salsa manufacturer is an outgrowth of Gringo Jack's restaurant in Manchester. Owner \_\_\_xx told us that after years of seeking loans and investors to expand the business, he had given up. He added that he would refocus himself on the restaurant operation. He said that 7-8 staff had worked in production, with another 5 in management. We did not determine how many FTE this represented.

At **Wilcox Ice Cream** in Arlington, we learned about a long-standing dairy business now run by Christina, Craig, and Howard Wilcox. The family has been farming since 1879, involved in dairy since its early days, and making ice cream since 1928. The family has diversified its product line greatly, and now sells a variety of desserts, pastries, and other specialty foods to customers within 120 miles. The milk they use for making these products typically comes from the St. Albans Cooperative Creamery, about three hours north. The family has expanded into a new factory in an industrial park after losing an earlier building to a fire several years ago. This new space offers the far more opportunities to produce and distribute food items. In this new location, the dairy has installed three 40-gallon continuous-flow ice cream making machines, and a water-recycling system that reduces waste.

As a small firm run by three family members and with a solid core of 10 employees, work opportunities appear limited at Wilcox unless they were to develop a large number of new product offerings. One of their hopes is to attract investors who would help them boost their marketing reach.

Neither firm appears to currently be in a position to focus on the often complex work of hiring low-income residents with special needs, but Wilcox may create new positions as it broadens sales.

#### Services for Low-Income Residents

Interviews and meetings with those active in addressing low-income concerns in the Town of Bennington made it clear there is a wealth of services available in the area. This is not to suggest that all needs are being filled, since each of our sources indicated that much more could be done. Yet this is to say that the region has considerable capacity and expertise in working with low-income members of the community.

Three projects were singled out for close attention: The Community Kitchen, Grateful Hearts, and Youth Agricultural Project. We also participated in roundtable discussions at both the Bennington College Center for Civic Action and at Meals on Wheels.

Susan Andrews runs the Community Kitchen through Bennington Interfaith Community Services. The initiative was launched during the oil crisis of 1973, when a sudden spark in oil prices forced many area families to choose between paying for utilities and eating. Over time, responding to emerging needs of their clients, the organization offered a free clinic, women's health, and cardiovascular health services.

Today the feeding program (which Andrews emphasizes is *not* a "food pantry") serves one of every four families in Bennington. One of every four of those customers, she added, do not have access to a kitchen. Many of those who have a kitchen do not have cooking implements. Many are disabled residents, who make up 17% of the town's population. Andrews notices that many of her customers were born poor, and pass on a low-income lifestyle to their children. "Sixty percent cannot read well," she added. Some have succumbed to substance abuse. Many need better housing, and there are only 215 subsidized units available. Heating costs continue to be expensive. "This is a very, very disenfranchised population for a variety of reasons."

For those with the capacity to participate, the Community Kitchen offers a "Food Fit" program that runs in 12-week segments. Each cohort of 10-12 participants gathers for three hours each week at the Middle School, working together to prepare food, learn food preserving skills, attend cooking demonstrations, and the like. People eat together so it becomes a social experience.

Participants engage in many other levels, as well. Each person receives a CSA share so they have better access to fresh produce, making it easier to incorporate fruit and vegetables into their diets. As they learn better eating techniques, each is encouraged to exercise, and to keep a journal in which they enter the steps they are taking to improve their health. Andrews recalled that it has been a struggle for some. When people first received their CSA share, some balked, saying "What the hell is this?" Since many participants do not own cooking utensils, Andrews has raised funds to give simple cooking equipment to those who attend.

Lisa MacDougall of Mighty Food Farm serves on the board of BICS, and donates 1-2 tons of produce each year to fill CSA shares, as well as donating money. Andrews welcomes these donations, yet also pointed out that it has an unintended consequence: it is difficult for gardeners in the community to stay with their gardening when they can get produce for free from a nearby farm. "We are really challenged in getting people to show up" to the organizations community garden, she added.

Andrews tries to limit her work to half time, relying upon 160 volunteers to carry much of the daily responsibility.

Several people in each cohort repeat the class, thereby becoming trainers who train others in the same skills, ensuring the program will have lasting impact.

Andrews says the number one output of the program is that people who once felt isolated are able to engage in a social situation and bond with each other. These connections help them continue the healthy practices they learn in the program. "It comes down to one-on-one relationships," she concluded. "Ours are different. They are very intentional. People learn how to structure a conversation, to engage in discourse with each other. They learn how to ask where others are coming from, to identify what is lacking," and to take steps forward.

Andrews' vision is to foster skills in her constituents that will lead them to advocate more effectively for themselves, supported by others. They may not succeed fully until broad changes are made, she added. "We need to change the economy."

Limited by the space the project currently uses in a church building on Main Street, Andrews is negotiating the purchase of their own building where they will have larger kitchen and distribution spaces.

Dale Coppin engages youth in serving meals through an innovative partnership. Youth go out to farmers' fields to glean second-quality produce that is of high nutritional value. These items are brought to the Southwest Vermont Medical Center food service, where staff prepare them into nutritious soups, stews, and casseroles, often working during slow periods of the workday. The cooked foods are packed in 5-gallon buckets, chilled, and stored until they can be delivered to the Career Center kitchen, where youth package them into 10" by 16" plastic bags and seal them for freezing. These packets are then distributed through 14 sites that serve low-income residents. Recipe cards are included with each package, so recipients can prepare the same items for themselves. Coppin says that Grateful Hearts has distributed 25,000 meals since June, 2016, and now covers three-quarters of the county.

Southwest Vermont Medical Center recently asked Coppin to expand delivery to the Hoosick, New York region, because 20% of the hospital's patients come from that area. He is working with Karen Allen Partners to expand coverage in the Northshire. Another area of growth that Coppin is exploring is to prepare meals that Meals on Wheels can distribute over weekends, when their regular feeding program is not operating.

Coppin says that vesting responsibility with the youth is critical to the success of the program. "They find the work of gleaning beneficial," he said, adding that the process of harvesting, preparing, and packaging these food items allows them to know that they are giving something back to the broader community. They also gain essential survival skills in the process. All of the youth are certified as safe food handlers.

The roundtable meeting at Bennington College on October 6, 2016 highlighted the work of several organizations. Efforts to expand access to fresh fruits and vegetables have flourished because of programs that double the value of SNAP benefits when recipients purchase fruits and vegetables at farmers' markets. That is, if a person spends \$10 on produce at the market, she or he is able to receive \$20 worth. Programs such as this have expanded consumer awareness of healthy food items that are available at the markets, and have at times connected recipients to farmers. In many regions nationally, low-income residents have continued to purchase higher quality produce even when these doubled benefits expire, and have made lifestyle changes once they learn to appreciate the benefits of fresh produce items. The major drawback of these programs is that they require steady support from philanthropic and public sources. Funding such as this is often not available over the long haul.

One pervasive theme is that low-income residents face complex issues. As soon as one issue is addressed, others emerge. Even if low-income residents can access food at affordable prices, many lack skills in meal planning, nutrition, food preparation, or healthy eating. Many lack simple cooking equipment such as pots or pans. Unforeseen circumstances (such as an unanticipated expense or family crisis) frequently interrupt efforts to build capacity. Many suffer from disabilities, or have limited work skills. Until all of these multiple issues can be addressed it is difficult to hope that people will make progress in escaping poverty.

The second Roundtable meeting was held at Meals on Wheels Café on April 6. The organization graciously offered a meal to all who attended the discussion, offering an opportunity to see their lunch program at work, and for staff to interact with officials of the organizations who attended.

The discussion was focused around the question, "How do we create economic exchange among low-income residents so they can better address their own food needs?" Respondents pointed out that due to the complexity of poverty, and the marginalization poor people feel, the most critical core of social service work is to establish a relationship of trust where low-income people feel they genuinely belong to a supportive context. One idea that emerged was the possibility of offering something as tangible as a "membership card" that signified that sense of belonging. This would have to be combined with events that engage people in building sense of belonging to each other, where they could also learn about available programs and find suggestions on how to ramp themselves out of poverty.

Katherine Keys heads the Youth Agricultural Project, a program of the Tutorial Center. Working with youth who raise food at four sites — The Middle School in Bennington, the Manchester Community and Educational Garden, Hiland Hall Gardens (North Bennington), and Smokey House (Danby) — Keys patiently guides each youth through a process of personal transformation.

In an interview, Keys said that the youth come to her with complex and difficult needs. She receives two cohorts each year, one in the spring and one in the fall. Two thirds are high school dropouts. Many are placed here through a state labor department program for job training. "Many are couch surfers," who move from house to house, "have no access to a kitchen, and may have no parents. Some have parents who are addicted to opioids. Some have been the victim of cyberbullying. My job is to help them raise their self-esteem. That is what I enjoy."

Many of her charges find that working in the farm fields makes them feel more hopeful, but even getting to that point is complicated. "All of them, when they first come to the program, come in the morning without having eaten. But they can't work in the fields without eating. So we have breakfast together, and then spend two hours gardening."

Each cohort works together for 8 weeks, working 20 hours per week on Mondays, Tuesdays, and Wednesdays. In addition to tackling field work, YAP students also wash, pack, and prepare produce for distribution to several buyers. YAP distributes

food from four area farms (Happenchance Farm, Pickering Farm, Mighty Food Farm, and Gammelgarden) in addition to their own produce.

YAP has supplied Southern Vermont Medical Center with food for their food service, and to fill CSA shares for a small group of cardiac patients. The hospital also donated half of the funds needed for YAP to purchase a van to carry their produce to their customers. The program has donated more than 10,000 pounds of produce to Meals on Wheels. The Manchester site delivers \$35 boxes of food through the schools.

The Tutorial Project proudly lists several accomplishments of the program. 89% of those who graduate from the program continue their education, and more than half graduate from high school. 57% of graduates have found employment.

YAP sometimes feels constrained by the special needs of their students. When Keys has to choose between delivering food to customers and focusing on the personal needs of the participants, she places a priority on helping the students.

#### **Options for Action**

Our interviews with local practitioners were very robust, offering close insights into conditions in the community, and presenting a solid overview of all the dedicated work that is currently underway in the Bennington region. Clearly there is tremendous attention being paid to addressing the complex needs of low-income residents, and also clear that much more needs to be done.

Our interviews also confirmed that markets have failed many Bennington residents. Former jobs in manufacturing, farming, and dairy processing have been gone a long time. Families have endured generations of poverty, passed down from parents to children repeatedly. This has occurred despite the fact that personal income rose 150% over the past 47 years.

The corollary of this conclusion is that there will be no market-based solution to resolving poverty in Bennington. Simply producing and selling more goods will not in itself make people wealthier. Simply creating jobs will not be enough to lead people to self-sufficiency.

The clearest message we received was that addressing the needs of low-income people is far more complicated work than many of the standard economic approaches. People have overlapping, complex, and changing needs. Even if a person gains access to food, she or he may not know how to prepare food properly. Those who learn food preparation skills may not have the proper equipment to cook well. They may not live in a social context that supports them to eat in a healthy way. Or, they may cut through all of these issues and still feel marginalized by society, and isolated, and powerless to improve their own lot.

This leads us to ask, what "lever" can be moved in the Bennington food system that will do the most to create a systemic change, building an economy that engages low-income residents in productive economic exchange, and offers a sense of hope?

Before we address this, however, a short detour to define what a food system is.

#### What is a Food System?

As our consulting team interviewed Bennington food-system leaders, we learned that many residents are unfamiliar with the term "food system." We define this to be the totality of resources, actors, relationships, and networks that grow, process, and convey food from farms within the region. This includes clean air and clean water, as well as healthy and fertile soil, knowledge, physical infrastructure, energy, policy makers and technical experts that help make such a system run efficiently.

Since a food system involves such a complex set of relationships, it is difficult to accurately portray a given food system. Any representation is necessarily a simplification, and as such may distort the understanding of essential system dynamics. One simple way our team conceptualizes a "food system" is by showing the interdependence of various actors in food trade. We note first of all that food system activities are cyclical in nature, with the actions occurring in sequence and the organic wastes from one operation helping to build fertility that farmers can use to grow more food in later cycles:



Diagram 1: One Depiction of a Food System

Source: Ken Meter and Megan Phillips Goldenberg (2016). Developed for USDA Agricultural Marketing Service Economic Impacts Toolkit.

Yet as mentioned above, this is a simplification of the actual relationships that are embedded in any food system. In daily operation, food system practitioners interact with each other in far more complex ways, as Diagram 2 below shows:

Restaurants

Policy Makers
Aggregators

Processors
Technicians
Fiealth Vorkers
Healthy Soil
Clean Air, Water
Infrastructure
Energy

Distributors
Institutions

Diagram 2: Interactions Among Actors in a Food System

Source: Ken Meter and Megan Phillips Goldenberg (2016).

Of course, the above diagram is also an oversimplification of the actual connections that are forged among actors in each food system. As one obvious example, this image does not clearly show the unique contexts or concerns that confront low-income residents. Yet the diagram does show the complexity of interactions that take place during day-to-day commerce.

This very complexity means that Bennington food leaders must be careful to include all stakeholders wherever possible, to engage them in thoughtful consideration of alternatives, and to take relatively small steps to build a solid foundation that accounts for how a system will push back against efforts to change it.

The complexity of community food networks also sets the stage for economic development, because strengthening economic multipliers (essentially the number of times a dollar earned in the Bennington region cycles through the metro economy before leaving) depends intimately on the formation and regeneration of social and commercial networks such as these. Simply put, the stronger the social and

commercial bonds that cohere in a given community, the greater the economic multiplier will be, since a local product cannot be traded locally unless the buyer and the seller are in contact with each other.

Further, our consulting team would like to make one further distinction that will prove invaluable to Bennington's efforts to strengthen local food trade. While we certainly encourage local farms to connect with local buyers, we note that the term "local food" can be problematic when setting a vision for the Bennington food system.

We note first of all that many buyers in the region buy from suppliers that are located at some distance, even when more local options are available, because they seek higher quality products, or a more trusted conversation. Many meat buyers, for example, purchase processing services from butcher shops that reliably deliver custom cuts to the specifications of the buyer and handle the animals with care. Many Vermont chefs purchase produce from farms many miles away rather than from a nearby farm whose practices they do not consider sustainable enough. Consumers are increasingly asking for organic food, even if it is grown at some distance.

We have also seen a tendency for intermediaries to use the phrase "local food" in ways that create favorable impressions among consumers, but do not actually ensure that food trade is based in strong community networks. One wholesaler considers "local" food to be food sourced from within 1,500 miles. One enterprising business speaks of "sourcing local food" from any location in the U.S. to any other location in the U.S. "within 24 hours," using air transport.

Most importantly, however, the competitive advantage that "local food" has in a marketplace that efficiently ships fresh food items on a daily basis from Mexico, Chile, and China to U.S. supermarkets, often selling for a lower retail price than nearby farmers require, is the strength of consumer loyalty that farmers have built with buyers. In many cases, farmers striving for sales near their own farms are asking consumers to pay a slightly higher price for food items that are likely to be fresher and from a known source. When cheaper options are available, however, only consumers who place a priority on investing in relationships with local growers (or local processors) are likely to pay the higher prices farmers need. This means that those producers who have built bonds of community loyalty with buyers are those who will hold the competitive edge.

#### Focus on Building Community-Based Food Systems

Seeing this dynamic play out in food system after food system across the U.S. has led Crossroads Resource Center to conclude (for all of the reasons outlined above) that opting to build a "local food system" can be a trap. Rather, we emphasize the need to structure the Bennington vision as one that builds a stronger "community-based food system."

We define community-based food systems (CBFS) as "networks of farms and food businesses that do business in order to build community health, wealth, connection, and capacity, as well as to sustain themselves financially."

One prime example of a CBFS is Fifth Season Co-op in Southwest Wisconsin, a group of organic farmers who invited a hospital CEO to sit on their board, who then invited the CEO of a national food distribution firm to sit on the board, and who also invited the co-op workers to join the board. The cluster of businesses manages the supply of products that is grown within the network each year, and sets minimum and maximum prices for each product sold. Value-added products are produced for the hospital and schools to purchase. Fifth Season is profiled in Appendix 2.

On a more limited scale, community-based food system activity has been pursued in the Bennington region for decades. Some examples of activities that define community-based food trade would be:

- A farmer who donates time to cultivate a one-acre parcel of land inside town to raise food to donate to low-income residents.
- A food bank or school that uses forward contracts with farmers to buy "seconds" so farmers have an additional source of income.
- A university or hospital that trains inner-city youth how to grow, prepare, and eat healthier food options.
- A family farm that sells direct to household customers through a farm stand, farmers' market, or CSA (Community Supported Agriculture) subscription.
- A family farm that sells directly to an independently owned grocery whose owner lives in the Bennington region.
- Farmers' co-ops, retail grocery co-ops, or multi-stakeholder co-ops that respond to the needs of member farmers and consumers.
- A grocer that discloses the value of the foods it purchases from each nearby family farm or processor.
- A restaurant that publicizes the value of the foods it purchases from each nearby family farm or processor, and that tells customers which farm raised the foods listed on the menu.
- A wholesaler that preserves the identity of each farm in food shipments so the customer knows the source of each food item, not simply assurance this is a "local" food item.

<sup>&</sup>lt;sup>12</sup> For more on the reasons it is important for consumers of all income levels to know which specific farms supply their food, see Snyder, B; Goldenberg, M.P.; Meter, K.; Miller, S.; Smith, L.; & Amsterdam, R. (2014). "The Real Deal: How Do We Define 'Local' in a Meaningful and Measurable Way?" Pennsylvania Association for Sustainable Agriculture, Crossroads Resource Center, Farmers Market Coalition, and FoodRoutes Network. June 30. Available at 1local.org/resources/ and linked from www.crcworks.org

The more these activities build an intentional spirit of collaboration among Bennington food leaders, and lasting social and commercial networks, the more community-based foods activity thrives.

This is true for low-income residents as well as any other resident of the town of Bennington.

#### What 'Lever" Do We Push to Change the System?

Over and over again, our interviewees described how marginalized low-income residents feel, and how successful collaboration with them involves forming a close, mutual, trusting, and respectful personal connection. This insight can be summed up in the phrase, "It is all about building relationships."

This sense of connection is what makes it possible for people — whether low-income or not — to cope in times of crisis. It is the fundamental requirement for resiliency. As mentioned above, it is also the fundamental force driving economic development.

Thus, if low-income people are to sustain themselves, and potentially ramp themselves out of poverty, it will be important that they connect with service providers, and connect with each other, in trusting relationships, as complex as this may be.

The USDA Community Foods Projects Competitive Grants Program offers grants of up to \$400,000 for up to four years for community initiatives that engage low-income residents in creating sustainable food systems for themselves. The wisdom gleaned from this program is that when food work is "done by" low-income residents, rather than "done to" them, impacts are greater, and residents are more empowered. Whether such a grant proposal is made or not, it will be important to ensure low-income residents they have trusted allies, and can help shape the programs they participate in, rather than merely being subject to more oversight from others.

# Creating a Community Where Low-Income People Feel a Sense of Belonging In our roundtable discussion at Meals on Wheels, it was suggested that Bennington might embrace low-income residents who take steps toward improving their lives, by formally recognizing their initiative through belonging to a network where they would feel supported.

It was even suggested that people might be given a membership card to show they belong. While this could be a complex thing to offer, since many immigrants would not wish to be singled out or asked to fill out more paperwork, membership with frequent meetings, and the ability to easily draw upon multiple community programs, might make some form of membership beneficial. Since each recipient signs up with each program where they participate, it may be possible to issue a card that contains only a number, so that the card could not be used to identify a specific recipient. Or perhaps EBT cards could be used to signify that the carrier is a member of a network that supports capacity building. Something akin to scout badges might be issued to help recognize new skills that are learned, if this could be done in a less than paternalistic manner.

We also discussed during our interviews the potential to view low-income residents as people who are embraced by a community, and participants in co-creating a culture, not simply individual recipients of services. As one example, it might be possible to recognize youth not simply as manual labor for a project, but as people who could help plan the healthy food system of the future, and who could engage their parents in following healthier lifestyles.

Thus, shifting the perception of low-income residents from the belief that they are passive recipients of surplus foods to seeing them as producers of valuable goods and services in their own right, appears to be part of the shift toward community-building. This will encourage low-income residents themselves to view themselves as woven into a fabric of community who supports them, not merely isolated individuals with special needs. It is every bit as important as shifting a marginalized person's sense of self-esteem — and indeed is ultimately critical to self-esteem lasting over time.

Overall, this appears to be the key shift to make in the farm and food system of the region. This will mean engaging low-income residents with considerable trust, and fostering their ability to feel empowered to help shape community life for the better.

At every step of the way, then low-income residents will be engaged in planning, implementing, and refining strategies that build a healthier community food system. Following are outlines of several more specific tasks that will be part of that process.

#### Specific Strategies That Might Accomplish This Goal

#### **Expanding Food Relief Efforts**

As our summary of the Bennington economy makes clear, poverty is structural. It is certainly not a shortcoming of those who are poor. Poverty has been created as manufacturing, farming, dairy processing, and a host of other industries that once helped average people gain wealth have eroded.

Food banks are now realizing that what we call the "Emergency Food Relief System" is in fact a permanent system of food relief — until we change the economic structures that create poverty. While we may have placed too much emphasis on distributing food to the needy when more attention could have been paid to building more inclusive food production systems, it is critical to offer food relief so people can survive.

Fostering the growth of new farms that are able to donate food relief to local residents will be an important part of this strategy. Since transportation is such a difficult issue, it will be important to continue to deliver food to whatever gathering points (schools, community centers, the hospital, pantries) they can travel to. As some of our interviewees pointed out, there is a dire need for summer food distribution programs, because students who are out of school during the summer months may have nowhere to turn to get food assistance.

It will also be critical to keep in mind that relief strategies are not a solution, but a band-aid, and the other structural work must continue. As many of the organizations we spoke with have done, extending food relief can become a way of *launching* a conversation with a low-income person, not the end in itself. If this happens, it can become a way of weaving recipients into a fabric of community.

#### **Expanding Food Access**

Currently, Bennington buses drop people off at a stop near both Hannaford's and Price Chopper, but people reported long wait times, and emphasized how difficult it is to carry a week's worth of groceries from store to bus to home. Improving transportation options — perhaps in conjunction with feeding programs — will be critical to expanding food access.

Furthermore, Vermont Farm to Plate has launched a statewide initiative to encourage convenience stores to carry healthier food items including fresh produce. Bennington should support and take part in such efforts.

Students at Bennington College have formed a seed lending library, which is a low-cost option for residents who wish to grow more of their own food.

Both Meals and Wheels and Community Kitchen noted that their physical facilities limit their growth, thereby limiting ability to keep up with rising poverty. These programs and many others deserve to expand their capacity. Gathering places like

these offer the possibility that low-income residents will form relationships of trust with each other and with the broader community.

#### **Creating Economic Exchange Among Low-Income Residents**

One of the most effective ways of encouraging residents to attend meetings is to offer food. This is especially true if the food is grown in the Bennington region, and delivered by the farmer who raised the food. Growing food, washing produce, packing, distributing, and cooking food all offer compelling reasons to become better connected to each other.

Since low-income residents will not be served by a market that is geared to the needs of those with disposable income, new economic exchange must be built among low-income residents. To the extent this can overlap with economy economic sustainability.

Bennington low-income food leaders should also explore practical plans for formalizing the contribution low-income residents make by enrolling local food participants in a membership program that spans income levels. Once limited-income residents feel they are part of something larger, it will be easier for them to understand how to make a contribution.

#### **Growing New Farmers**

Alliance for Community Transformation members noted that agriculture programs have been launched in the schools twice. Each one thrived for a short time, but ultimately closed. Enrollment was limited, each program depended heavily upon the leadership taken by the program director.

As Bennington grows a culture that once again supports local food production, families who farm, and consumers who eat well, schools will play a central role. After all, generations of Vermonters learned how to farm in agriculture classes, and learned to prepare food in home economics courses. These should be instituted on a permanent basis.

Here, too, a comprehensive approach will be best. Farmer training programs will prove important, but it is not enough to simply train a farmer. Once graduated, land must be available for the graduate to run a commercial farm. Given the development pressure on land in New England towns, farmland needs to be protected through community trusts, and kept affordable to farmers at a price appropriate to what can be grown on the land.

Low-income residents with limited work opportunities could potentially be important to efforts to grow new farmers. They have little to lose, and much to gain, by gaining a sense of belonging by helping feed their neighbors. Yet the infrastructure must also be there to ensure they earn a living wage as they do.

#### Fostering Direct Sales from Farmers to Household Consumers

\$771,000 of food products were sold by Bennington County farmers directly to consumers in 2012. This amounts to 5% of farm cash receipts and 0.7% of the

county's consumer market. The farmers we interviewed were quite clear that they favor this way of marketing since they retain the most value per item they produce, and can build loyalty with consumers.

This is true, yet low-income residents often cannot afford the prices farmers need to charge to pay the costs of operating land, buying inputs, and hiring labor. So the various efforts to source second-quality produce that is nutritious but not necessarily physically attractive to supermarket shoppers, to process produce into value-added foods that low-income residents can afford, and to subsidize CSA shares will continue to be needed.

Direct sales can make a marked impact on the local economy. If each Bennington County resident purchased an average of \$5 of food each week directly from some farm in the county, this would generate \$9 million of new farm income. That is 67% of the current income earned by county farmers in an average year, who now sell commodities to distant buyers at a loss, while their neighbors purchase foods raised outside Bennington County.

Low-income residents will benefit by knowing farms where their food is grown, both to have a connection to farmers, but also to more readily pick up skills in growing food, and gaining work skills. These connections can be formed around subsidized CSA shares even as farmers seek consumers with more means.

#### Scaling Up Farms

Several ways of scaling up farms have also been proposed. To some, this is essential as a way of reducing the costs of food items, and reaching more residents with high-quality produce. Several potential ways of doing this are outlined beloe.

The caution we would offer is that scale is both the problem and the solution. Many of the large-scale industries we once relied upon have collapsed, such as national manufacturing firms or farms that sell globally. The discrepancies in income that large-scale business has created certainly help low-income residents feel marginalized.

This means there is a limit to growth in scale. The point at which scale becomes oppressive is when the sense of trading food to build community becomes less favored. This point may be reached at different levels of scale at different times, so there is no hard rule that determines when this will take place. Food system leaders need to constantly evaluate whether their efforts to go to scale are yielding the desired results, or whether smaller-scale activity is more appropriate, especially when people have complex needs.

1. Train and support farmers for wholesale. This option has the benefit of encouraging production in larger quantities that take advantage of economies of scale. Most farms that focus on wholesale focus on a limited number of products — for example salad greens, kale, onions, potatoes, or sweet potatoes — that can be reliably grown and fit well into institutional food service menus. Those food items that store well are often favored, since the school year does not mesh well with farm

seasons. Limiting one's production to a small number of products helps farmers take advantage of mechanization and focus their attention on getting to know specific crops well. Growers who can achieve sufficient scale may even command local markets for this limited number of items. Having 4-5 such commercial items in force also avoids specializing too much on one particular crop, that may be subject to disease, pests, pricing, or climate uncertainty.

The limits of this strategy are also important to consider. Growing food at a large scale requires purchasing land at high prices (or inheriting land from a previous owner), considerable mechanization, high dependency on farm inputs that are sourced outside the region, and a limited labor pool. Uncertainty is always high in markets, with prices unpredictable, and production itself uncertain until a farmer gains experience. This means that few people can start a wholesale farm without having an external source of capital. Such an external source might be an inheritance, taking over a farm from a relative, or wealth built up in a different business. For those who have such wealth, farming may not be the clearest way to increase income and wealth. Many of the farms that have been launched to address wholesale markets are owned by people with so much wealth they can ride out economic cycles for years, and experiment freely without worrying about losses. Such owners may not want training programs as much as they want to locate laborers they can rely upon.

A special case is of "care farms" such as Gould Farm in Monterey, Massachusetts, which are run by nonprofit corporations and specialize in using farm work as therapy for those with special needs. In these cases, residents may be employed at farm labor, and learn considerable business and work skills, while producing food that can be purchased by outside buyers. Such farms require considerable focus on developing close and nurturing relationships with those who have special needs — and if this is not a priority over wholesale production, there may be confusion within the organization.

**2. Build an aggregator.** Northshire Grows has considered the idea of forming an aggregation business that would represent smaller growers who wish to reach wholesale markets while remaining as small individual operations. The concept of this is highly attractive, with its hopes of supporting smaller independent farms yet taking advantage of scale in purchasing.

Many successful intermediaries have been formed, and many have failed. Each aggregator plays a significant role in working closely with farmers to help them learn advanced business techniques, more effective ways of marketing their products, and helping represent them to wholesale buyers. However, providing these services often adds to the costs of the aggregator without immediately providing new income. Many of the aggregators that have succeeded do so with considerable foundation or other private and public support; many of those that have failed opened with an unreasonable expectation that sales would quickly support their operation, and lacked a reliable investor or nonprofit that could help the aggregator remain stable through sparse times.

Estimates of the amount of sales an aggregator needs to reach to become self-sufficient vary by region, but often vary from \$1 million to \$5 million per year. Some highly focused efforts can succeed at a smaller scale, but this requires special conditions, such as considerable trust and loyalty among participants, a unique niche market with little or no competition, and an ability to remain resilient as market conditions change rapidly.

Most all aggregators face a delicate dance with the prevailing wholesale industry. This industry is typically focused on reducing costs in any way possible to keep margins high, and on moving produce long distances quickly. The physical and knowledge infrastructure required to sustain more localized sales is often missing – and indeed we found little such infrastructure in the Southshire.

Any wholesale approaches depend on having a trusted intermediary who can represent the needs of farmers and wholesale buyers to each other fairly and with high integrity. Yet the fact that farmers remain price takers — sellers who have little power over the prices they can charge for their products — limits the efficacy of intermediaries unless they develop extraordinary loyalty among farmers and buyers. Maintaining this loyalty is difficult because once a farm has proven its ability to sell in large quantities, a number of commercial buyers will take interest. This may lead farmers and buyers to work independently of the aggregating intermediary, hoping to earn more money through direct sales.

In the absence of such a trusted intermediary, it is rational for farmers to focus themselves on direct sales to either household, retail, or wholesale customers. By selling directly, farmers obtain the maximum possible price. However, they may find that without aggregating their produce in common with other growers, that individual farmers are deeply vulnerable to changes in buyers' policies. Farmers frequently tell stories about having been forced to suffer a steep decrease in the prices they are paid by a wholesale buyer, after happily supplying that buyer for several months.

One very far-sighted effort to reduce the potential for this, and to ensure that farmers continue to hold the power to help set prices over the long haul, is the Fifth Season Cooperative, formed in Viroqua, Wisconsin in 2009. This multi-stakeholder co-op engages all the stakeholders in the food system, encouraging them to work collaboratively to establish procedures and prices that are fair to all. When this co-op was formed, farmers who wanted to aggregate their produce together realized they would be better off working with food buyers and distributors directly, rather than posturing as a separate party. They invited the CEO of a regional hospital to join the co-op board of directors, who in turn invited the CEO of a national distribution firm located nearby. Workers at the aggregation center were also invited to join the co-op board.

Each fall, these parties meet together to set goals for the following growing season. The hospital outlines what they intend to buy. Nearby schools (who opted not to join the co-op board, but do purchase through the co-op) add their list of desired foods. Growers then determine how many acres of each product they will plant, and

all the parties combined set minimum and maximum prices for each item. These are set so that all parties will have their needs taken into account, and no one will prosper at the disadvantage of others. In effect, these parties agree to a supply management system that they control, establishing price and quantity goals that each party has reason to uphold.

Fifth Season has gone on to develop a value-added business, preparing foods for institutional sales. One of their first products was a root crop medley that is manufactured at the co-op, and frozen for use in the winter when fresh farm products are not available.

The main limitation of the multi-stakeholder model is that it requires considerable mutual trust and a culture of collaboration to make this work. It is not clear that the Bennington area has yet established such strong social capital, but it is possible. Southwest Wisconsin, where this idea was launched, has multiple generations of experience with cooperatives.

The co-op is also limited by reaching very discrete markets. As long as people collaborate, this can easily be managed to the benefit of the co-op since transactions are somewhat protected from the prevailing marketplace. If trust were to break down, however, it would be possible for producers to flee to what they might view as larger opportunities. Yet these larger markets are likely to be less rewarding to farmers over the long run.

**3. Forward contract with growers.** Several food banks, and a few schools, have begun to assert themselves as entities that help construct community-based food systems in their locale by serving as investors who support new forms of production. One New England example is the Good Shepherd Food Bank in Lewiston, Maine.

Good Shepherd serves a large part of the state of Maine. In an effort to ensure that they can distribute the healthiest food available to their low-income clientele, the food bank has opted to raise philanthropic donations that allow them to purchase food directly from Maine farms through their "Mainers Feeding Mainers" program. These local purchases are then added to the distribution stream of food that is given to low-income residents of the state.

The food bank further recognized that by purchasing food directly from farmers, they were in a position to help low-income farmers to earn a better livelihood — another way of fighting poverty.

One of the strategies the food bank employs to make this attractive to growers is to forward contract. That is, Good Shepherd makes an agreement with a farmer that if they grow, say, five acres of broccoli, the food bank will purchase whatever they produce. The price they pay is below commercial levels, and often the food bank will insist that the farmer also donate food if they want to participate in the program. Yet for many emerging farmers, or for larger more established farmers who have a surplus, the prospect of an assured sale, even at lower prices, is attractive. The food bank also understands that a farmer may have difficulty getting a harvest if weather

interferes; there is no penalty to the farmer if they cannot deliver the product, and the food bank turns to other suppliers to fill their needs.

A special case of this is that food could be produced on institutional campuses, and then sold to school nutrition programs. One of our interviewees pointed out that the Bennington Middle School is on prime farmland, and is required to put some of that land into production. About 17 acres are available. The school has also discussed planting an orchard on school property. The Vermont Veterans Home is reported to have approached one area farmer about raising food on their campus, as well.

#### **Greater Coordination**

One of our interviewees pointed out that the Vermont spirit of independence often interferes with the need to coordinate food access initiatives. "We all want the same thing, but we don't coordinate with each other," this source lamented.

It was gratifying to see that the low-income food organizations who came together for a meal at Meals on Wheels seemed to truly enjoy the opportunity to meet with each other, to learn more about each other's work, and to reflect on how their services might be improved.

Since Northshire Grows convened this meeting, this may suggest a more lasting role for that organization to continue to bring leaders together to strategize and coordinate their efforts.

#### **Moving Forward**

There is no reason Bennington must choose only one of these three strategies. Elements of any of these approaches may be fruitful in Southshire. Or the region may choose to focus on entirely different approaches, depending on the priorities it sets. One suggestion our respondents made was that coordination will be more effective if performed by someone who is in the Southshire on a daily basis.

#### **Recommendations:**

## 1. Low-income advocates and service providers should continue to meet on a regular basis to develop more strategic approaches to overturning poverty.

Such meetings should allow participants to learn more about each other's work, coordinate more effectively across organizational and geographic lines, identify gaps in service, and foster collaborative initiatives.

One key question that incited a great deal of interest was, "How do we engage low-income residents in an economy of exchange?" In this vein, one roundtable participant asked, "How do we use making prepared meals for others a job-creation opportunity?" Strategic planning around this concept seems exceptionally valuable. Another participant added, "How do we make the collaboration actually work for low-income residents, not simply be something done in the name of residents?"

Our respondents also highlighted the need to keep the concerns of low-income residents visible to the broader community. Such outreach should be one priority of the collaboration. One way to do this is to create venues where lower-income and more prosperous residents might mingle, to increase mutual understanding and potential collaboration.

## 2. Low-income advocates and service providers should create a sustainable and reliable way of welcoming low-income residents into a community context in which they feel empowered.

One of the key topics to be discussed is how to engage low-income residents in a fabric of community where they feel connected rather than isolated, and productive rather than passive. The concept of a membership group, whether recognized formally by a membership card or not, seemed to resonate with people we spoke with, but this idea should be further fleshed out and adopted.

As one roundtable participant stated, "It is more effective to develop a small number of close relationships rather than pushing 100 people through a program. This work is all about one-to-one relationships."

Another added, that in working with low-income residents, it is important to "make food delicious again." Often the bare bones ingredients given to recipients do not incite interest in eating.

## 3. The Bennington community must grow new farmers, and increase food production for household consumers.

Bennington County is leaking more than \$100 million each year as it grows and buys food. This makes it imperative that public officials find resources that can be invested in growing new farmers on a sustained basis, building supportive

infrastructure that creates local efficiencies in food trade, and encourages county residents to purchase food from farms in their community.

While these investments will not provide a rapid return, they are essential for stopping the outflow of money — which currently is helping create further poverty, both now and in the future, in a county that is already plagued with considerable difficulty.

Perhaps the most difficult step to take is also the most essential. Without training new farmers, not enough food can be grown for local consumers. At the same time, this is a complex topic, because efforts to foster new farms must simultaneously build new consumer interest, or the new farms will only pirate sales off of farms that have been raising food for local consumers for decades.

Low-income residents could certainly benefit from these initiatives, if they become engaged in exchanges of food and skills that build an economy among low-income residents. If low-income residents are merely asked to provide low-cost labor to provide food to more prosperous residents, little will improve.

The Career Development Center took some interest in developing programs that would engage their students, many of whom are low-income, in planning local food systems, constructing facilities (such as greenhouses, hoophouses, irrigation systems, etc.) at CDC shops that could create some of the required infrastructure. Efforts such as these look very promising.

### **Appendix 1: Bennington County Farm & Food Economy**

#### Appendix 2: Fifth Season Cooperative (Viroqua, Wisconsin)

Fifth Season Co-op is perhaps the nation's most comprehensive example of a community creating a food system that will be rewarding for all parties concerned. The co-op was launched in Viroqua, a town of 4,000 in Southwestern Wisconsin, about 40 miles south of La Crosse. The land in this region is unglaciated, just as the land surrounding Bennington is, featuring both flat expanses of open land, forested ravines, and scattered hillside.

The co-op was launched in 2009 by growers who sought larger markets for their produce. These growers had started their farms as long as 40 years before, purchasing land when it was relatively inexpensive, and building soil fertility gradually over time through intensive use of manure and crop rotations. They had persisted despite limited demand for their products, until buyers turned their attention to sourcing produce as close as possible.

The broader community of Viroqua had also established a cooperative grocery store in 1995 that expanded twice as business grew. The grocery co-op now occupies a Frank Lloyd Wright-style building they built in a prominent location in town, and boasts more than 3,400 members, garnering more than \$7 million in sales.<sup>13</sup> Its formation was aided by the presence of a cheese producer's co-op, the recent growth of the \$1-billion cooperative of co-ops, Organic Valley, as well as a regional heritage of collaboration that goes back to the 19<sup>th</sup> Century.

When the farmers first began discussing the formation of a cooperative, they quickly realized that they would have little power to set prices in highly competitive produce markets if they acted alone. As they consulted cooperative development experts, they were introduced to the concept of a multi-stakeholder co-op that would engage food buyers and other parties in the management of the co-op. A common form of cooperation in Europe, this had seldom been implemented in the U.S.

Accordingly, the growers approached the CEO of Gunderson Lutheran Hospital, a private hospital based in LaCrosse, asking him to purchase the produce the farmers raise, but more importantly, to join the board of the co-op. The executive readily agreed (one testament to the strength of the cooperative culture in Southwest Wisconsin) and further offered to invite his friend, the CEO of a national food distribution firm, to join the co-op board as well. The farmers agreed, adding that they wanted the workers of the co-op to also have a seat on the co-op board.

The initial group of co-op leaders worked patiently for more than two years to establish the policies and procedures of the co-op before actually opening doors to their operation. In this planning process, they were aided in critical ways by the Vernon County Economic Development Association, which not only convened the co-op members at their office, but also offered space in an abandoned 100,000 square foot factory that VEDA had purchased and renovated using federal funds.

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<sup>13</sup> http://www.viroquafood.coop/vfcs-history

Since incorporating in 2010, Fifth Season Co-op has grown slowly but steadily. Profits have never been high, but the partners have hewn closely to the collaborative vision. Local schools were invited to join the co-op; the schools ultimately decided they could not join since public purchasing procedures would create a conflict of interest (the schools would essentially be negotiating with themselves if they purchased from a co-op where they sat on the board) yet the schools readily agreed to purchase foods from the co-op.

Each fall, the hospital and schools determine how much of each specific food they will purchase from the co-op, increasing their orders in concert with growers' capacity to expand production. The co-op boards set minimum and maximum prices for each product, set at a level at which, in the words of one co-op leader, "no one will make a killing, but no one will go broke." Essentially, the co-op has simultaneously established both a supply management system and a pricing system that works for all partners — and each of the partners has solid reasons to adhere to these policies since they have helped establish the policies. Moreover, the presence of the co-op encouraged a nearby group of Amish farmers to refine their production practices and sell to the co-op.

Given the fact that root crops as relatively inexpensive and easy to grow in the region, and encouraged by the fact that VEDA could offer them processing space, the farmers developed a vegetable medley specifically designed for the needs of the schools. Setting aside root crops during harvest when prices are at their lowest, and storing them until the farming season subsides, the co-op peels, dices, parboils, and freezes this root crop medley into lots that are scaled to the needs of school kitchens. Schools can purchase the product, store it in their freezer, and tear the bag open and then cook the vegetables on steam tables before serving to students. Lightly seasoned with garlic and butter, it is a quality product that is relatively inexpensive to produce and serve, and cycles income to farmers.

Now the co-op offers a wide variety of locally produced foods produced by nearby vendors, including grass-fed beef, yogurt, honey, jams, frozen vegetables, maple sugar, fermented foods, locally pressed sunflower oil, and locally roasted coffee.