

Sustainable Communities in Appalachia

Technical Assistance Program



Strengthening the
Local Foods System:
Actions and Strategies
for the Town of Forest
City, North Carolina

December 22, 2014



1. Community Story

Forest City is located in the foothills of Appalachian Mountains in Rutherford County, North Carolina. The County is home to the well-known Chimney Rocks and Lake Lure. The Town of Forest City has over 7,500 residents and is located approximately equidistant from Asheville and Charlotte, North Carolina and Greenville, South Carolina. Each of the neighboring cities is just over an hour away. Local neighboring towns include Spindale and Rutherfordton, which is the Rutherford County seat. The area around



Figure 1 - Downtown Forest City

Forest City includes working lands dedicated to cattle, poultry and crops, a number of small farms, and rural residential uses. There is a significant amount of forested land in the County.

The Town of Forest City has a successful downtown commercial center, which is home to a number of restaurants, retail shops, professional services and government offices. The walkable center along Main Street has a healthy amount of foot and vehicle traffic. There is the opportunity for new buildings and uses in the core of downtown. The Town owns and has been focusing on the redevelopment and adaptive reuse of several old mill buildings, seeking residential, restaurant and retail uses.

Like many North Carolina towns, the recent economic history of Forest City includes the loss of textile and manufacturing jobs in the 1990's through the early 2000's. While there have been a few success stories since then in bringing in outside investment and jobs, progress has been slow. Despite the challenges presented to the Town in the aftermath of the textile jobs losses and the Great Recession, there has been an increasing interest in locally-produced food and a commitment to approaching agriculture as both an economic engine for the region and vital component of the local economy.

It is where this history and these current initiatives converge that creates the opportunity for Forest City and the larger community to implement a transformative project for the town and the participants in the local food system. The former textile mill site is considered the best location for an Agriculture Innovation Center for Rutherford County. The plans include the co-location of agriculture-related agencies, space for educational facilities and food production and aggregation facilities. The Farmers' Market is already on site and there are opportunities to support the expansion of this enterprise with new facilities on site. Challenges lie in the rehabilitation and reuse of the mill structures, the orchestration of collaborative efforts to get the Agriculture Innovation Center off the ground, and organization of institutional partners that will manage, inhabit and make use of the facilities within the Innovation Center.

These challenges and opportunities are what caused the Town of Forest City to seek support from the Sustainable Communities in Appalachia program to further advance the food hub and other downtown initiatives. Sponsored by the U.S. Environmental Protection Agency (EPA),

ARC, and U.S. Department of Agriculture – Rural Development, this program supports the principles of livability and aims to help existing communities expand access to healthy local foods, improve walkability of main streets and diversify the local economy.

2. Community Engagement

The Town of Forest City and the NC Cooperative Extension Service-Rutherford Center hosted a small team of federal agency staff and consultants for the workshop on August 12th and 13th. The two-day event included a tour of Forest City’s downtown and the mill property, a series of visioning and brainstorming sessions, and a strategic action plan discussion among a diverse group of citizens and local stakeholders.

These discussions helped workshop participants identify community values that underlie the action plan for their downtown and the local food system initiatives. These sessions also clarified how local foods can help make Forest City and Rutherford County a stronger, healthier, and more economically sound community. Participants identified strategies and actions to develop the mill property, improve walkability downtown, expand opportunities for the farmers market and develop the institutional partnerships to advance the creation of the Agriculture Innovation Center. The participants created an action plan that is described herein.

Among those in attendance were local elected officials, local business owners, farmers, farmers market staff and stakeholders, and staff from the Town of Forest City, NC Cooperative Extension-Rutherford Center, Rutherford County Economic Development, Rutherford County Schools, Isothermal Community College and federal agencies including USDA-RD, USDA-NRCS, USDA-FSA and ARC. While the two-day workshop is the key event that contributed to this action plan, it was preceded by several conference calls, background research, mapping, and case study development. Figure 2 lays out all of the steps leading to this action plan.

Principles of Livability

- Provide more transportation choices
- Promote equitable, affordable housing
- Enhance economic competitiveness
- Support existing communities
- Coordinate and leverage federal policies & investment
- Value communities and neighborhoods

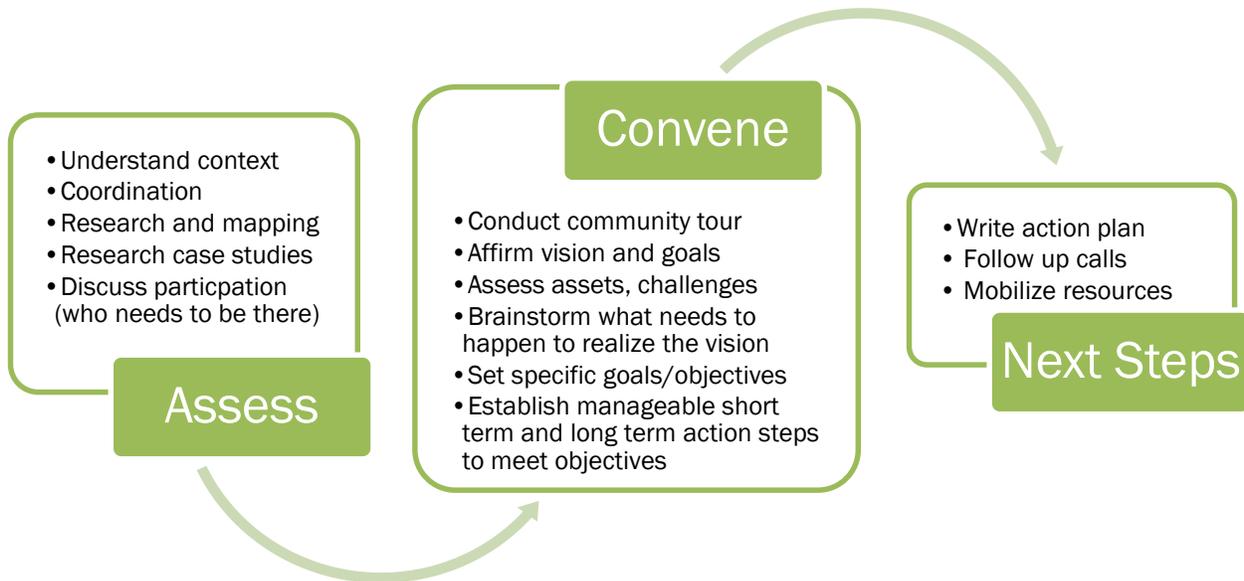


Figure 2 - Technical Assistance Process Diagram

3. The Local Food System

There is a significant amount of agriculture production in Rutherford County relative to the current population. Strengthening the Rutherford County Farmers Market, creating an Agriculture Innovation Center and/or starting a local food hub or aggregation center could become key components of the region's "local food system." This term describes everything involved in connecting local suppliers with local consumers, including growing, processing, storing, distributing, and selling food. The local food system allows growers and consumers to interact face-to-face.¹ Workshop participants spent some time diagramming some of the details of the local food system, identifying local and regional factors, strengths and weaknesses amongst different components such as producers, aggregators/distributors, and consumers. The diagrams produced are available in Appendix B of this report, and one is depicted in Figure 3 below.

A strong local food system can bring many economic and environmental benefits to Rutherford County and Forest City. Local food systems keep money in the community and can increase farmers' incomes. The economic success of local foods also helps keep farms and working lands viable, preserving the economy, culture, and environment of rural areas.

¹ Leopold Center for Sustainable Agriculture. Regional and Local Food Systems. Accessed March 3, 2014. http://www.leopold.iastate.edu/marketing/food_systems.

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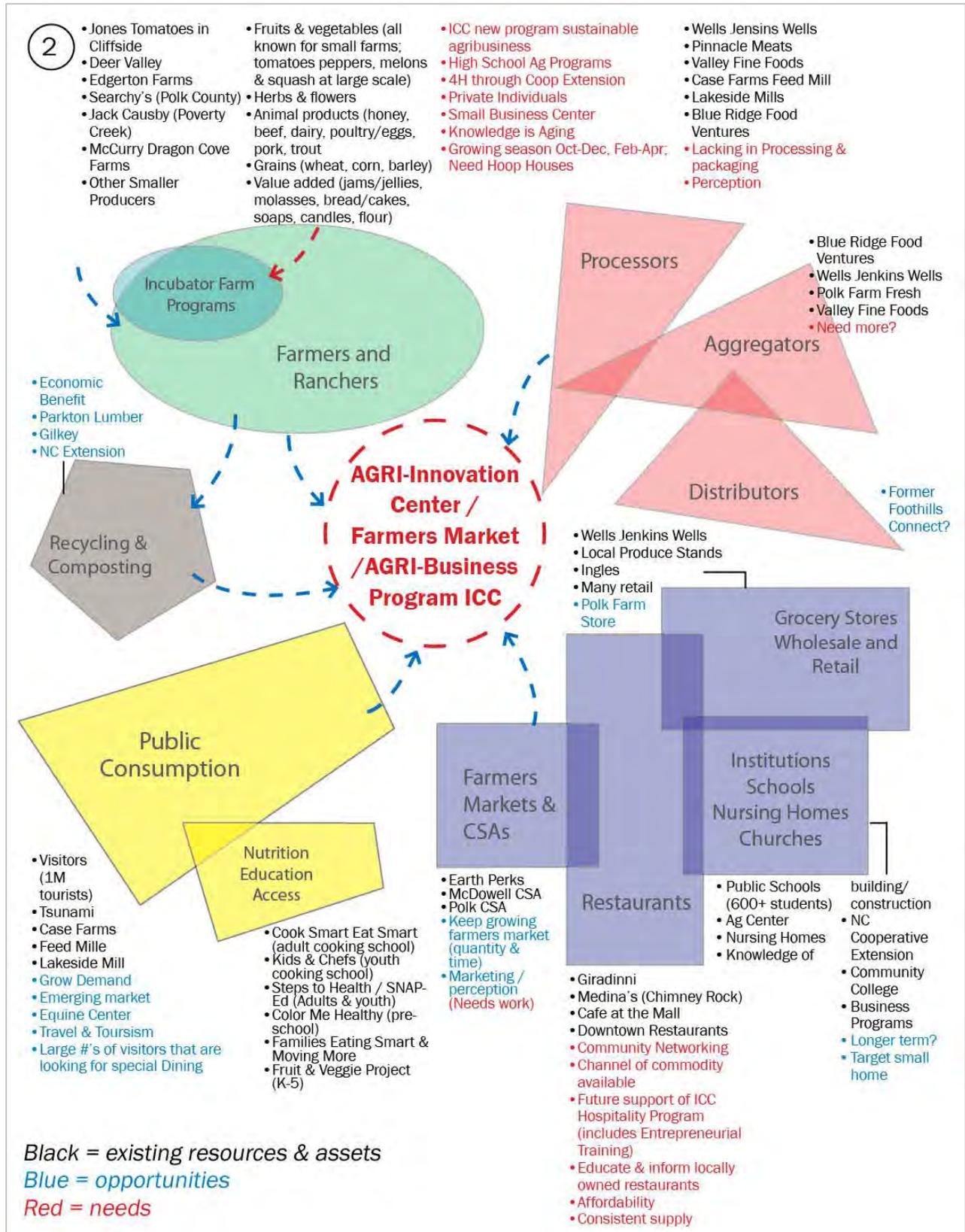


Figure 3 - Example of a Local Food System Diagram (See Appendix B)

Strong local food systems also support efforts to improve public health. An expanded local food system in Rutherford County will improve residents' access to fresh local produce and promote walkability in downtown, which will help alleviate public health problems that are common in the Appalachian region, such as diabetes and obesity. Recent data listed in Table 1 below indicate that Rutherford County lags the state for health indicators related to diet.

Health Indicator ²	Rutherford County	State of North Carolina
Adults with Diabetes	12.1%	9.6%
Adults with High Blood Pressure	32.1%	30.9%

Table 1 - Diet-Related Health Indicators

4. Underlying the Action Plan – Values, Vision, Issues, & Opportunities

Creating a stronger local food system in Forest City and Rutherford County aligns with a broader set of community goals and is a critical part of the community's long term vision. Forest City described several community goals in its letter of interest for the Sustainable Communities in Appalachia program. The goals listed below were a starting point for discussions during the workshop.

- Enhancing economic competitiveness through innovative agricultural strategies;
- Supporting the small town of Forest City and its Main Street Program;
- Valuing and celebrating the sense of place of the Town and its agricultural and textile history; and
- Coordinating and leveraging federal policies and investment.

The workshop facilitators led several exercises and discussion during the two days that helped workshop participants refine these goals and identify specific actions for achieving them. Participants discussed their values and vision of the future by describing a hypothetical news headline from 2034 (20 years in the future). The headlines, listed in Figure 4 below, describe a community in which the local food system has helped launch new food businesses, made downtown more successful and made the area more self-sufficient and resilient. They also made “this I believe” statements about their community and local foods. These are shown in Figure 5 below.

² Centers for Disease Control (CDC). Health Indicators Warehouse. <http://healthindicators.gov/Indicators/>. Accessed June 2014.

News Headlines from 2034

- “Friendly Festival a Success: Locals and Visitors Converge on Downtown filled with Vendors and Local Brewery Fare.”
- “Forest City Original has New Leadership: Carolina Main Street Grill’s Ten Downtown Locations throughout the State Taken over by Local Brothers.”
- “Forest City Named Small Town in America on Downtown Assets and Agriculture Innovation Center.”
- “What a Success: Local Youth Embarks on Culinary Career Built on Community College Program and Inspiration from Local Farmers’ Market.”
- “Forest City’s Focus on Agriculture Innovation Sparks Regional Transformation.”
- “Rutherford County Now Food Self-Sufficient after Years of Public, Private and Individual Effort.”

Figure 4 - Headlines from the future

What participants believe about their community and the issue of local food:

- On the verge of success with a desire to improve and get better
- Tremendous potential with huge opportunities for growth
- Wealth of knowledge
- Historical assets and opportunities
- Healthy food tastes better and promotes personal, community and ecological health
- Rich heritage where people value the history of where we come from
- Ownership in the community
- Breaking new ground, and are scared
- Beautiful place to live with friendly people
- Great opportunities for small farming
- Comfort in knowing the farmer and knowing how far it traveled
- Integral value-added and growing economic driver
- What human beings are meant to consume - better and healthier for my children
- Food system will help build a better community Creates community connection

Figure 5 – “This I believe” value statements by participants

The County and Town recognize that there are many obstacles to achieving these goals and visions. But there are also several opportunities. The workshop participants identified several catalytic actions/events that would help the local food system and the local economy downtown succeed. The existing Farmers Market and having it move to its current location was viewed as a catalyst that is already in place. The actions for the future included:

- Working together across organizations to advance the Agriculture Innovation Center;
- Implementing a visible, first project on the Florence Mill property;
- Bringing housing development to downtown;
- Getting a brewery in town;

- Having more restaurants that are open after five downtown; and
- Opening the Agriculture Innovation & Solutions Center.

Discussions about the community’s vision for the future, as well as the issues and opportunities that can help or inhibit progress towards the vision, set an important framework for the action plan. During the second day of the workshop, participants turned their attention to refining the community’s goals and identifying specific actions that would help Forest City and Rutherford County achieve their goals. The outcomes of these discussions are presented in summary form in the next section and in more detail in Appendix A.

5. Action Plan for Implementation

Achieving the County’s and Town’s vision will require sustained effort, additional resources, and new partnerships. Town and County officials entered the workshop with specific projects in mind for enhancing the local food system. The four goals identified during the workshop are summarized in Figure 6 below.



Figure 6: Goals for Advancing the Mill Property Redevelopment and the Agriculture Innovation & Solutions Center

Workshop participants also identified several action steps for achieving each goal. The goals and corresponding actions are outlined in this section, along with steps that can be accomplished in the next 100 days. The purpose of the “next 100 days” actions is to keep the workshop momentum going and to keep this plan at the forefront of stakeholders’ attention. The goals and actions steps are presented in Appendix A in their complete form, which includes a time frame, lead role, supporting cast, cost, funding sources, and near-term steps.

Goal 1: Expand and Improve the Farmers’ Market

Action 1.1 - Build relationships with downtown shops and restaurants.

- First 100 Days: Identify three new cross-promotional business opportunities and make contact with prospective partners.

Action 1.2 - Establish a year-round Indoor Farm Store. Increase supply for and distribution of on-line sales

- First 100 Days: Commence detailing a business model and program in conjunction with off-season pop up market planning.

Action 1.3 - Organize a pop up market program.

- First 100 Days: Identify location for the market and compile list of committed vendor/producer participants.

Action 1.4 - Increase supply for and distribution of on-line sales

- First 100 Days: Develop feedback mechanism for engaging potential customers and vendors about what is needed to grow this marketplace.

Goal 2: Revitalize Downtown and Improve Walkability

Action 2.1 - Complete and start implementation the Town's Pedestrian Plan, which should include rails-to-trails improvements.

- First 100 days: Pedestrian Plan completion and adoption by Town Council.

Action 2.2 – Implement Streetscape Plan

- First 100 days: Beautification Committee and Pedestrian Plan Committee to meet and agree on plan review and priorities for streetscape improvements.

Action 2.3 - Grow something downtown, such as urban edibles

- First 100 days: Identify concept for right-of-way and non-right of way installation, including plant types. Schedule agenda items for Beautification and Pedestrian Plan Committees.

Action 2.4 - Work to promote restaurant use of local foods

- First 100 days: Identify restaurateur interested in featuring seasonal menu items using locally-sourced ingredients.

Goal 3: Develop a Comprehensive Vision for the Mill Property

Action 3.1 - Fix the shell of the 1922 building.

- First 100 days: Authorize money and issue a request for proposals and get construction quotes.

Action 3.2 - Get the Mill qualified (grandfathered) for historic tax credits by the end of the year (2014).

- First 100 days: Sign agreement with developer that can be submitted to the State.

Action 3.3 - Develop a phasing plan for the Mill site development.

- First 100 days: Issue an RFP for consultants (if needed) and get quotes and responses.

Action 3.4 - Get commitments from possible tenants to move into the campus.

- First 100 days: Schedule meeting with developer to discuss the owner/tenant relationships and revenue relative to the costs of rehabilitating the 1922 building.

Action 3.5 - Find a temporary use for the 1922 warehouse building.

- First 100 days: Determine extent to which Rutherford County would be willing to participate financially in this phase one in order to guarantee future facilities for the Agriculture Innovation & Solutions Center.

Goal 4: Establish an Agriculture Innovation & Solutions Center and Define Future Facility, People and Programming Priorities

Action 4.1 - Start an Exploratory Committee to begin to work on the organizational framework and initial concepts for an Agriculture Innovation & Solutions Center (AISC).

- First 100 days: Invite charrette participants and other lead and supporting cast to get involved in the Exploratory Committee. Set up a FaceBook page to unify and help committee communications and to build community involvement and outreach to new potential stakeholders.

Action 4.2 - Establish consensus around the AISC vision, goals, and initial programming activities to help reach those goals.

- First 100 days: Get the word out via website, social media and traditional media. Schedule a time to present concept/status of initiative to Rutherford County and Town of Forest City elected officials.

Action 4.3 - Fundraising.

- First 100 days: Meet with potential development partners (e.g., hospital, ICC, etc.) and research/compile resources on relevant grants. Identify the potential for long term financial and other supportive commitments from local agencies, organizations and institutions.

Action 4.4 - Work with USDA on potential programs for grants for AISC.

- First 100 days: Prioritize grant entities and develop sequence for application.

Action 4.5 - Identify options and feasibility for the AISC physical space needs both now and for the future.

- First 100 days: Exploratory Committee to locate need for small startup space for AISC perhaps at ICC.

Action 4.6 – Establish and equip a commercial kitchen as a first step for the AISC

- First 100 days: Town and County Extension to explore feasibility of advancing this as a priority for the AISC understanding that the kitchen can support other actions such as the pop up market, and farmers market, etc.

6. Action Plan for Implementation

As a follow on to the technical assistance effort, the ARC is providing a cash-grant of up to \$20,000 to support the implementation of projects or supporting programs identified during the workshop that will help the community advance their local food system and support broader livability goals. Based on discussions in a series of conference calls following the workshop, the grant may be applied towards any number of AISC startup costs, such as commercial kitchen (Action 4.6) outfitting or applied to some aspect of 1922 building assessment, stabilization or renovation. The ARC funding could be targeted towards any part of the phasing plan for the Mill site development, such as: 1) conduct a site assessment for the 1922 Warehouse Building (est. \$75,000); 2) enlist a structural engineer to assess building integrity/renovation needs (est. \$50,000); and/or 3) conduct an environmental assessment as it relates to the adjacent brownfield monitoring (est. \$50,000). As of the time of the publication of this final action plan report, the Town and the ARC were still working on what specifically from the prioritized list of funding needs the ARC implementation would be targeted for. The Town of Forest City, working closely with the County Extension, the following summary of overall action plan funding needs.

Overview of Action Plan Funding	Funds Needed	Funds Secured	Funding Sources
Goal #1 Expand and Improve the Farmers' Market			
Action 1.1 Build relationships			Town of Forest City, TDA, NCCES
Action 1.2 Year-round Indoor Farm Store	\$75,000		Private/Public
Action 1.3 Pop-up market program	\$1,000	\$ 1,000	Rutherford County, Town of Forest City
Action 1.4 Increase on-line sales	\$ 1,000 \$		Rutherford County, NCCES
Goal #2 Revitalize Downtown and Improve Walkability			
Action 2.1 Town's Pedestrian Plan	\$ 20,000	\$20,000	NC DOT
Action 2.2 Implement Streetscape Plan	\$ 469,000		NC DOT, Town of Forest City
Action 2.3 Grow something downtown	\$ 3,000 \$		Town of Forest City,
Action 2.4 Promote restaurant and local foods			Town of Forest City, TDA, NCCES
Goal #3 Develop a Comprehensive Vision for the Mill Property			
Action 3.1 Fix the shell of the 1922 Building	\$ 100,000		Town of Forest City
Action 3.2 Qualified for historic tax credits	\$3,000	\$ 3,000	Town of Forest City
Action 3.3 Develop a phasing plan	\$ 175,000		Town of Forest City
Action 3.4 Get tenants (Mill)			Forest City, Rutherford Co., NCCES
Action 3.5 Temporary use- 1922 Building			Town of Forest City, Rutherford Co.
Goal #4 Establish an Agriculture Innovation & Solutions Center (AISC)			
Action 4.1 Start Exploratory Committee			NCCES
Action 4.2 Establish vision, goals			Private/Rutherford County, NCCES
Action 4.3 Fundraising	\$2,800,000		Private/Public
Action 4.4 Work with USDA			RBEG, RBOG
Action 4.5 Options & feasibility space			Private/Rutherford County, NCCES
Action 4.6 Establish a commercial-test kitchen	\$ 100,000		VAPG

Total Funds Needed	\$3,747,000	\$ 24,000	
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In addition, the following is an estimate for the general creation and equipping of a commercial kitchen as part of the AISC, and was produced specifically to identify individual costs for action 4.6.

Commercial/Test Kitchen	Cost Estimate
Commercial Kitchen Room 648 sq. ft.	\$ 97,200
40-gallon Steam Jacket Kettle	\$ 12,000
Pressure Canner (2)	\$ 1,000
Six-burner Stove	\$ 1,200
Dehydrator-NFS approved	\$ 14,000
3-Compartment Sink	\$ 545
Hand Washing Sink	\$ 313
Hood	\$ 1,619
Stainless Steel Tables (2)	\$ 1,888
Shelving-used, 6 units	\$ 500
Walk-in Cooler/Freezer, 14' x 48'	\$ 55,000
Architect Services	\$ 8,200
Total	\$ 193,465

In addition, for 1922 Warehouse Building Renovation average cost is estimated at \$135 per square foot. This doesn't include the construction of second floors in bays two and three of the building. A more complete financial picture for the Mill site is available in a proforma the Town of Forest City commissioned following the April charrette (see in Appendix G).

Livability Principles Advanced

- **Provide more transportation choices:** Several of the action steps relate to improving walkability in downtown by enhancing downtown streetscapes and encouraging more activities in downtown which will promote walkability.
- **Promote equitable, affordable housing:** To promote more activity in downtown, local participants have already established the concept of owner-occupied tax credit housing on the Mill property. The tax credits will lower the cost of these units.
- **Enhance economic competitiveness:** The Agriculture Innovation & Solutions Center will help the County be more competitive in attracting new business, growing business that already exist and marketing agricultural goods and services in the broader region. Other development on the Mill property will enhance the success of Forest City's downtown and house new businesses that strengthen the Town's local economy.
- **Support existing communities:** Targeting development and new uses in downtown will make use of previous investments in infrastructure. Investments made in the Mill property will benefit existing local businesses and visitors to downtown.

- **Coordinate and leverage federal policies and investment:** The workshop efforts identified several opportunities to build investments already made and leverage different local, state and federal funding sources to support the Farmers' Market and other local revitalization and livability efforts.
- **Value communities and neighborhoods:** The Farmers' Market already serves as a community gathering center that helps strengthen the vibrancy of the existing downtown area, strengthening the attractiveness and livability of the surrounding neighborhood by providing access to healthy, local foods. The Agriculture Innovation & Solutions Center will expose local residents to healthy foods and food preparation techniques. Streetscape investments along with adaptive reuse of the Mill property will create an important expansion of downtown's walkable district.

7. Appendices

- Appendix A: Implementation Action Plan Tables
- Appendix B: Local Food System Diagrams
- Appendix C: Workshop Participants and Contact Information
- Appendix D: Workshop Presentation Slides
- Appendix E: Funding Resources
- Appendix F: Additional References and Resources
- Appendix G: Proforma (Ray Gibbs for the Town of Forest City)

Appendix A: Implementation Action Plan Tables

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GOAL 1: Expand and Improve the Farmers’ Market

Goal Lead: Rutherford County Farmer’s Market staff, vendors and volunteers

Action 1.1: Build relationships with downtown shops and restaurants		
Why is this important?	Fostering closer collaboration between the Farmer’s Market and downtown retail will serve to strengthen visitors, sales, and vibrancy of both. People who come to the market will frequent downtown stores and vice versa.	
Measures of Success	Further consideration is needed to determine how this is best measured, but one suggestion is to observe an increase/decline in cross-promotional materials. (Advertisements for the Market in downtown stores, and for stores at the Market.) Another potential measure is the increase in streetscape enhancements between the farmer’s market location and the main street: a more comfortable and inviting walk between the two spaces indicates increased collaboration.	
Timeframe for Completion	3-6 months	
Taking the Lead	Farmer’s Market manager	
Supporting Cast	Everyone involved, but primarily facilitated and fostered by the vendors committee working with Forest City Merchant’s Association, County Extension, Chamber of Commerce, and Town staff	
Cost Estimate	Dollars	Time
	Low, mostly in promotional and marketing materials as needed	Staff and volunteer time to facilitate conversations and build relationships
Possible Funding Sources	County and Town staff time, vendor fees, contributions from vendors and/or businesses. Possible use of ARC funds.	
First 100 Days	Identify three new cross-promotional business opportunities and make contact with prospective partners.	

Implementation Notes Post Workshop: Fridays and Saturdays in December they are having a popup market. They have a iPad and framework for online structure with County’s finance office. Had at one time done online sales via Foothills Connect, but that stopped. The idea is to rekindle this effort and build a similar framework (perhaps via shopify). Eventually the operation can be privatized but in short term the Count could organize payment and finances with growers.

Action 1.2: Establish a year-round indoor farm store	
Why is this important?	This would demonstrate sustained, year around visibility and support for farmers and merchants by the community, and help to encourage new small business entrepreneurship. If co-located with the Farmers Market, it would support the market during the prime growing season by providing storage space and other facilities. The farm store could also be a base of operations for distributing goods from producers to local businesses.

Action 1.2: Establish a year-round indoor farm store		
Measures of Success	Measure customer volume and sales during market days	
Timeframe for Completion	6 months to a year, depending on availability of space either to lease on main street or in a Mill building.	
Taking the Lead	County Extension together with Rutherford County FM Manager	
Supporting Cast	Vendors, Extension staff, local merchants, media, Forest City Merchant’s Association.	
Cost Estimate	Dollars	Time
	Moderately high, depending on rent structure and operational staff costs.	Existing Market staff and volunteer time with the likely need for additional paid staff.
Possible Funding Sources	A 5K run could help sponsor the Market’s upfront costs. Vendor fees. Feasibility study and or business plans could be supported by ARC grant funds. Potential application for the USDA Rural Business Enterprise Grant Program for start-up funding.	
First 100 Days	Commence detailing a business model and program in conjunction with off-season pop up market planning.	

Implementation Notes Post Workshop: Currently exploring longer term use of the space at the corner of Depot Street and 108 W. Main Street. This location has the same proximity to farmers market.

Action 1.3: Organize a pop up market program		
Why is this important?	This activity will extend the selling season and helps farmers and other vendors stay connected to the community. It promotes experimentation with and the production of shelf-stable, value-added goods at the local level. Also has the benefit of bringing more activity to the downtown area during shopping season.	
Measures of Success	Survey vendors and customers, customer volume, and vendor sales.	
Timeframe for Completion	Fall 2014 in time for Thanksgiving-Christmas season	
Taking the Lead	Farmers Market Manager	
Supporting Cast	Vendors, 4-H, or McNair Scholars, building owner (where the pop-up-market is located.)	
Cost Estimate	Dollars	Time
	Low: website and container (or lease) fees	Staff time to coordinate, volunteer time to participate
Possible Funding Sources	County Extension (salary for Market Manager)	
First 100 Days	Identify location for the market and compile list of committed vendor/producer participants.	

Action 1.4: Increase supply for and distribution of on-line sales		
Why is this important?	Expansion of the customer base, increased customer convenience, and extension of the Market’s presence and overall economic impact.	
Measures of Success	Increased sales—quantity and diversity of products, website traffic, more vendors.	
Timeframe for Completion	May/June 2015	
Taking the Lead	Farmers Market Manager	
Supporting Cast	Vendors, County Extension, media (including social media users) for help with promoting the effort.	
Cost Estimate	Dollars	Time
	Low, with use of open source software and existing staff time	Staff time
Possible Funding Sources	USDA’s Local Foods Promotion Program	
First 100 Days	Develop feedback mechanism for engaging potential customers and vendors about what is needed to grow this marketplace.	

GOAL 2: Revitalize Downtown and Improve Walkability

Action 2.1: Complete and start implementation the Town’s Pedestrian Plan, which should include rails-to-trails improvements.		
Why is this important?	Creating a center that is pleasing for humans to experience and to move about on foot is fundamentally important to creating a vibrant and active place that is desirable to visit and experience. It will make a place more inviting, will draw people to social activities, and make people feel safer—convergent benefits that will extend to businesses, schools, and community activities.	
Measures of Success	Annual reporting from the Town regarding implementation progress.	
Timeframe for Completion	The Pedestrian Plan should be completed by the fall of 2014 (September-October) and implementation can commence shortly thereafter. Implementation should be iterative and ongoing.	
Taking the Lead	Town of Forest City together with NCDOT	
Supporting Cast	Pedestrian Plan Committee comprised of citizens, merchants, and town leaders.	
Cost Estimate	Dollars	Time
	This Plan is already funded. Implementation funds have also been identified, although not enough to fund the identified projects. An	Town staff and NCDOT

Action 2.1: Complete and start implementation the Town’s Pedestrian Plan, which should include rails-to-trails improvements.		
	additional one-time or annual fund from the Town is needed.	
Possible Funding Sources	NCDOT, Powell Bill (State Street Aid) funds, Annual Town budget commitments	
First 100 Days	Pedestrian Plan completion and adoption by Town Council.	

Implementation Notes Post Workshop: The Town as a rough draft, and they recently conducted health assessment. The finalization of the plan may be moved back to either late January or early February.

Action 2.2: Implement Streetscape Plan		
Why is this important?	Making main street more pedestrian friendly: plantings, street furniture, lighting, and improved traffic calming will make downtown a safer more enjoyable place to visit, stroll, engage in community activities, and patronize local restaurants and merchants.	
Measures of Success	Projects are completed in a timely and regular manner.	
Timeframe for Completion	This is likely a multi-year effort but implementation can commence as soon as the Town is ready to begin.	
Taking the Lead	Town of Forest City, NCDOT, Town Beautification Committee	
Supporting Cast	Merchants, Beautification and Pedestrian Plan committees, walkers and runners.	
Cost Estimate	Dollars	Time
	\$50,000 to \$1,000,000	Staff time to coordinate and oversee planning, design and implementation
Possible Funding Sources	Town of Forest City. USDA-RD. NCDOT. USDOT (TIGER).	
First 100 Days	Beautification Committee and Pedestrian Plan Committee to meet and agree on plan review and priorities for streetscape improvements.	

Implementation Notes Post Workshop: The Town has met with the COG for possible grants for streetscape.

Action 2.3: Grow something downtown, such as urban edibles		
Why is this important?	Landscaping with urban edibles demonstrates both a commitment to downtown beautification as well as food in a visible and tangible way that engages the public. Installations can demonstrate edible perennial plants that are suitable for the area. This type of program can enhance areas in public right-of-way, but can also be implemented on other property.	
Measures of Success	Identified sites in the downtown area for community or merchant-sponsored gardens and pocket landscaping.	
Timeframe for Completion	3-12 months, in coordination with the streetscape plan improvements and actions.	
Taking the Lead	Town staff will lead collaboration with citizen and merchant committees.	
Supporting Cast	Beautification and Pedestrian Plan Committees and interested citizens. Possibly County Extension for community gardens.	
Cost Estimate	Dollars	Time
	Moderately Low, plant costs and labor costs, if applicable. Installations that do not require irrigation and regular maintenance are ideal.	Town staff time and volunteer time.
Possible Funding Sources	Town and County. Possible ARC grant support. Forest City Merchant’s Association, independent businesses, the Farmer’s Market.	
First 100 Day	Identify concept for right-of-way and non-right of way installation, including plant types. Schedule agenda items for Beautification and Pedestrian Plan Committees.	

Action 2.4: Work to promote restaurant use of local foods		
Why is this important?	When restaurants source and market local and fresh foods it helps elevate the growing connection between local foods and place. Sourcing locally is growing in popularity and visitors are increasingly seeking out authentic places to dine and eat, and places which choose and market their use of locally sourced foods will have a competitive advantage.	
Measures of Success	When a target number of local food establishments feature local produce on the menu and in advertisements.	
Timeframe for Completion	1 year	
Taking the Lead	TBD Restaurant Association or highly motivated restaurateur.	
Supporting Cast	Local merchants, Town Staff, Farmer’s Market manager and vendors. Possibly working in conjunction with the on-line market efforts.	

Action 2.4: Work to promote restaurant use of local foods		
Cost Estimate	Dollars	Time
	Low	Staff and volunteer time
Possible Funding Sources	Private/market generated funds should be able to support this activity	
First 100 Days	Identify restaurateur interested in featuring seasonal menu items using locally-sourced ingredients.	

Implementation Notes Post Workshop: Two restaurants opening in spring and have expressed interest in using local foods vendors. Café at the Mall (Liz Rose, proprietor, chef, and dietician) been using local growers. Interested in a venue downtown. Extension looking to work with her, possibly as an anchor tenant in innovation center.

It is expected that with the development of the new equestrian center in Polk County, the restaurant economy will be more capable to expand and demand for local food should increase. Initial estimates are that the facility will demand 90,000 room nights a season.

GOAL 3: Develop a Comprehensive Vision for the Mill Property

Goal Lead: Primarily Forest City staff and governance, supported by developers and County counterparts.

Action 3.1: Fix the shell of the 1922 building		
Why is this important?	The structure needs to be stabilized so that the community will have more time to figure out the best course of action. Allowing the buildings to continue to leak may result in irreparable damage. To accomplish this, missing walls, doors, and windows will need to be installed and the roof fixed to prevent water leakage.	
Measures of Success	No leaks in structure	
Timeframe for Completion	Short term, to be completed as soon as possible.	
Taking the Lead	Town of Forest City working with prospective developer	
Supporting Cast	City staff; developer.	
Cost Estimate	Dollars	Time
	\$100,000 (bare minimum to enclose and weather proof.)	City staff/Mayor
Possible Funding Sources	City budget for staff time for organizing/leadership as well as implementation.	
First 100 Days	Authorize money and issue a request for proposals and get construction quotes.	

Implementation Notes Post Workshop: They have made some progress on clean up but the shell remains unfixed. They had fill dirt donated for the crater between buildings. They also showed the Mill to a group out of Asheville. They created an information sheet for the EDC and the Chamber of Commerce to assist in marketing the Mill, and had some promotional photos taken of the 1922 building. The structural problems and leaks haven't been addressed, but have been steadily cleaning so could show it.

Action 3.2: Get the Mill qualified (grandfathered) for historic tax credits by the end of the year.		
Why is this important?	This is necessary to solidify the potential benefits from the State and Federal historic tax credits which are necessary to offset the expenses associated with renovation and rehabilitations. These tax credits are important because they make this type of project financially viable for investors.	
Measures of Success	When a developer is under contract or commitment letter and the plan has gone to Raleigh and is approved.	
Timeframe for Completion	3 months (by November 2014)	
Taking the Lead	Forest City with Town Developer	
Supporting Cast	Investors, local EDC	
Cos Estimate	Dollars	Time

Action 3.2: Get the Mill qualified (grandfathered) for historic tax credits by the end of the year.		
	Relatively low, perhaps some marketing money for a prospectus.	City staff and developer time.
Possible Funding Sources	Forest City and developer	
First 100 Days	Sign agreement with developer that can be submitted to the State.	

Implementation Notes Post Workshop: The Town has received a letter back from the State that it's cleared and the application for tax credits has been forwarded onto national. The Town, as of December remains in a "wait and see mode".

Action 3.3: Develop a phasing plan for the Mill site development.		
Why is this important?	This plan is needed as a roadmap for the site's redevelopment, and to clearly lay out what needs to happen when, with priorities indicated. Such a plan should help to identify several easy and fast first steps, which will result in some rejuvenated interest in the project.	
Measures of Success	When the phasing plan is completed and there are new property owners of parts of the Mill site.	
Timeframe for Completion	3-6 months.	
Taking the Lead	Town developer	
Supporting Cast	Town merchants, City staff, potential tenants, citizens.	
Cost Estimate	Dollars	Time
	Consultant fees	City staff and developer time.
Possible Funding Sources	Staff and consultants, possible use of ARC implementation funds.	
First 100 Days	Issue an RFP for consultants (if needed) and get quotes and responses.	

Action 3.4: Get commitments from possible tenants to move into the campus.	
Why is this important?	Getting preliminary commitments from viable tenants will demonstrate to investors the need and interest in the Mill campus.
Measures of Success	When there are signed agreements with tenants and/or future owners (developers) for parts of the Mill site.
Timeframe for Completion	1 year
Taking the Lead	Forest City staff to make recommendations to Town Manager who takes the commitments to the Town Council for approval.
Supporting Cast	Town staff working with County, Extension, ICC and other community leaders

Action 3.4: Get commitments from possible tenants to move into the campus.		
	Dollars	Time
Cost Estimate	Low cost, mostly staff time. Marketing materials may be useful.	City staff
Possible Funding Sources	Forest City (staff time)	
First 100 Days	Schedule meeting with developer to discuss the owner/tenant relationships and revenue relative to the costs of rehabilitating the 1922 building.	

Action 3.5: Find a temporary use for the 1922 building.		
Why is this important?	There could be multiple temporary use of the 1922 building as soon as efforts are made to weatherproof and enclose it from the elements. Such uses could be associated with the Farmer’s Market, or as a meeting space or programming from ICC (e.g. equine program). Short-term, temporary use of the space is important because it would signal visible progress for the community, which in turn will generate additional ideas, interest, and investment.	
Measures of Success	When the building is dry, secure, does not appear “bombed out”, the space is programmed for positive short term, temporary uses, and short-term leases are signed.	
Timeframe for Completion	1 year. Ideally the building should be read for use by October 2015, and activities can start to happen in the bays at that time.	
Taking the Lead	Forest City	
Supporting Cast	Contractors hired for intermediate renovation work	
Cost Estimate	Dollars	Time
	\$500,000 depending on scope of project (get space suitable for use internally)	Town staff time and contractor time
Possible Funding Sources	Forest City, Rutherford County, developer	
First 100 Days	Determine extent to which Rutherford County would be willing to participate financially in this phase one in order to guarantee future facilities for the Innovation Center.	

GOAL 4: Establish an Agriculture Innovation & Solutions Center and Define Future Facility, People and Programming Priorities

Goal Lead: County Extension

Action 4.1: Start an exploratory committee to begin to work on the organizational framework and initial concepts for an Agriculture Innovation & Solutions Center (AISC).		
Why is this important?	This action is critical to building consensus around the overall mission, vision, membership, and organizational framework for a future AISC, either at the Mill site or at another viable host location in the region. This action convenes the committee that will produce a mission, vision, and foundational document that is Action 4.2 below.	
Measures of Success	When there is a document that clearly outlines the consensus around the structure and purpose for the AISC.	
Timeframe for Completion	Less than 100 days.	
Taking the Lead	County Extension as an initial convener, but this role could change as the committee convenes and identifies their preliminary needs.	
Supporting Cast	Local growers, Chamber of Commerce, Town of Forest City, ICC, Rutherford Farm Bureau, Rutherford County Schools, Rutherford County Farmer’s Market, Rutherford Regional Hospital.	
Cost Estimate	Dollars	Time
	Low to medium for an organization development consultant if needed. Other low costs include any media promotion or convening (meeting) costs.	County staff time and to convene and organize, other’s time to participate.
Possible Funding Sources	The committee should not need to incur costs, but needs to identify startup funding for the organizational operations identified for the AISC. Rutherford County funds needed to cover the cost of assistance with organizational development.	
First 100 Days	Invite charrette participants and other lead and supporting cast to get involved in the exploratory committee. Set up a FaceBook page to unify and help committee communications and to build community involvement and outreach to new potential stakeholders.	

Implementation Notes Post Workshop: A portion of the committee is already in place. The County IT will shortly set up a FaceBook presence. The County Extension currently has a list of committee members, but has been awaiting finalization of this report before going to the committee. A portion of the group toured the manufacturing and solutions center and have been updated on progress but will get into full work mode once the EPA technical assistance report is complete.

Action 4.2: Establish consensus around the AISC vision, goals, and initial programming activities to help reach those goals.	
Why is this important?	The AISC will achieve greater success if it becomes a region-wide asset and economic development engine. To that extent, the vision and goals—as well as programming activities—should reflect this emphasis and should serve to fine tune and articulate the overall purpose and activities on a new AISC.
Measures of Success	When a comprehensive planning document exists—either in the form of a strategic plan, a business plan, or a marketing prospectus for the AISC.
Timeframe for Completion	6-8 months
Taking the Lead	The Exploratory Committee which is initially convened by the County Extension.
Supporting Cast	Health Department, Hospital, all committee stakeholders including ICC, farmers, agriculture tourism.
Cost Estimate	Dollars
	Broad base of all possible stakeholders
Possible Funding Sources	See the fundraising action 4.3 below.
First 100 Days	Get the word out via website, social media and traditional media. Schedule a time to present concept/status of initiative to Rutherford County elected officials.

Action 4.3: Fundraising	
Why is this important?	Funding will be necessary for the AISC to flourish and carry out the actions and programs that help achieve its vision and goals.
Measures of Success	Measured by the economic results that come from the AISC. Funding commitments of an amount that allow the committee to have on-going, dedicated staff time from the various partner organizations and pledged funds that demonstrate ability and commitment for establishing a permanent entity.
Timeframe for Completion	To be determined by the Exploratory Committee but probably medium term to longer term efforts will be required to raise the necessary funds for the AISC. Estimates are for 2-3 years with activities starting immediately with the formation of the Exploratory Committee.
Taking the Lead	County Cooperative Extension
Supporting Cast	Grant writing expertise from the committee members (ICC, COC, etc.) Relationship-building efforts among all stakeholders. Many funds will

Action 4.3: Fundraising		
	come from the recognition that the future AISC is central to the mission of the partner (anchor, lead) organizations.	
Cost Estimate	Dollars	Time
	Funding for grant writing support (10-30K?)	County staff time, other time to pursue funding opportunities
Possible Funding Sources	USDA-RD. Western NC Community Foundation. EDA. Other NC foundations with food system or agriculture emphasis. ARC Distress county funding or other funds. ARC implementation funds.	
First 100 Days	Meet with potential development partners (e.g., hospital, ICC, etc.) and research/compile resources on relevant grants. Identify the potential for long term financial and other supportive commitments from local agencies, organizations and institutions.	

Action 4.4: Work with USDA on potential programs for grants for AISC.		
Why is this important?	This would help to raise the initial funds and for the project and help establish community connections.	
Measures of Success	Successfully achieving grants, local foods, etc.	
Timeframe for Completion	2-6 months	
Taking the Lead	County Cooperative Extension	
Supporting Cast	USDA, NECES, volunteers, committee members, grant writing partners and/or consultants.	
Cost Estimate	Dollars	Time
	Low	Human resources and time to research, coordinate and pursue grant opportunities
Possible Funding Sources	USDA-RD	
First 100 Days	Prioritize grant entities and develop sequence for application.	

Action 4.5: Identify options and feasibility for the AISC physical space needs both now and for the future.		
Why is this important?	A physical home for the AISC is critical to house staff, programs, and associated activities. A long-term home, such as a location as part of the Florence Mill campus may be a longer-term prospectus, and will depend on a number of other externalities. The identification of a phasing plan for physical space needs will be important so that the AISC can get off the ground without being dependent on another development process (the Florence Mill). For example, a partnership with ICC could be part of an initial space plan to house the AISC at ICC. This action will identify options, opportunities and possibilities for physical space for a future AISC.	
Measures of Success	When programs have a place of operation now and in the future.	
Timeframe for Completion	6-12 months	
Taking the Lead	Exploratory Committee convened by the County Cooperative Extensions	
Supporting Cast	County, ICC, Town of Forest City.	
Cost Estimate	Dollars	Time
	TBD – funds needed for rent, unless donated space is an option.	Staff time to coordinate
Possible Funding Sources	ARC funding for feasibility studies.	
First 100 Days	Exploratory Committee to locate need for small startup space for AISC perhaps at ICC.	

Action 4.6: Create and equip a commercial kitchen as part of the Ag-Innovation center.		
Why is this important?	Value-added products are initially being developed with limited infrastructure within Rutherford County and there has been a long-term need for establishing a facility for new and expanding food entrepreneurs.	
Measures of Success	Successfully achieving grants, funding, and implementation of the commercial/test kitchen.	
Timeframe for Completion	9-12 months	
Taking the Lead	County Cooperative Extension	
Supporting Cast	WNC AgriVentures Council, Advantage West, USDA-RD, Blue Ridge Food Ventures, committee members & stakeholders	
Cost Estimate	Dollars	Time
	\$100,000	County staff time, time to pursue funding opportunities. Time to

Action 4.6: Create and equip a commercial kitchen as part of the Ag-Innovation center.		
		coordinate, develop, and secure the facility space/equipment.
Possible Funding Sources	USDA-RD, USDA-Value Added grants, community, ARC	
First 100 Days	Prioritize grant entities, and private funding potential. Develop sequence for application/fundraising.	

Appendix B:

Local Food System Diagrams

Local Food System Diagramming Exercise

This diagram below shows several elements of a local food system. The smaller circle on the left shows a common local food system where a market, community supported agriculture program (CSA), and/or educational programs connect farmers with consumers. A weaknesses of this basic model is that it does not serve institutional buyers (such as hospitals and colleges) or restaurants well. The larger circle shows a more advanced local food system where an organization, such as a local food hub, is helping connect local farmers with institutional and restaurant buyers. The local food hub helps serve these buyers by aggregating produce, processing it (through freezing, chopping, packaging, etc.), and finally distributing it.

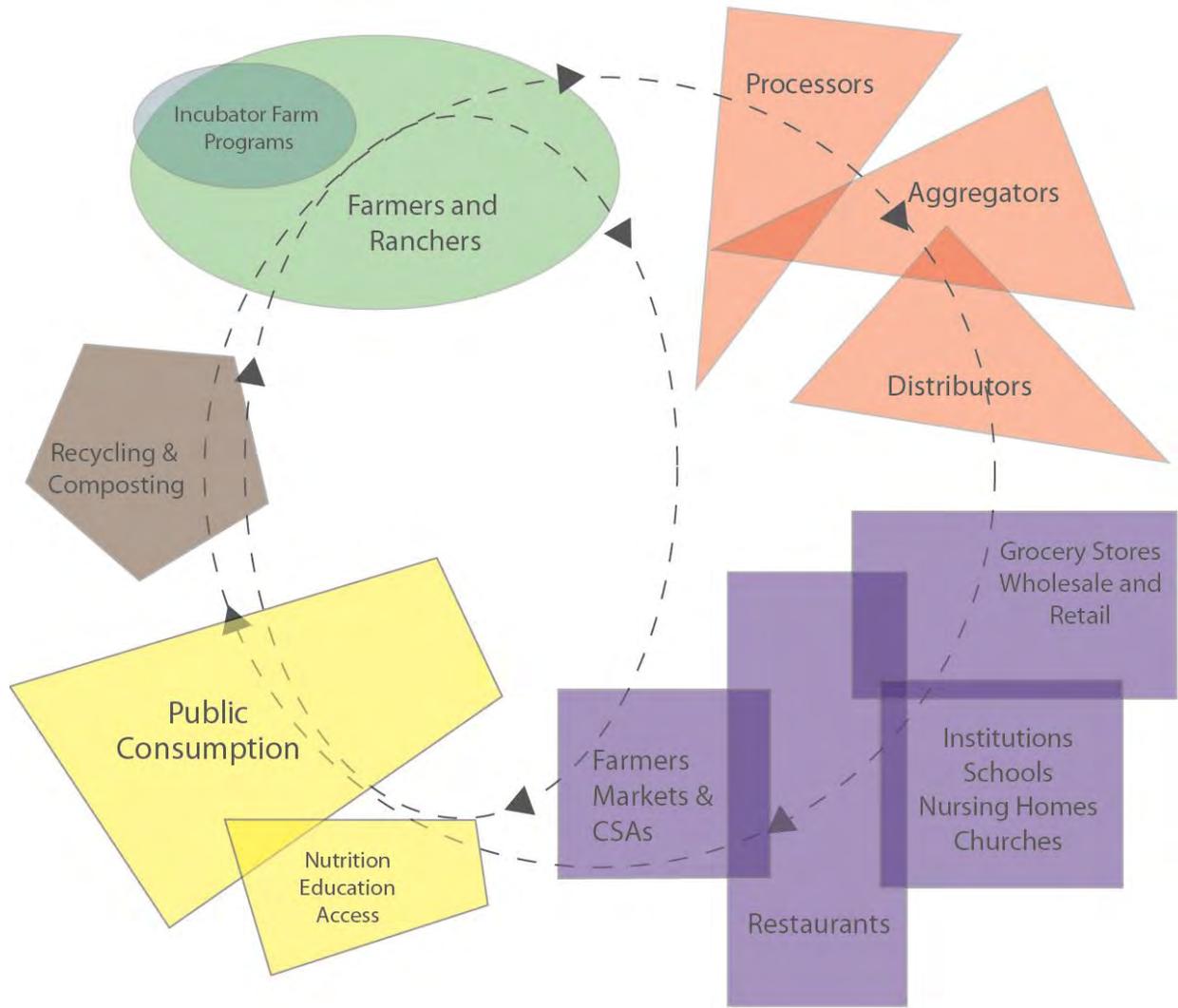


Figure 1 - Local Food System Diagram (Credit: Poesis Inc)

Workshop participants in Forest City were asked to diagram and detail components of their local food system. The components are outlined in the three figures below, along with lines indicating relationships that could be strengthened. In general, black color was used to identify existing assets, red was used to identify needs or gaps, and blue was used to indicate opportunities. Solid lines

drawn were used to highlight existing connections or relationships, dashed lines in general represented where relationships either don't exist or are weak and need strengthening. It should be noted that not every single relationship was diagrammed, as more probably exist between each of the components than would be feasible to represent in the diagram.

The primary purpose of this diagramming exercise was to document the major actors and connections in Forest City's local and regional food system. It also served as an effective preamble to the action planning session allowing participants to better understand some elements, gaps and weaknesses before jumping into work on next steps and implementation. There were four working groups, each producing their own diagram. These four diagrams were merged into two because there was enough overlap between the groups.



Figure 2 - Images from the workshop exercise

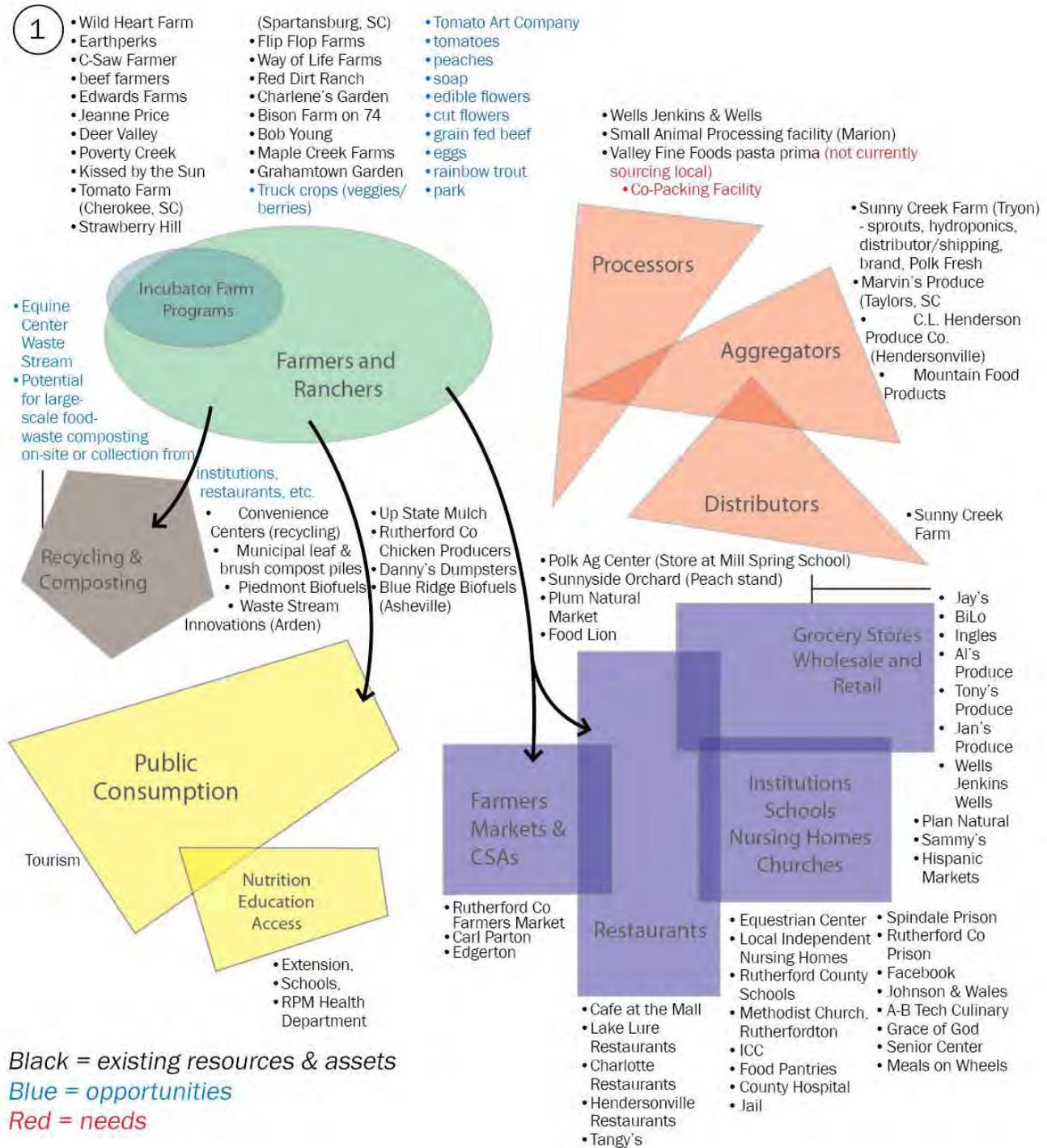


Figure 3 – Forest City Local/Regional Food System Diagram 1

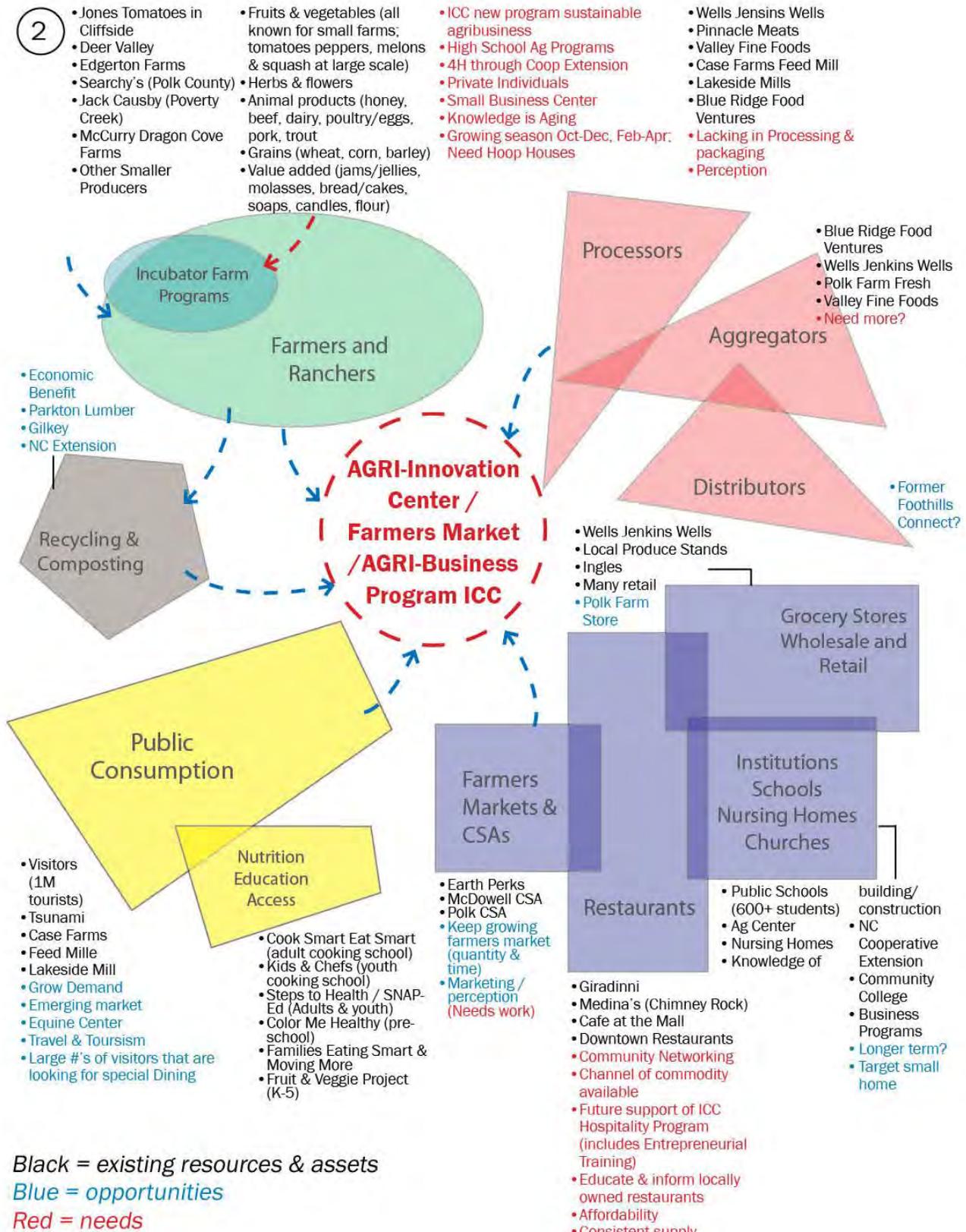


Figure 4 - Forest City Local/Regional Food System Diagram 2

Appendix C:

Workshop Participants and Contact Information

Steering Committee (participated in pre-meeting conference calls, and the working sessions)				
First	Last	Title/Occupation	Affiliation	E-Mail
Amy	Bridges		Town of Forest City	amybridges@townofforestcity.com
Anna	Levitsky			Annalevitsky2@gmail.com
Jan	McGuinn		NC Cooperative Extension	Jan_mcguinn@ncsu.edu

EPA/ARC/USDA and Consultants (technical assistance team)				
First	Last	Title/Occupation	Affiliation	E-Mail
Jason	Espie	Project Manager	Renaissance Planning Group	jespie@ciesthatwork.com
Alan	Steinbeck	Project Manager	Renaissance Planning Group	asteinbeck@ciesthatwork.com
Anne	Keller	Senior Sustainability Advisor	US EPA Region 4- Atlanta	Keller.anne@epa.gov
Wilson	Paine	Program Analyst	Appalachian Regional Commission	wpaine@arc.gov

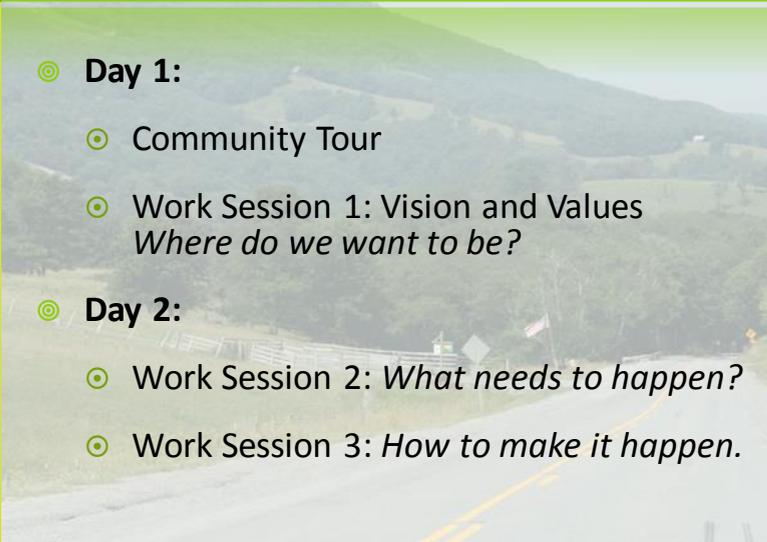
Workshop Attendees				
First	Last	Title/Occupation	Affiliation	E-Mail
Kim	Alexander		Isothermal CC	kalexander@isothermal.edu
Ted	Alexander		Preservation North Carolina	talexander@presnc.org
Linda	Bond		Wild Heart Herb Farm	Distantmile2@yahoo.com
Blake	Bostic		Rutherford County	Blake.bostic@rutherfordcountync.gov
Jimmy	Clay		Town of Forest City	jimmyclay@townofforestcity.com
Tracy	Davis		NC Cooperative Extension	Tracy.davis@ncsu.edu
Bill	Eckler		Rutherford County	Bill.eckler@rutherfordcountync.gov
Jim	Edwards		IPDC	jedwards@regionnc.org
Charlie	Freeman		Rutherford County Schools	cfreeman@rcsnc.org
Kimberly	Gold		Isothermal CC	kgold@isothermal.edu
Shelly	Gref		Carolina Main Street Grill	carolinamainstreetgrill@yahoo.com
Wilfred	McDowell		Grahamtown	willmcdowell@live.com
Janice	Nicholson		USDA/Farm Service	Janice.nicholson@nc.usda.gov
Joe	Nunez			Revtours27@gmail.com
Clark	Poole		Chamber of Commerce	clarkpoole@rutherfordcoc.org
Noah	Wilson		Advantage West	nwilson@awnc.org
Danielle	Winthrow	Volunteer		Winthrow.danielle@gmail.com
Rob	Young		Deer Valley Farm	Bob.young1@live.com

Appendix D: Workshop Presentation Slides



LIVABILITY & LOCAL FOODS in APPALACHIA

RENAISSANCE PLANNING GROUP



WORKSHOP AGENDA

INTRODUCTION

- ⊙ **Day 1:**
 - ⊙ Community Tour
 - ⊙ Work Session 1: Vision and Values
Where do we want to be?
- ⊙ **Day 2:**
 - ⊙ Work Session 2: *What needs to happen?*
 - ⊙ Work Session 3: *How to make it happen.*

Partnership for Sustainable Communities

LIVABILITY

- ◎ The focus on community livability is supported by the Partnership for Sustainable Communities.
- ◎ Partnership of HUD, EPA, DOT.
- ◎ Working together to support projects consistent with Livability Principles.

1) Provide More Transportation Choices

LIVABILITY



CONNELLSVILLE, PA BIKE LOOP. IMAGE CREDIT: RENAISSANCE PLANNING GROUP



LIVABILITY

1) Provide More Transportation Choices



ANNISTON, AL TRANSIT SERVICE. IMAGE CREDIT: RENAISSANCE PLANNING GROUP



LIVABILITY

2) Promote Equitable and Affordable Housing



CORBIN, KY: 20+ APARTMENTS IN REPURPOSED DOWNTOWN BUILDING DOWNTOWN NEAR FARMERS' MARKET. IMAGE CREDIT: RENAISSANCE PLANNING GROUP

LIVABILITY

3) Enhance Economic Competitiveness



NEW ALBANY, MS: NEW LOCAL RETAIL ON THE TANGLEFOOT RAIL TO TRAIL (44 MILES) IMAGE CREDIT: RENAISSANCE PLANNING GROUP

LIVABILITY

3) Enhance Economic Competitiveness



WILLIAMSON, WV: BUILDING ON TRADITION AS AN ENERGY COMMUNITY BY NURTURING RENEWABLE TECHNOLOGIES, INCLUDING SOLAR HOT WATER AND SOLAR PANELS ON MUNICIPAL BUILDINGS. IMAGE CREDIT: RENAISSANCE PLANNING GROUP

LIVABILITY

3) Enhance Economic Competitiveness



DUFFIELD, VA: APPALACHIAN HARVEST FOOD HUB. IMAGE CREDIT: APPALACHIAN SUSTAINABLE DEVELOPMENT

LIVABILITY

4) Support Existing Communities



PIKEVILLE, TN: DOWNTOWN STAGE. IMAGE CREDIT: RENAISSANCE PLANNING GROUP

LIVABILITY

4) Support Existing Communities



SALAMANCA, NY: POCKET PARK FILLS VACANT LOT BETWEEN DOWNTOWN BUILDINGS. IMAGE CREDIT: RENAISSANCE PLANNING GROUP

LIVABILITY

5) Coordinate & Leverage Federal Policies and Investment



CONNELLSVILLE, PA: NEW TRAIN STATION SUPPORTS DOWNTOWN ECONOMIC DEVELOPMENT AND TOURISM. IMAGE CREDIT: RENAISSANCE PLANNING GROUP

LIVABILITY

5) Coordinate & Leverage Federal Policies and Investment



LIVABILITY

6) Value Communities and Neighborhoods





LIVABILITY

6) Value Communities and Neighborhoods



CORBIN, KY: RESTORED BRIDGE IS NOW A PEDESTRIAN CONNECTIONS FROM NEIGHBORHOOD TO DOWNTOWN. IMAGE CREDIT: RENAISSANCE PLANNING GROUP



LIVABILITY

CHALLENGES IN APPALACHIA

- ⊙ **Economic transitions**
- ⊙ **High poverty rate & low median income**
- ⊙ **Out migration of young adults**
- ⊙ **Aging population**
- ⊙ **Public health**
 - ⊙ High rates of heart disease, cancer, diabetes, and premature death.



LIVABILITY

OPPORTUNITIES IN APPALACHIA

- ⦿ **Abundant natural resources**
 - ⦿ Fresh water, forests, and energy resources.
- ⦿ **Substantial biodiversity**
 - ⦿ Supports tourism, recreation, and agriculture.
- ⦿ **Most diverse food shed in the United States**
 - ⦿ Local foods an opportunity to improve economic development, livability, and public health.
- ⦿ **The People:** An eager and available workforce.



FOOD SYSTEMS

LOCAL FOOD SYSTEMS

Local Food Systems - A Key Tool Supporting Livability and Small Town Revitalization





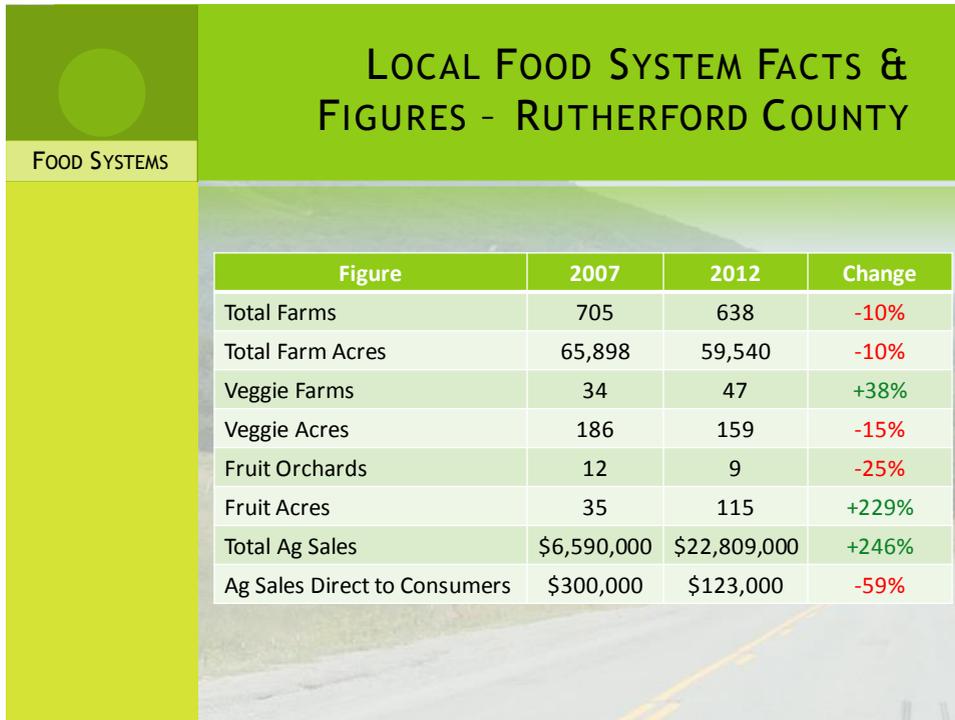
IMAGE CREDITS: APPALACHIAN SUSTAINABLE DEVELOPMENT (BOTTOM LEFT), WHITLEY CO. FARMERS MARKET (TOP LEFT, BOTTOM RIGHT), HOT SPRINGS FARMERS MARKET (TOP RIGHT)

LOCAL FOOD SYSTEMS

FOOD SYSTEMS

- ⊙ **What is a local food system?**
 - ⊙ Everything involved in taking food from the grower to the consumer.
 - ⊙ Local food systems allow for local growers and consumers to interact.
 - ⊙ Matches local supply and demand.





KEY DEFINITIONS

FOOD SYSTEMS

- ⊙ **Local Food**
 - ⊙ Food produced, processed, and distributed within a particular geographic boundary that consumers associate with their own community.
- ⊙ **Community Supported Agriculture**
 - ⊙ Marketing arrangement in which members purchase shares of a farmer's expected yield before planting. Each week during the growing season the farmer delivers each member's weekly share of food to predetermined locations or packs the share for members to pick up.

⊙ Source: USDA ERS. *Local Food Systems: Concepts, Impacts, and Issues*. May 2010.

KEY DEFINITIONS

FOOD SYSTEMS

- ⊙ **Farmers Market**
 - ⊙ Marketing outlet at which farmers sell agricultural products to individual customers at a temporary or permanent location on a periodic and recurring basis during the local growing season or during the time when they have products available, which might be all year.
- ⊙ **Farm to School Programs**
 - ⊙ Collaborative projects that connect schools and local farms to serve locally grown, healthy foods in K-12 school settings, improve student nutrition, educate students about food and health, and support local and regional farmers.

Source: USDA ERS. *Local Food Systems: Concepts, Impacts, and Issues*. May 2010.

KEY DEFINITIONS

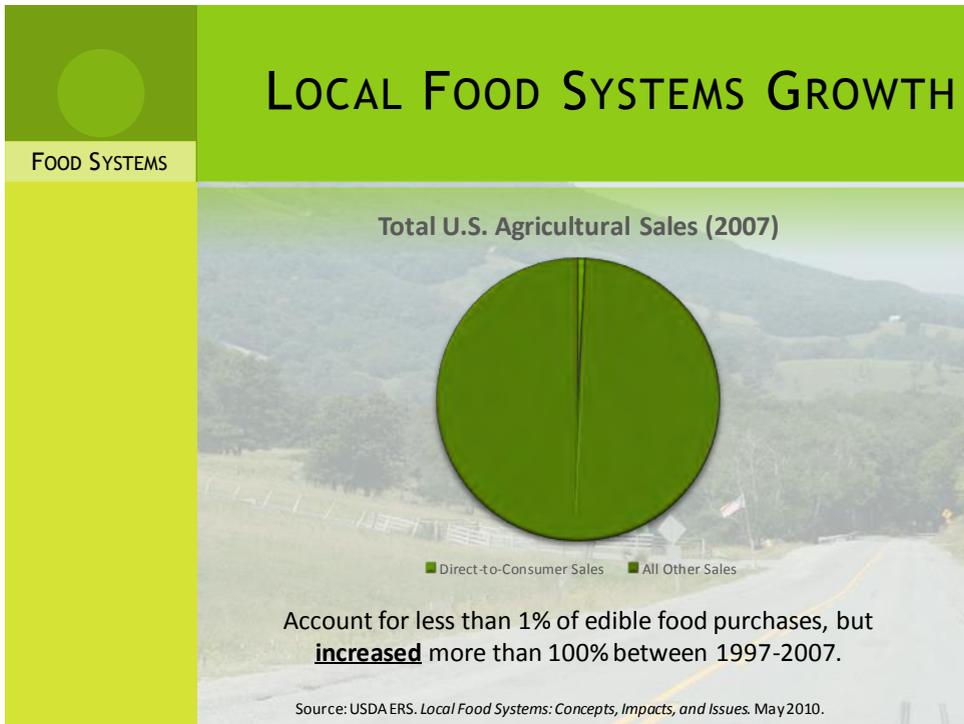
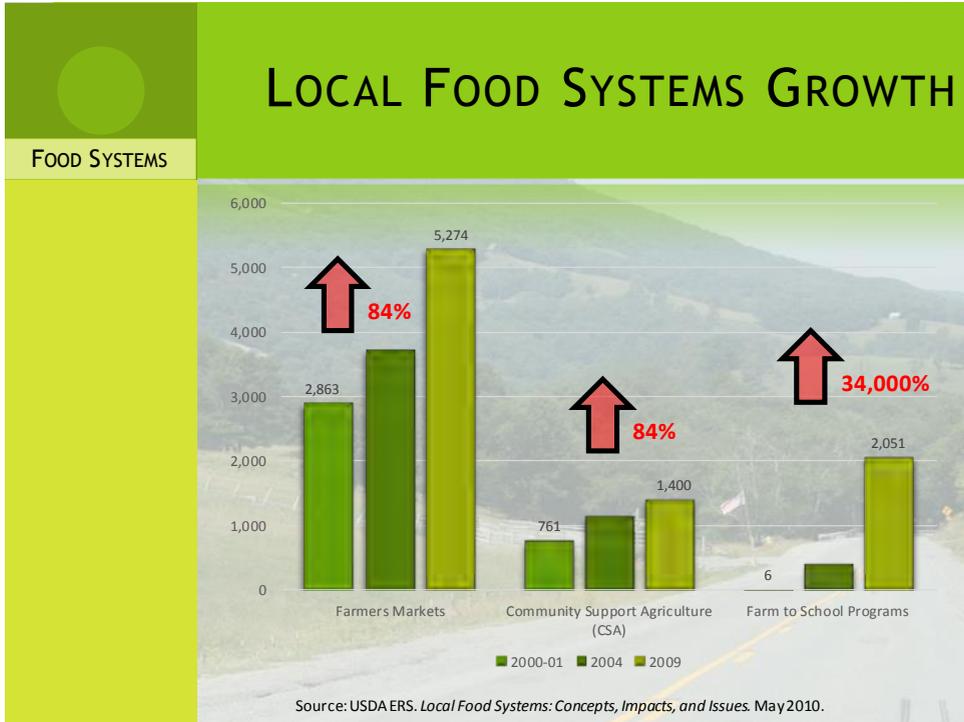
FOOD SYSTEMS

- ⊙ **Food Hub**
 - ⊙ A business or organization that actively manages the aggregation, distribution, and marketing of source-identified food products primarily from local and regional producers to strengthen their ability to satisfy wholesale, retail, and institutional demand.

Source: USDA *Regional Food Hub Resource Guide*. April, 2012.



IMAGE CREDIT: CHARLOTTESVILLE, VA LOCAL FOOD HUB



2014 FARM BILL SUMMARY

FOOD SYSTEMS

- ⊙ 5-year bill, funds USDA programs.
- ⊙ Most spending falls under 3 categories:
 - ⊙ Nutrition (such as SNAP)
 - ⊙ Conservation (such as conservation easements)
 - ⊙ Commodities (such as crop insurance subsidies)
- ⊙ Overall funding is down 
- ⊙ But funding for local foods programs boosted. 

2014 FARM BILL LOCAL FOODS PROGRAMS

FOOD SYSTEMS

- ⊙ **Farmers Market and Local Food Promotion Program.** Funding tripled, project eligibility expanded to allow for more local food hub activities.
- ⊙ **Community Food Projects Grant Program:** Funding doubled, supports projects that improve food security.
- ⊙ **Food Insecurity Nutrition Incentive Program:** New program that markets can use to double SNAP benefits up to a certain dollar amount for veggie/fruit purchases.
- ⊙ **Beginning Farmers and Rancher Development Program** funding increased.
- ⊙ **Organic Certification Cost Share Program** funding doubled.



LOCAL FOODS AND LIVABILITY

LOCAL FOODS

- ⊙ **Improves Public Health**
 - ⊙ Poor access to healthy food contributes to diet-related health problems such as diabetes, obesity, and heart disease.
 - ⊙ Can help alleviate rural food deserts

Health Indicator	Rutherford County	State of North Carolina
Adults with Diabetes	12.1%	9.6%
Adults with High Blood Pressure	32.1%	30.9%
Adults Eating Fewer than 5 Veggie/Fruit Servings per Day	78.9%	79.4%

LOCAL FOODS AND LIVABILITY

LOCAL FOODS

- ⊙ **Increases Economic Opportunity**
 - ⊙ Keeps money in the region with local producers.
 - ⊙ Better public health supports a strong work force and lower health care costs.
 - ⊙ Jobs in growing, processing, distribution, etc.
 - ⊙ Appalachian Harvest supports 175 farm jobs & brings in > \$1 million annually.
 - ⊙ Higher income potential with veggies and fruits
 - ⊙ Net incomes per acre is often less than **\$300** for corn compared to more than **\$2,000** for apples.

LOCAL FOODS AND LIVABILITY

LOCAL FOODS

Supports Vibrant Town Centers

- **Feet on the Streets** - When located in town centers, local food hubs and farmers markets can attract people, which adds vibrancy.
- Economic benefits spillover to other businesses.
- Markets can become community gathering places that showcase the town's and region's unique local culture and products.

CONCLUSION

LOCAL FOODS



IMAGE CREDITS: HOT SPRINGS FARMERS MARKET (BOTTOM LEFT AND RIGHT), WHITLEY COUNTY FARMERS MARKET (TOP LEFT), APPALACHIA SUSTAINABLE DEVELOPMENT (TOP RIGHT)

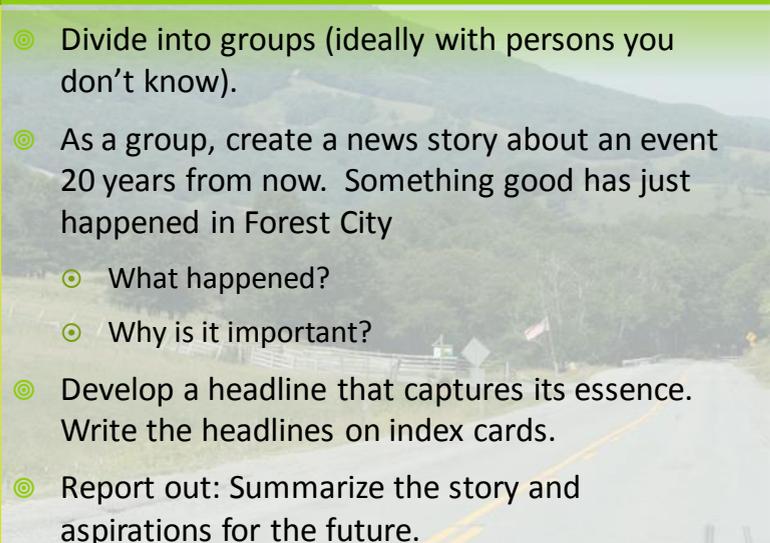




EXERCISE

THIS I BELIEVE...

- ⦿ This I believe about:
 - ⦿ My Community
 - ⦿ Local and Healthy Food





EXERCISE

OUR COMMUNITY, OUR FOOD, OUR FUTURE

- ⦿ Divide into groups (ideally with persons you don't know).
- ⦿ As a group, create a news story about an event 20 years from now. Something good has just happened in Forest City
 - ⦿ What happened?
 - ⦿ Why is it important?
- ⦿ Develop a headline that captures its essence. Write the headlines on index cards.
- ⦿ Report out: Summarize the story and aspirations for the future.



GOAL AFFIRMATION

EXERCISE

Affirm, modify, or add to goals:

- ⊙ Expand and improve the farmers' market.
- ⊙ Revitalize downtown and improve walkability.
- ⊙ Develop a comprehensive vision for the Mill property.
- ⊙ Identify programming and feasible uses for an Agriculture Innovation Center in the 1922 Mill Building (facility, people, program)



CATALYST FOR SUCCESS?

EXERCISE

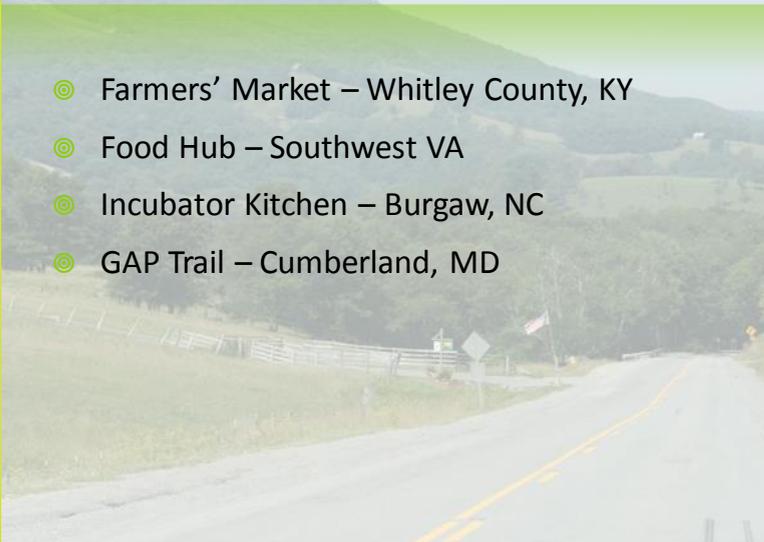
Questions we had for you

- ⊙ The City has owned the Florence Mill Site for about 10 years and has about 3.5 (+/-) million invested in it, yet the vision and potential options for its future use still are not quite clear or have widespread consensus.
- ⊙ Write down on a 3x5 card what you believe may be the most promising catalyst activity to jumpstart success? Keep this anonymous if you wish.

CASE STUDIES

CASE STUDIES

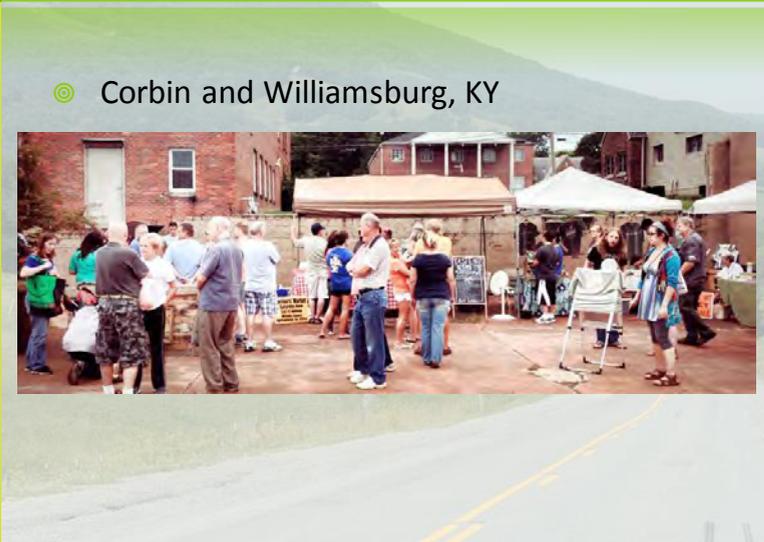
- ⊙ Farmers' Market – Whitley County, KY
- ⊙ Food Hub – Southwest VA
- ⊙ Incubator Kitchen – Burgaw, NC
- ⊙ GAP Trail – Cumberland, MD

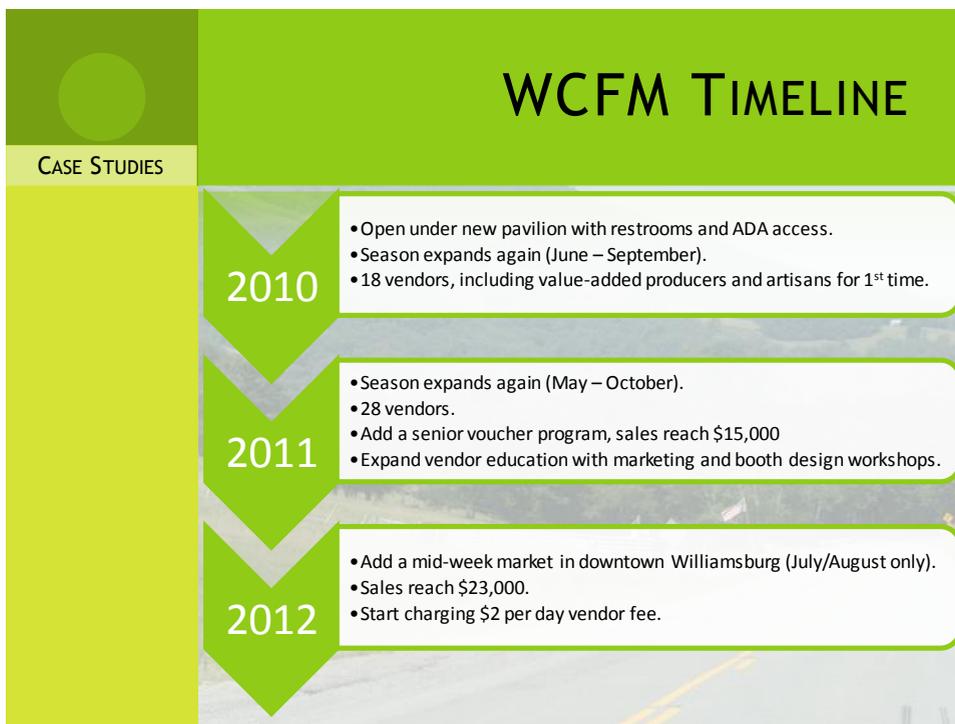
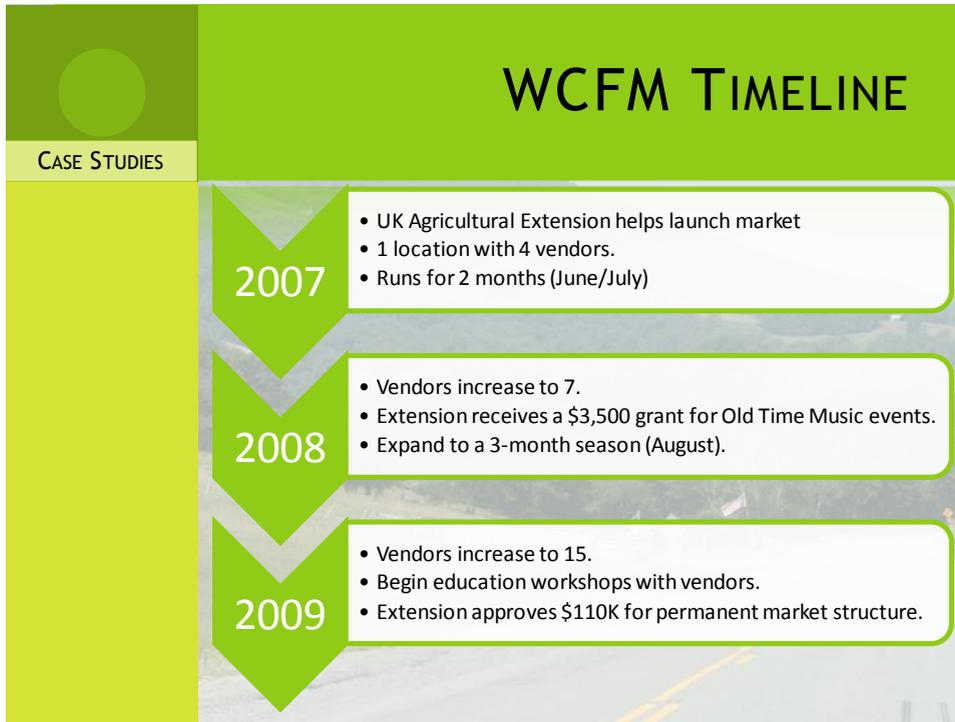


WHITLEY COUNTY FARMERS' MARKET (WCFM)

CASE STUDIES

- ⊙ Corbin and Williamsburg, KY





WCFM TIMELINE

CASE STUDIES

2013

- Become a non-profit Whitley County Farmers' Market Inc.
- Add third venue in downtown Corbin.
- 33 vendors. Average 12 per market.
- \$35/season vendor fee.



WCFM ORGANIZATION

CASE STUDIES



- ⊙ Initially housed under the UK Cooperative Extension.
- ⊙ After 5 years, Extension encourages Market to become independent.
- ⊙ Kentucky Center for Agriculture & Rural Development (KCARD) helps board create Articles of Incorporation, Bylaws, & Regulations.

WCFM ORGANIZATION

CASE STUDIES



- ⦿ Filed Articles of Incorporation with Kentucky Secretary of State in March 2013.
- ⦿ Organized as a Not for Profit Cooperative.
- ⦿ Opened back account at local community bank with \$312 from gate fees.

WCFM RULES / REGULATIONS

CASE STUDIES

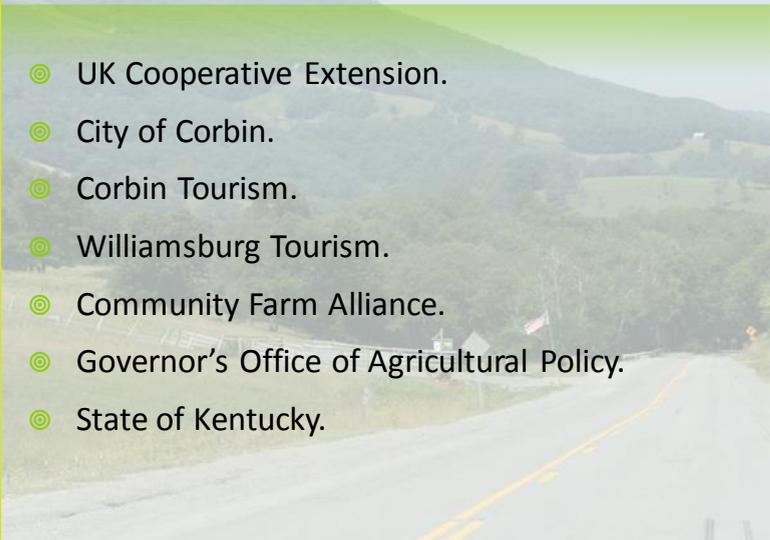


- ⦿ Market is open to all farmers in Whitley County and any bordering county.
- ⦿ 7 counties total.
- ⦿ Open to value-added producers and artisans.
- ⦿ Allow sale of prepared foods.

WCFM FUNDING

CASE STUDIES

- ⊙ UK Cooperative Extension.
- ⊙ City of Corbin.
- ⊙ Corbin Tourism.
- ⊙ Williamsburg Tourism.
- ⊙ Community Farm Alliance.
- ⊙ Governor's Office of Agricultural Policy.
- ⊙ State of Kentucky.



WCFM ACCOMPLISHMENTS

CASE STUDIES

- ⊙ Selected as one of five Kentucky markets to participate in Community Farm Alliance Farmers' Market Training Program.
- ⊙ Selected as the State Farmers' Market of the Year – Small Market Category.



WCFM NEXT STEPS

CASE STUDIES



- ⊙ Hire a part-time paid market manager in 2014.
- ⊙ Use an EBT machine for food stamps in 2014.
- ⊙ \$100,000 in sales in 2014.
- ⊙ Launch a year-round indoor market in 2 years.
- ⊙ Launch an online shopping option and a local foods hub in the long term.

APPALACHIAN HARVEST: LOCAL FOODS HUB

CASE STUDIES



CASE STUDIES

APPALACHIAN HARVEST BACKGROUND

- ◎ Tobacco farming in decline in SW Virginia
- ◎ Appalachian Harvest formed in 2000
 - ◎ Local foods hub
 - ◎ Fills a gap between large national distribution models and local models such as farmers markets/roadside stands
 - ◎ Helps tobacco farmers transition to organic vegetables

CASE STUDIES

APPALACHIAN HARVEST OPERATIONS

- ◎ 15,000 square foot facility houses local food hub in Duffield, VA (population 91)



IMAGE CREDIT: APPALACHIAN SUSTAINABLE DEVELOPMENT

CASE STUDIES

APPALACHIAN HARVEST OPERATIONS

- Services include aggregation, packaging, distributing, branding, and marketing.



CASE STUDIES

APPALACHIAN HARVEST OPERATIONS

- Also provide training, technical assistance, and mentoring to growers.



CASE STUDIES

APPALACHIAN HARVEST OPERATIONS

- Support more than 175 farm jobs plus jobs in processing, distribution, and sales



IMAGE CREDIT: APPALACHIAN SUSTAINABLE DEVELOPMENT

CASE STUDIES

APPALACHIAN HARVEST OUTCOMES

- Sell produce in supermarkets throughout the region under the Appalachian Harvest brand.
- Sell to White's Fresh Food (local 18-store chain) and Food City (a regional 100-store chain in SW Virginia)
- More than \$1 million sales in 2012.

Photo Credit: Bread for the World



APPALACHIAN HARVEST FUNDING

CASE STUDIES

- ⊙ Appalachian Regional Commission
- ⊙ Mary Reynolds Babcock Foundation (throughout the Southeast)
- ⊙ Wallace Genetic Foundation (national)
- ⊙ Farm Aid (national)
- ⊙ Blue Moon Fund (worldwide)
- ⊙ W.K. Kellogg Foundation (national)
- ⊙ Virginia Environmental Endowment (state)
- ⊙ Sustainable Agriculture Research and Education (national)
- ⊙ Virginia Tobacco Indemnification and Community Revitalization Commission
- ⊙ Virginia Department of Agriculture and Consumer Services



APPALACHIAN HARVEST FUNDING

CASE STUDIES

- ⊙ **U.S. Department of Agriculture Funding**
 - ⊙ Rural Business Enterprise Grants Program
 - Used this USDA-Rural Development program to purchase a delivery truck
 - ⊙ Community Food Projects Competitive Grants Program
 - ⊙ Farmers Market Promotion Program
 - Supported activities by Appalachian Harvest's larger parent program, Appalachian Sustainable Development



APPALACHIAN HARVEST LESSONS LEARNED

CASE STUDIES

- ⊙ Study the market and have a solid business plan. Don't rely on "if you build it, they will come."
- ⊙ Consistent supply is a bigger challenge than demand. Work closely with suppliers to ensure quality/quantity.
- ⊙ Diversify into value added products that can be sold year round.
- ⊙ Market the "social" aspect of the food. Customers like that it benefits the town and region.
- ⊙ Identify strengths and weaknesses. Partner with organizations that can help overcome the weaknesses.



OTHER FOOD HUB EXAMPLES

CASE STUDIES

Pilot Mountain Pride

- ⊙ **Location:** Aggregation Center in Pilot Mount, Market Store in Mount Airy, NC
- ⊙ **Size:** 6,000 sq. ft.
- ⊙ **Capabilities:** Cold Storage, Packing, Grading, and Aggregation. They also provide training and marketing assistance to farmers.

OTHER FOOD HUB EXAMPLES

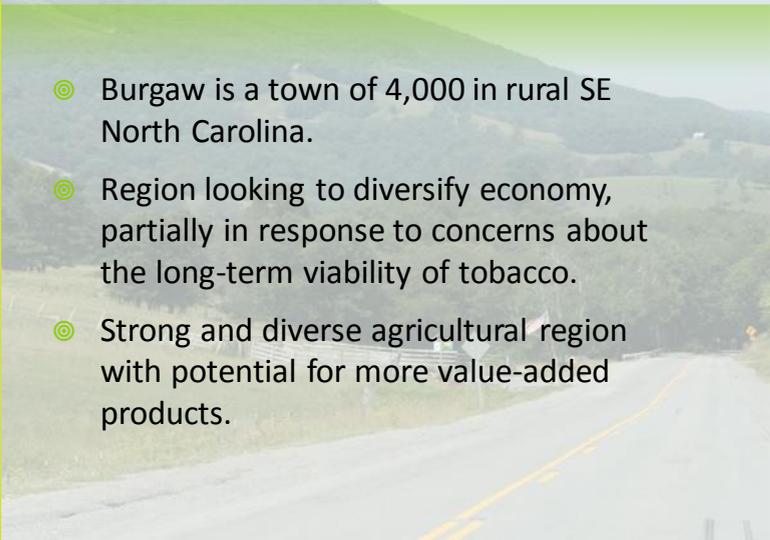
Pilot Mountain Pride

- ◎ **Markets:** Downtown (Mt. Airy) market store, online CSA, distribution to Lowes, Ingles, School Districts, and other institutions.
- ◎ **Structure:** Public/Private partnership. PMP is privately held, but was started with financial and technical assistance from foundations, universities, and governmental sources.

BURGAW INCUBATOR KITCHEN (BIK)



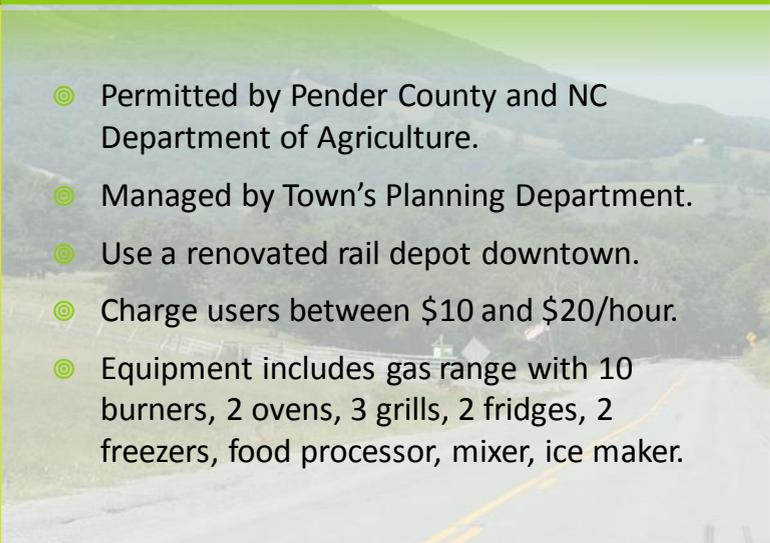
IMAGE CREDIT: TOWN OF BURGAW, NC



CASE STUDIES

BIK BACKGROUND

- ⊙ Burgaw is a town of 4,000 in rural SE North Carolina.
- ⊙ Region looking to diversify economy, partially in response to concerns about the long-term viability of tobacco.
- ⊙ Strong and diverse agricultural region with potential for more value-added products.



CASE STUDIES

BIK OPERATIONS

- ⊙ Permitted by Pender County and NC Department of Agriculture.
- ⊙ Managed by Town's Planning Department.
- ⊙ Use a renovated rail depot downtown.
- ⊙ Charge users between \$10 and \$20/hour.
- ⊙ Equipment includes gas range with 10 burners, 2 ovens, 3 grills, 2 fridges, 2 freezers, food processor, mixer, ice maker.

CASE STUDIES

BIK OPERATIONS

- ⊙ First success story is Custom Fit Meals.
 - ⊙ Provide healthy meals to members at Cross Fit gyms in the region (compared to Jenny Craig for CrossFit).
 - ⊙ Expanded to other East Coast regions.
 - ⊙ Moved into larger facilities after 2 years in the Burgaw Incubator Kitchen.
- ⊙ Also serves bakers and caterers.

CASE STUDIES

BIK OPERATIONS



IMAGE CREDIT: TOWN OF BURGAW, NC



CASE STUDIES

DEPOT PHOTOS



IMAGE CREDITS: JENNIFER WALKER

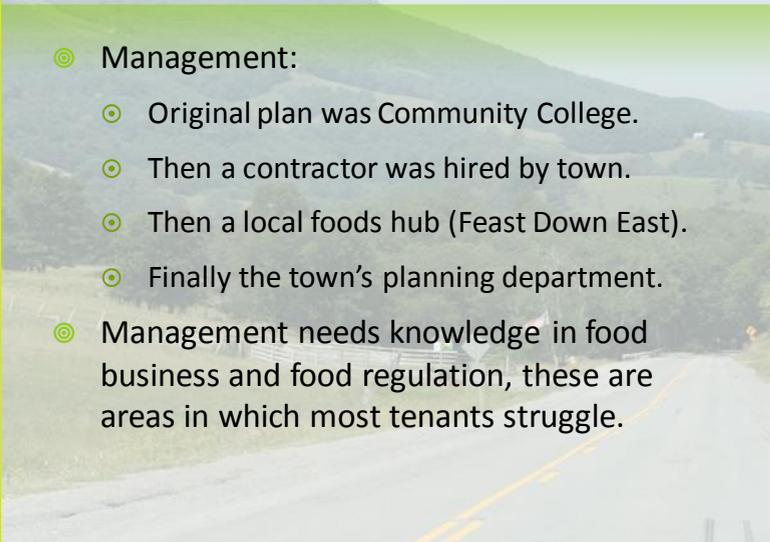


CASE STUDIES

DEPOT PHOTOS



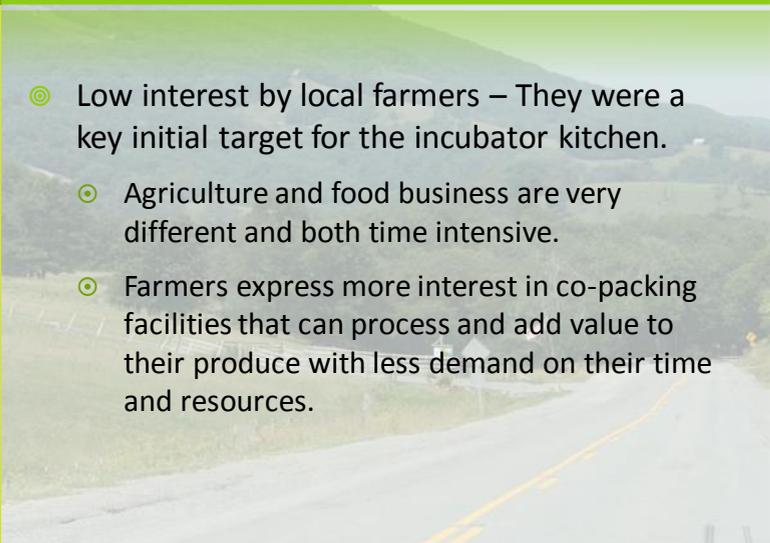
IMAGE CREDITS: JENNIFER WALKER



BIK CHALLENGES

CASE STUDIES

- ⊙ Management:
 - ⊙ Original plan was Community College.
 - ⊙ Then a contractor was hired by town.
 - ⊙ Then a local foods hub (Feast Down East).
 - ⊙ Finally the town's planning department.
- ⊙ Management needs knowledge in food business and food regulation, these are areas in which most tenants struggle.



BIK CHALLENGES

CASE STUDIES

- ⊙ Low interest by local farmers – They were a key initial target for the incubator kitchen.
 - ⊙ Agriculture and food business are very different and both time intensive.
 - ⊙ Farmers express more interest in co-packing facilities that can process and add value to their produce with less demand on their time and resources.



CASE STUDIES

BIK LESSONS LEARNED

- ⦿ Management – Ideally the kitchen would be run by an on-site manager with knowledge of running a business and food regulations.
- ⦿ Scheduling – Facilities will likely have high demand outside the 9 to 5 business hours.
- ⦿ Layout - Separate and private storage areas are very important for security and safety.
- ⦿ Regulations – Management should be up-to-date on food regulation and new rules.
- ⦿ Realized they really needed a co-packing facility



CASE STUDIES

GAP TRAIL: TRAIL-ORIENTED TOURISM AND DEVELOPMENT



IMAGE CREDIT: RENAISSANCE PLANNING GROUP

CASE STUDIES

GAP TRAIL BACKGROUND

- ⦿ Great Allegheny Passage (GAP) Trail is a 150-mile long rail trail.
- ⦿ Connects Pittsburgh to Cumberland, MD (and on to DC via a linked trail).
- ⦿ Cumberland is a city of 20,500.
- ⦿ About 130 miles NW of Washington.
- ⦿ Served by Amtrak from Pittsburgh & DC.
 - ⦿ Roll on, roll off bike service available.

CASE STUDIES

GAP TRAIL BACKGROUND



GAP TRAIL PHOTOS

CASE STUDIES



GAP TRAIL IN CONNELLSVILLE, PA; IMAGE CREDIT: RENAISSANCE PLANNING GROUP



COMING OFF THE GAP TRAIL IN CUMBERLAND, MD
IMAGE CREDIT: HANNAH TWADDELL

GAP TRAIL ECONOMIC DEVELOPMENT

CASE STUDIES

- ⊙ Cumberland placed signs along the trail informing riders of the best way to get downtown, and what's there.
- ⊙ "You Shop, We Ship" signs on trail.
- ⊙ "If they can't find the town, and don't know what's in the town, they won't go there." – Bill Atkinson, MD Department of Planning.

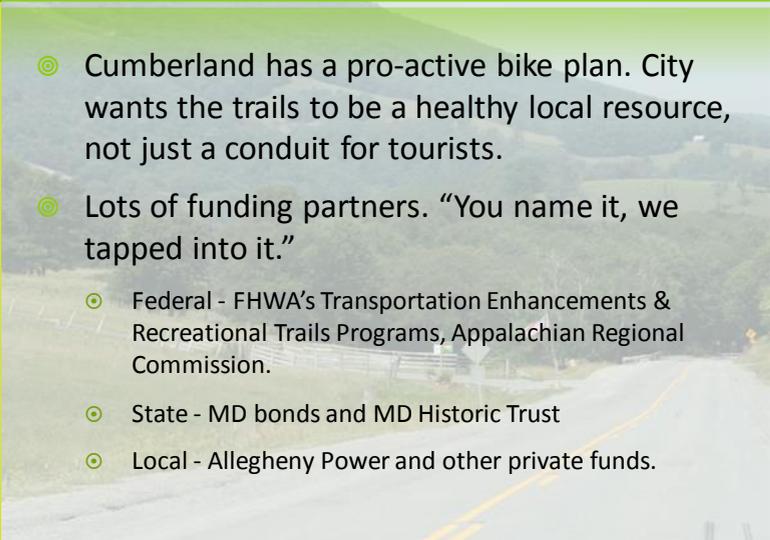


C

CASE STUDIES

GAP TRAIL ECONOMIC DEVELOPMENT

- ⦿ Cumberland also has a “Certified Trail Friendly” business designation.
 - ⦿ These businesses are promoted to trail tourists. Businesses must have knowledge about the Trails to earn it (owner takes a test).
- ⦿ Each business receives a packet of information about the trail.
- ⦿ Cumberland’s City Bike Rack Program
 - ⦿ Bikes are expensive. If people can’t see them, they won’t feel comfortable stopping in town.



C

CASE STUDIES

GAP TRAIL PLANNING AND FUNDING

- ⦿ Cumberland has a pro-active bike plan. City wants the trails to be a healthy local resource, not just a conduit for tourists.
- ⦿ Lots of funding partners. “You name it, we tapped into it.”
 - ⦿ Federal - FHWA’s Transportation Enhancements & Recreational Trails Programs, Appalachian Regional Commission.
 - ⦿ State - MD bonds and MD Historic Trust
 - ⦿ Local - Allegheny Power and other private funds.

GAP TRAIL PHOTOS

CASE STUDIES



GAP TRAIL IN CUMBERLAND, MD; IMAGE CREDITS: HANNAH TWADDELL

OTHER COMMUNITY OR SHARED KITCHENS

CASE STUDIES

- ◎ **Montgomery Community Kitchen (Star, NC)** Opened in Mid-November 2012; Open to farmers who want to produce value-added products for sale
- ◎ **Anson Community Kitchen (Wadesboro, NC)** “The kitchen was established by New Ventures Business Development, Inc., in collaboration with South Piedmont Community College. Anson Community Kitchen is approximately 900-square-foot kitchen adjacent to the Ingram Community Room in the Lockhart-Taylor Center. The kitchen equipment is professionally designed to accommodate the needs of caterers/chefs and food entrepreneurs.”

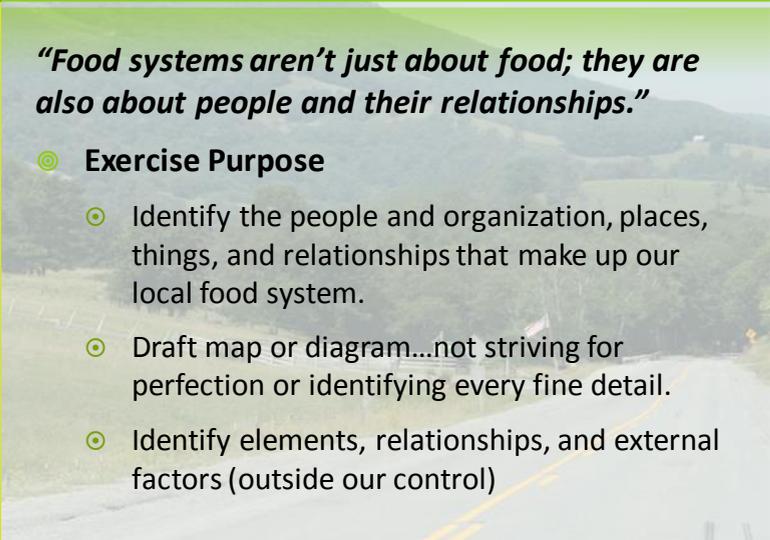


○

CASE STUDIES

VALUE ADDED PRODUCT CENTERS

- ◎ **Blue Ridge Food Ventures (Asheville, NC)**
<https://www.advantagewest.com/food-and-natural-products>
- ◎ **Piedmont Food and Processing Center (Hillsborough, NC)**
<http://pfap.virb.com/>
- ◎ **The Cookery (Durham, NC)**
<http://www.durhamcookery.com/>



○

EXERCISE

EXPLORING OUR FOOD SYSTEM EXERCISE

“Food systems aren’t just about food; they are also about people and their relationships.”

- ◎ **Exercise Purpose**
- ◎ Identify the people and organization, places, things, and relationships that make up our local food system.
- ◎ Draft map or diagram...not striving for perfection or identifying every fine detail.
- ◎ Identify elements, relationships, and external factors (outside our control)

LOCAL FOOD SYSTEMS

EXERCISE

Local Food Systems - A Key Tool Supporting Livability and Small Town Revitalization

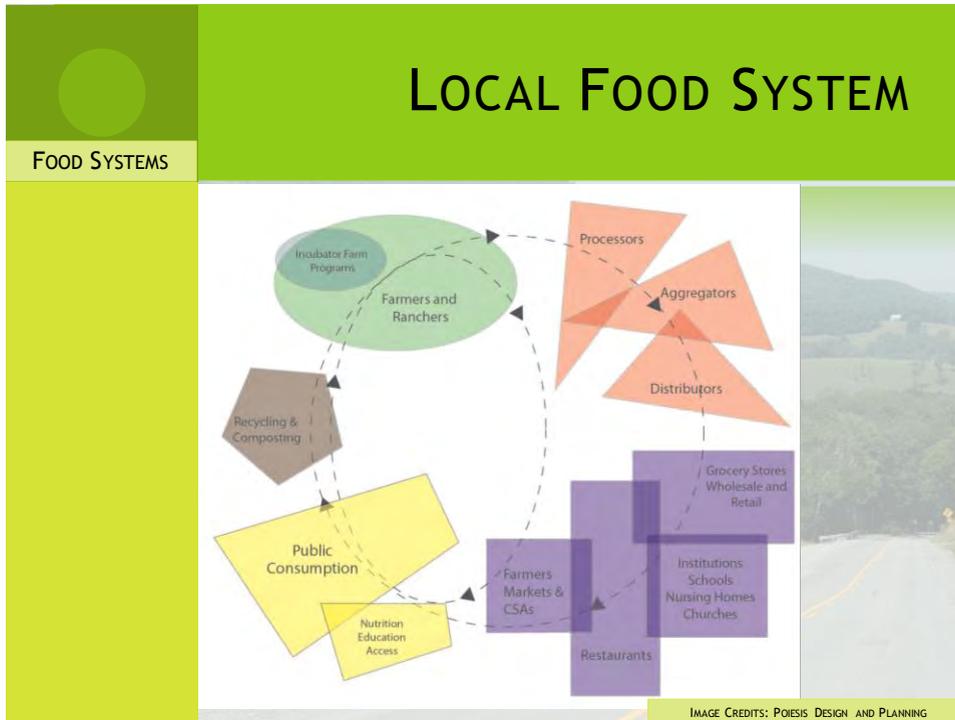


IMAGE CREDITS: APPALACHIAN SUSTAINABLE DEVELOPMENT (BOTTOM LEFT), WHITLEY CO. FARMERS MARKET (TOP LEFT, BOTTOM RIGHT), HOT SPRINGS FARMERS MARKET (TOP RIGHT)

WHAT IS A LOCAL FOOD SYSTEM?

EXERCISE

- ⦿ A food system is everything involved in taking food from the grower to the consumer.
- ⦿ Local food systems allow for local growers and consumers to interact
- ⦿ Matching demand with supply
- ⦿ Within a particular geographic boundary that consumers associate with their own community.



EXPLORING OUR FOOD SYSTEM

EXERCISE

© **Questions to Consider:**

1. Who is growing what?
2. Who connects growers and customers?
3. Are there elements that add value to local foods?
4. How strong are the relationships?
5. What are the strengths and weaknesses?

EXPLORING OUR FOOD SYSTEM EXERCISE

EXERCISE

Steps

- Identify a “map drafter” and a “presenter.”
- Brainstorm the key assets and elements.
- Write down the elements, grouping like ones.
- Connect elements with lines:
 - **Solid line** indicates a strong relationship
 - **Dashed line** indicates a relationship that needs to be strengthened or is lacking.
- Use question marks (?) to indicate areas of confusion or potential controversy

DIAGRAM EXAMPLE

EXERCISE

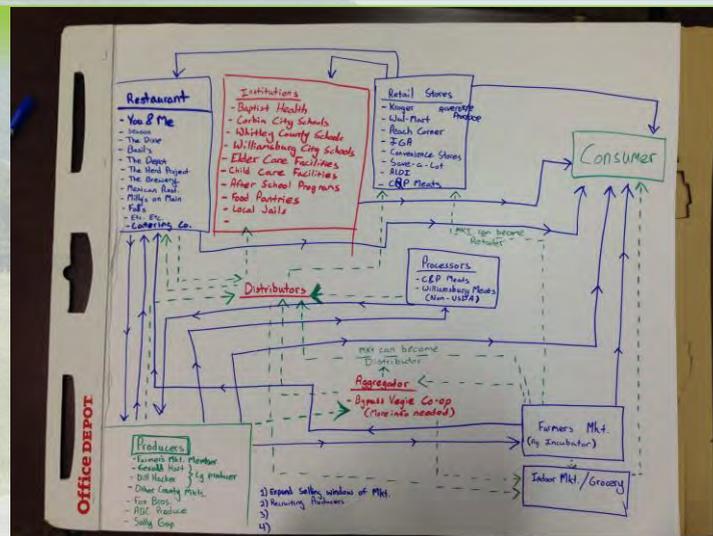


DIAGRAM EXAMPLE

EXERCISE

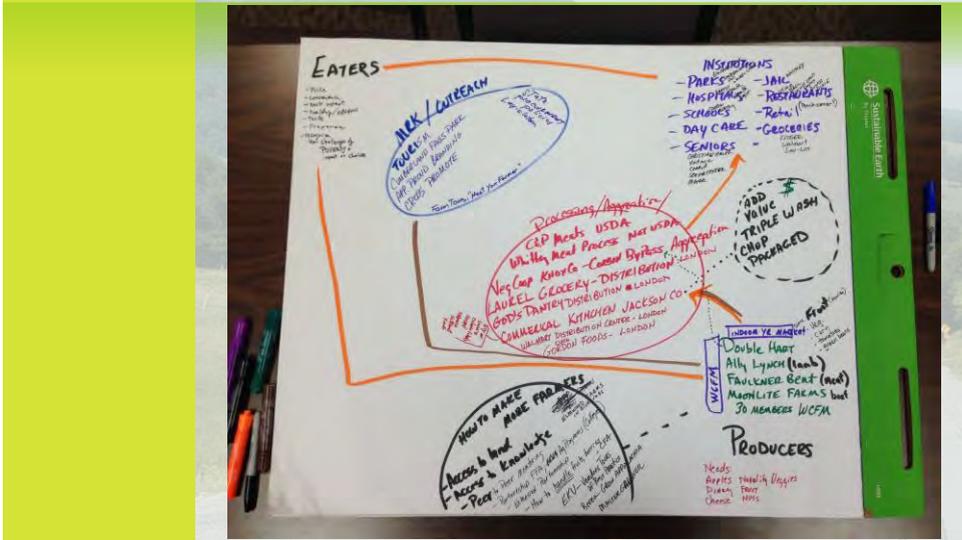
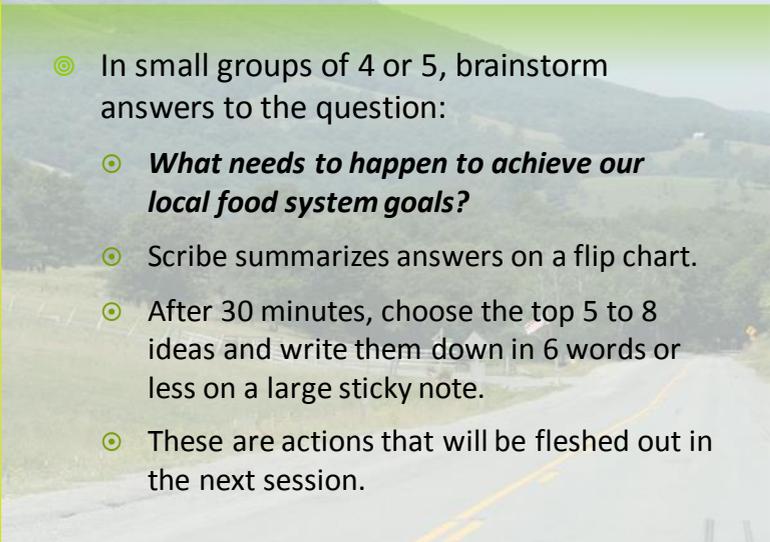


DIAGRAM EXAMPLE

EXERCISE



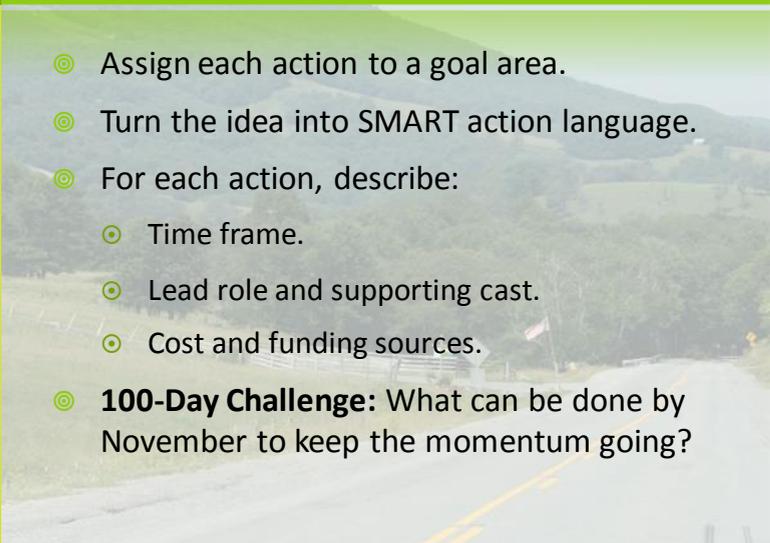




EXERCISE

BRAINSTORMING EXERCISE

- ⦿ In small groups of 4 or 5, brainstorm answers to the question:
 - ⦿ ***What needs to happen to achieve our local food system goals?***
 - ⦿ Scribe summarizes answers on a flip chart.
 - ⦿ After 30 minutes, choose the top 5 to 8 ideas and write them down in 6 words or less on a large sticky note.
 - ⦿ These are actions that will be fleshed out in the next session.





EXERCISE

ACTION PLANNING EXERCISE

- ⦿ Assign each action to a goal area.
- ⦿ Turn the idea into SMART action language.
- ⦿ For each action, describe:
 - ⦿ Time frame.
 - ⦿ Lead role and supporting cast.
 - ⦿ Cost and funding sources.
- ⦿ **100-Day Challenge:** What can be done by November to keep the momentum going?

SMART ACTIONS MATRIX

GOAL:

S.M.A.R.T Action <small>Action should contribute to success of a project or SMART Goal(s), Measurability, Achievable, Relevant, and have a Time frame</small>	Measureable <small>How are we measuring progress or success. What will we know we have achieved success?</small>	Achievable <small>Is this something we can control?</small>	Relevant <small>How does this support existing and evolving</small>	Time- frame <small>Short, medium, long</small>	Lead Role <small>Who is the primary responsible party or partner</small>	Supporting Cast <small>Who else can help</small>	Resources Costs <small>Resources or Funding needed (if estimates, or how much budget used)</small>	Resource Sources <small>Funding sources</small>	First 100 Days <small>What can we do in the first 100 days? What can we control to shape the first 100 days?</small>
Specific Action:									
Specific Action:									
Specific Action:									
Specific Action:									

Appendix E:

Funding Resources

Local Food Systems Funding Programs – Federal/State

Cities and towns can strengthen their local food systems through a variety of federal projects and programs. The USDA and other federal agencies are committed to supporting local food systems – whether it's by working with producers, engaging with communities, financing local processing and distribution, or helping retailers develop local food connections. Below is a list of just some of the resources available. This information and more can be found on the **USDA's Know Your Farmer, Know Your Food** initiative website at www.usda.gov/knowyourfarmer.

USDA Agricultural Marketing Service

Farmers' Market and Local Food Promotion Program

This new program makes \$30 million available annually to farmers markets, other direct producer-to-consumer venues, and other businesses in the local food supply chain. Funding is evenly split between two components: Farmers Market Promotion Program (FMPP) for direct consumer-to-producer marketing opportunities, and Local Food Promotion Program (LFPP) for local and regional food business enterprises. Both FMPP and LFPP have a maximum grant of \$100,000, and the LFPP applicants must have 25% matching funds or in-kind donations. By supporting development and marketing activities for farmers markets, food hubs, roadside stands, agri-tourism activities and other producer to consumer markets, the program can help small and mid-sized farmers access markets. For more information, visit <http://www.ams.usda.gov/AMSV1.0/FMPP> (FMPP) or <http://www.ams.usda.gov/AMSV1.0/LFPP> (LFPP).

Specialty Crop Block Grant Program

The purpose of USDA's Specialty Crop Block Grant Program (SCBGP) is to enhance the competitiveness of specialty crops, including locally grown crops. These investments strengthen rural American communities by supporting local and regional markets and improving access to fresh, high quality fruits and vegetables for millions of Americans. These grants also help growers make food safety enhancements, solve research needs, and make better informed decisions to increase profitability and sustainability. Organizations or individuals interested in the SCBGP should contact their state departments of agriculture – which administer the grant program – for more information. The 2014 Farm Bill significantly increased funding for the program. More information is available here:

<http://www.ams.usda.gov/AMSV1.0/ams.fetchTemplateData.do?template=TemplateN&rightNav1=SpecialtyCropBlockGrantProgram&topNav=&leftNav=CommodityAreas&page=SCBGP&resultType>.

Organic Cost Share Programs

The 2014 Farm Bill also gave USDA new tools and resources to support the growing \$35 billion organic industry by more than doubling previous support through the organic cost-share programs, making certification more accessible than ever for even the smallest certified producers and handlers. Organic producers and handlers can now apply directly through their State contacts to get reimbursed for up to 75 percent of the costs of organic certification, up to an annual maximum of \$750 per certificate. More information is available at

<http://www.ams.usda.gov/AMSV1.0/ams.fetchTemplateData.do?template=TemplateQ&leftNav=Na>

[tionalOrganicProgram&page=NOPCostSharing&description=Organic%20Cost%20Share%20Program&acct=nopgeninfo.](#)

Federal State Marketing Improvement Program (FSMIP)

This grant program provides matching funds to state departments of agriculture, state agricultural experiment stations, and other appropriate state agencies to assist in exploring new market opportunities for U.S. food and agricultural products, and to encourage research and innovation aimed at improving the efficiency and performance of the marketing system. FSMIP is designed to support research projects that improve the marketing, transportation, and distribution of U.S. agricultural products. FSMIP is a collaborative effort between Federal and State governments – matching funds go toward projects that bring new opportunities to farmers and ranchers. More information is available at www.ams.usda.gov/fsmip.

USDA Rural Development

Business and Industry Guarantee Loan Program

The purpose of USDA's Business and Industry (B&I) Guaranteed Loan Program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. Through this program, USDA provides guarantees on loans made by private lenders to help new and existing businesses gain access to affordable capital by lowering the lender's risk and allowing for more favorable interest rates and terms. A recent change to the program allows projects that are physically located in urban areas if the project benefits underserved communities. The Business and Industry Loan Guarantee program is available on a rolling basis throughout the year. More information is available here: (http://www.rurdev.usda.gov/rbs/busp/b&i_gar.htm).

Value-Added Producer Grants (VAPG)

The primary objective of USDA's Value-Added Producer Grant Program (VAPG) is to help agricultural producers enter into value-added activities related to the processing and/or marketing of bio-based value-added products. VAPG grants are available to producers or producer groups in urban and rural areas. Eligible projects include business plans to market value-added products, evaluating the feasibility of new marketing opportunities, expanding capacity for locally and regionally-grown products, or expanding processing capacity. More information is available here: http://www.rurdev.usda.gov/BCP_VAPG.html.

Community Facility Grants

USDA's Community Facility grant program provides infrastructure support in rural communities under 20,000 people. Grants and loans have been used for commercial kitchens, farmers markets, food banks, cold storage facilities, food hubs and other local food infrastructure. Grants are available to public entities such as municipalities, counties, and special-purpose districts, as well as non-profits and tribal governments. Grant funds can be used to construct, enlarge, or improve community facilities and can include the purchase of equipment required for a facility's operation. More information is available here: http://www.rurdev.usda.gov/HCF_CF.html

Rural Business Enterprise Grant Program (RBEG)

The USDA's Rural Business Enterprise Grant Program (RBEG) funds projects that facilitate the development of small and emerging rural businesses, including acquisition or development of land, building construction, equipment, training and technical assistance, and project planning. Funding is available for local and state governments, tribes, and nonprofits in rural communities where the population does not exceed 50,000, or is next to a city or town with more than 50,000 people.

http://www.rurdev.usda.gov/BCP_rbeg.html .

Rural Business Opportunity Grant (RBOG)

USDA's Rural Business Opportunity Grant Program (RBOG) promotes economic growth in rural communities by supporting training and technical assistance for business development and to assist with regional economic development planning. A specific emphasis within RBOG is support for collaborative economic planning and development through regional food systems. RBOG grants can support regional economic planning, market development studies, business training and technical assistance, and establishing business incubators. Local governments, economic development organizations, non-profit organizations, Indian tribes, and cooperatives are eligible to apply. Funding available to rural communities where the population does not exceed 50,000, or is next to a city or town with more than 50,000 people. More information is available here:

http://www.rurdev.usda.gov/bcp_rbog.html.

USDA Natural Resource Conservation Service

Environmental Quality Incentives Program (EQIP)

EQIP provides cost-share and technical assistance to farmers and ranchers in planning and implementing conservation practices that improve the natural resources (e.g. soil, water, wildlife) on their agricultural land and forestland. A practice supported through EQIP is the installation of seasonal high tunnels (also known as hoop houses), which are unheated greenhouses that can extend a producer's growing season while conserving resources. In addition, EQIP can help producers transition to organic production or help those growers already certified maintain their certification. More information is available here:

<http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip/>

USDA National Institute of Food and Agriculture

Community Food Projects

Community Food Projects are designed to increase food security in communities by bringing the whole food system together to assess strengths, establish linkages, and create systems that improve the self-reliance of community members over their food needs. Grants are intended to help eligible private nonprofit entities in need of a one-time infusion of federal assistance to establish and carryout multipurpose community food projects. More information is available here:

http://www.nifa.usda.gov/funding/cfp/cfp_synopsis.html.

Food Insecurity Nutrition Incentive (FINI) Grant Program

The 2014 Farm Bill created this program, which supports projects to increase the purchase of fruits and vegetables among people participating in the Supplemental Nutrition Assistance Program.

Applicants may propose small pilot projects (up to \$100,000 for 1 year), multi-year community-based projects (up to \$500,000 for up to 4 years), or larger-scale multi-year projects (more than \$500,000 for up to 4 years). USDA is looking to fund innovative projects that will test community based strategies for how to increase the purchase of fruits and vegetables by SNAP participants through incentives at the point of purchase. USDA will give priority to projects underserved communities and to projects that provide locally- or regionally-produced fruits and vegetables. Applications are due December 15, 2014. More information is available here:

http://www.nifa.usda.gov/newsroom/news/2014news/09291_FINI.html.

Beginning Farmers and Ranchers Development Program

This program provides grants to organizations that train, educate, and provide outreach and technical assistance to new and beginning farmers on production, marketing, business management, legal strategies and other topics critical to running a successful operation. The Agriculture Act of 2014 provided an additional \$20 million per year for 2014 through 2018. The reasons for the renewed interest in beginning farmer and rancher programs are: the rising average age of U.S. farmers, the 8% projected decrease in the number of farmers and ranchers between 2008 and 2018, and the growing recognition that new programs are needed to address the needs of the next generation of beginning farmers and ranchers. More information is available here:

<http://www.nifa.usda.gov/fo/beginningfarmersandranchers.cfm>.

Small Business Innovation Research (SBIR) program

SBIR grants help small businesses conduct high quality research related to important scientific problems and opportunities in agriculture. Research is intended to increase the commercialization of innovations and foster participation by women-owned and socially and economically disadvantaged small businesses in technological innovation. Grants can be applied towards many areas or research, including projects that manage the movement of products throughout a supply chain, develop processes that save energy, and capture and relay real-time market data. More information is available here: <http://www.nifa.usda.gov/fo/sbir.cfm>.

Sustainable Agriculture Research and Education (SARE)

The mission of the SARE program is to advance sustainable innovations in American agriculture. SARE is uniquely grassroots, administered by four regional offices guided by administrative councils of local experts. Non-profit organizations, researchers, and individuals producers are eligible to apply. More information is available here: <http://www.sare.org/>.

Agriculture and Food Research Initiative (AFRI)

AFRI is charged with funding research, education, and extension grants and integrated research, extension, and education grants that address key problems of National, regional, and multi-state importance in sustaining all components of agriculture, including farm efficiency and profitability, ranching, renewable energy, forestry (both urban and agroforestry), aquaculture, rural communities and entrepreneurship, human nutrition, food safety, biotechnology, and conventional breeding. Providing this support requires that AFRI advances fundamental sciences in support of agriculture and coordinates opportunities to build on these discoveries. This will necessitate efforts in education and extension that deliver science-based knowledge to people, allowing them to make informed practical decisions. More information is available here:

<http://www.nifa.usda.gov/funding/afri/afri.html>.

USDA Farm Service Agency

Microloan Program

The Farm Service Agency's (FSA) microloan program is available to agricultural producers in rural and urban areas and provides loans of up to \$35,000 on a rolling basis. Streamlined paperwork and flexible eligibility requirements accommodate new farmers and small farm operations. Larger loans are also available through FSA. Contact your local FSA office at www.fsa.usda.gov for more information.

Farm Storage Facility Loans

These loans finance new construction or refurbishment of farm storage facilities. This includes cold storage and cooling, circulating, and monitoring equipment, which can be particularly important to those growing for local fresh markets. Interested producers should contact their local FSA office at www.fsa.usda.gov.

USDA Food and Nutrition Service

Farm to School Grants

Farm to School Grants are available to help schools source more food locally, and to provide complementary educational activities to students that emphasize food, farming, and nutrition. Schools, state and local agencies, tribal organizations, producers and producer groups, and non-profits are eligible to apply. Planning, implementation, and support service grants are available from \$20,000 to \$100,000. More information and resources are available at www.fns.usda.gov/farmtoschool/farm-school.

Supplemental Nutrition Assistance Program (SNAP)

As of 2014, more than 2,500 farmers' markets nationwide are set up to accept SNAP's electronic benefit transfer (EBT) cards. Benefits can be used to purchase many of the foods sold at farmers' markets, including fruits and vegetables, dairy products, breads and cereals, and meat and poultry. They can also purchase seeds and plants which produce food for the household to eat. More information about SNAP benefits at farmers' markets is available from USDA here: <http://www.fns.usda.gov/ebt/learn-about-snap-benefits-farmers-markets>.

WIC Farmers' Market Nutrition Program (FMNP)

This program provides coupons for local food purchases to women, infants, and children that are eligible for WIC benefits. The coupons can be used to purchase eligible foods from farmers, farmers' markets, and roadside stands. Only farmers, farmers' markets, and roadside stands authorized by the State agency may accept and redeem FMNP coupons. Individuals who exclusively sell produce grown by someone else such as wholesale distributors, cannot be authorized to participate in the FMNP. For more information, visit: <http://www.fns.usda.gov/fmnp/overview>.

Senior Farmers' Market Nutrition Program

This program, similar to FMNP, awards grants to States, United States Territories, and federally-recognized Indian tribal governments to provide low-income seniors with coupons that can be exchanged for eligible foods (fruits, vegetables, honey, and fresh-cut herbs) at farmers' markets,

roadside stands, and community supported agriculture programs. For more information, visit: <http://www.fns.usda.gov/sfmnp/overview>.

Funding Programs in Support of Other Livable Community Projects

The programs listed below are popular resources that support a variety of livability projects. The publication “Federal Resources for Sustainable Rural Communities” is a useful guide from the HUD-DOT-EPA Partnerships for Sustainable Communities that describes several additional resources: http://www.rurdev.usda.gov/SupportDocuments/RD_FedResourcesSustainableCommunities.pdf

National Endowment for the Arts Our Town Grants

The National Endowment for the Arts’ Our Town grant program is the agency's primary creative placemaking grants program. Projects may include arts engagement, cultural planning, and design activities. The grants range from \$25,000 to \$200,000. Our Town invests in creative and innovative projects in which communities, together with their arts and design organizations and artists, seek to:

- Improve their quality of life;
- Encourage greater creative activity;
- Foster stronger community identity and a sense of place; and
- Revitalize economic development.

More information: <http://arts.gov/grants-organizations/our-town/grant-program-description>.

EPA Brownfields Programs

- **Area-wide Planning Pilot Program:** Brownfields Area-Wide Planning is an EPA grant program which provides funding to recipients to conduct research, technical assistance and training that will result in an area-wide plan and implementation strategy for key brownfield sites, which will help inform the assessment, cleanup and reuse of brownfields properties and promote area-wide revitalization. Funding is directed to specific areas, such as a neighborhood, downtown district, local commercial corridor, or city block, affected by a single large or multiple brownfield sites. More information: http://www.epa.gov/brownfields/areawide_grants.htm.
- **Assessment Grants:** Assessment grants provide funding for a grant recipient to inventory, characterize, assess, and conduct planning and community involvement related to brownfields sites. Eligible entities may apply for \$200,000 and up to \$350,000 with a waiver. More information: http://www.epa.gov/brownfields/assessment_grants.htm.
- **Revolving Loan Fund Grants:** Revolving Loan Fund (RLF) grants provide funding for a grant recipient to capitalize a revolving loan fund and to provide subgrants to carry out cleanup activities at brownfield sites. More information is available here: <http://www.epa.gov/brownfields/rlflst.htm>.
- **Cleanup Grants:** Cleanup grants provide funding for a grant recipient to carry out cleanup activities at brownfield sites. An eligible entity may apply for up to \$200,000 per site. More information is available here: http://www.epa.gov/brownfields/cleanup_grants.htm.

Transportation Alternatives Program (TAP)

The Federal Highway Administration’s TAP provides funding for programs and projects defined as transportation alternatives, including on- and off-road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation; recreational trail program projects; safe routes to school projects; and projects for planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways. In rural areas, these funds are typically allocated by state departments of transportation. For more information, visit:

<http://www.fhwa.dot.gov/map21/guidance/guidetap.cfm>.

For more information on Safe Routes to School projects and programs (which are eligible for funding under TAP), visit: http://www.fhwa.dot.gov/environment/safe_routes_to_school/.

Appendix F:

Additional References and Resources

Local Food Systems Resources – National

USDA Know Your Farmer Know Your Food

The **Know Your Farmer, Know Your Food** initiative is a USDA-wide effort to carry out the Department's commitment to strengthening local and regional food systems. The Know Your Farmer Know Your Food website provides a “one stop shop” for resources, from grants and loans to toolkits and guidebooks, from agencies and offices across the Department. The website also contains the Know Your Farmer Know Your Food Compass Map, which shows efforts supported by USDA and other federal partners as well as related information on local and regional food systems.

- <http://www.usda.gov/wps/portal/usda/knowyourfarmer?navid=KNOWYOURFARMER>

Farmers' Markets General

USDA National Farmers Market Directory

Provides members of the public with convenient access to information about U.S. farmers' market locations, directions, operating times, product offerings, and accepted forms of payment.

- <http://search.ams.usda.gov/farmersmarkets/>

USDA's "National Farmers Market Manager Survey"

Nearly 1,300 farmers' market managers responded to this national survey conducted in 2006.

- <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5077203&acct=wdmgeninfo>

USDA's "Supplemental Nutrition Assistance Program (SNAP) at Farmers Markets: A How-To Handbook"

This 2010 report from USDA describes how farmers' markets can accept SNAP benefits. SNAP is the federal government's nutritional assistance program. It was formerly known as food stamps.

- <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5085298&acct=wdmgeninfo>

Appalachian Sustainable Agriculture Project's "Sharing the Harvest: A Guide to Bridging the Divide between Farmers Markets and Low-Income Shoppers."

This 2012 report from ASAP describes strategies for bridging the divide between farmers' markets and low income shoppers.

- <http://asapconnections.org/downloads/asap-farmers-market-access-guide.pdf>

Connecting Local Farmers with USDA Farmers Market Nutrition Program Participants

This 2010 report from USDA describes how providing transportation can help low-income individuals overcome barriers to accessing farmers markets.

- <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5083319&acct=wdmgeninfo>

Farmers' Markets Management

Oregon State University's "Understanding the Link Between Farmers' Market Size and Management Organization."

This report, supported by the USDA, explored internal management issues of farmers' markets and describes tools that can help make farmers' markets sustainable.

- <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5071342>

Appalachian Sustainable Agriculture Project's "25 Best Practices for Farmers' Markets."

This report describes 25 best practices in the areas of management, regulations, risk management, food safety, improving vendor sales, and marketing/outreach/promotion/social media.

- <http://asapconnections.org/downloads/market-makeover-25-best-practices-for-farmers-markets.pdf>

Food Hubs

USDA's "Moving Food Along the Value Chain: Innovations in Regional Food Distribution"

This 2012 report from USDA examined eight case studies of food value chains and provides some practical lessons about the challenges they face and lessons learned.

- <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=stelprdc5097504&acct=wdmgeninfo>

USDA's "Regional Food Hub Resource Guide"

USDA released this primer on food hubs and the resources available to support them in 2012.

- <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5097957>

Michigan State University's and Wallace Center's "State of the Food Hub – 2013 National Survey Results"

This survey of more than 100 food hubs across the United States quantifies the scope, scale, and impacts of local food hubs.

- <http://www.wallacecenter.org/resourcelibrary/state-of-the-food-hub-2013-national-survey-results>

Wholesome Wave's "Food Hub Business Assessment Toolkit"

The toolkit provides tools to assess a food hub businesses' readiness for investment.

- <http://www.wholesomewave.org/our-initiatives/healthy-food-commerce-investments/foodhubbusinessassessmenttoolkit/>

Community Kitchens

Culinary Incubator's Community Kitchen Database

This site provides a description and interactive map of community kitchens across the United States.

- <http://www.culinaryincubator.com/maps.php>

Community Gardens

Centers for Disease Control and Prevention's Community Gardens Website

- <http://www.cdc.gov/healthyplaces/healthtopics/healthyfood/community.htm>

Farm to School

USDA's Farm to School Website

USDA provides information on its website about Farm to School programs and how to get one started in your community.

- <http://www.fns.usda.gov/farmtoschool/implementing-farm-school-activities>
- <http://www.fns.usda.gov/farmtoschool/farm-school>

Land Use

American Planning Association's (APA's) "Zoning for Urban Agriculture"

The APA in 2010 prepared an article on urban agriculture zoning in its March 2010 *Zoning Practice*.

- <https://www.planning.org/zoningpractice/2010/pdf/mar.pdf>

American Planning Association's (APA's) "Zoning for Public Markets and Street Vendors"

The APA also prepared an article on zoning for public markets in its February 2009 *Zoning Practice*.

- <https://www.planning.org/zoningpractice/2009/pdf/feb.pdf>

Other

Food Value Chains: Creating Shared Value to Enhance Marketing Success

The report provides an overview of how food value chains are initiated, structured, how they function and the business advantages and challenges of this approach.

- <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5107776>

Wholesale Markets and Facility Design

Provides technical assistance and support to customers regarding the construction of new structures or the remodeling of existing ones. These facilities include wholesale market, farmers markets, public markets, and food hubs.

- <http://www.ams.usda.gov/AMSv1.0/ams.fetchTemplateData.do?template=TemplateN&navID=WholesaleandFarmersMarkets&leftNav=WholesaleandFarmersMarkets&page=WFMWholesaleMarketsandFacilityDesign&description=Wholesale%20Markets%20and%20Facility%20Design&acct=facdsgn>

Organic Agriculture

USDA is committed to helping organic agriculture grow and thrive. This is a one-stop shop with information about organic certification and USDA-wide support for organic agriculture.

- www.usda.gov/organic

Fruit and Vegetable Audits

Audits for Good Agricultural Practices and Good Handling Practices can help producers access commercial markets by verifying that fruits and vegetables are produced, packed, handled, and stored in the safest manner possible to minimize risks of microbial food safety hazards.

- <http://www.ams.usda.gov/AMSV1.0/ams.fetchTemplateData.do?template=TemplateN&page=GAPGHPAuditVerificationProgram>

USDA Certification for Small and Very Small Producers of Grass-fed Beef and Lamb

Allows small and very small-scale producers to certify that their animals meet the requirements of the grass-fed marketing claim standard, helping them differentiate themselves and communicate value to their customers.

- <http://www.ams.usda.gov/AMSV1.0/GrassFedSVS>

Local Food Systems Resources – State of North Carolina

North Carolina Cooperative Extension Local Food System Resources

The North Carolina Cooperative Extension has prepared several resources of interest to farmers market managers, vendors, and residents interested in strengthening the local food system. Links are provided by topic:

- Farmers Markets: <http://localfood.ces.ncsu.edu/local-food-farmers-markets/>
- Local Food Production: <http://localfood.ces.ncsu.edu/local-food-production/>
- Distribution and Aggregation: <http://localfood.ces.ncsu.edu/local-food-distribution-aggregation/>
- Processing: <http://localfood.ces.ncsu.edu/local-food-processing/>
- Marketing: <http://localfood.ces.ncsu.edu/local-food-marketing-markets/>
- Community Gardens: <http://nccommunitygardens.ces.ncsu.edu/>
- Farm to School: <http://localfood.ces.ncsu.edu/local-food-farm-to-school/>
- Food access: <http://localfood.ces.ncsu.edu/food-access-food-security/>
- Community Economic Development: <http://localfood.ces.ncsu.edu/local-food-economic-development/>

North Carolina Farm Fresh

Provides information on all North Carolina farmers markets, roadside stands, and pick-your-own farms.

- <http://www.ncfarmfresh.com/>

North Carolina Farm to School Program

This site describes North Carolina’s Farm to School program.

- <http://www.ncfarmtoschool.com/index.htm>

ASAP Local Food Guide

The Appalachian Sustainable Agriculture Project prepares an annual guide to farms, farmers markets, wineries, grocers, restaurants, CSAs, and other local agriculture resources in the Southern Appalachian Mountains.

- <http://asapconnections.org/find-local-food/local-food-guide/>

Appendix G:

Proforma

Redevelopment Cost Estimate - June 25, 2014

Forest City Mill Project

					\$2,231,250
Item	Expense				Amount
	First Floor Base Renovation & Shell	15,000	\$60	1	\$900,000
	Bay Upfits (1 Bay as 2-Story)	20,000	\$50	1	\$1,000,000
	Roof	15,000	\$15	1	\$225,000
	Construction Contingency	5.00%			\$106,250
	Building Carrying Cost (Interest Only)	0.00%	1.5		\$0
	Construction Interest	8%	1	50%	\$89,250
	Architectural/Engineering	5.00%			\$111,563
	Environmental Analysis				\$5,000
	Appraisal				\$5,000
	Accounting				\$25,000
	Legal				\$50,000
	Property Taxes	0.00	0.00	1	\$0
	Building Permits & Fees				\$1,000
	Title Insurance				\$5,000
	Inflation	2.00%			\$46,410
	Marketing	3	\$2,500		\$7,500
	Interest Contingency	15%			\$13,388
	Tax Credit Consultants				\$10,000
	Developer's Fees	13.00%			\$338,047
	Loan Commitment Fee		1%		\$15,823
	Operating Reserve	0%			\$0
Total Redevelopment Cost					\$2,954,230
Building & Land Purchase Price					\$0
Total Project Development Cost					\$2,954,230
Project Cost Per Square Foot		20000	\$147.71	Per SF	

Source of Funds					
1	Historic Tax Credits Equity				\$1,371,944
2	Local Grants				\$0
3	Deferred Developer's Fee				\$0
4	Other (Gap) Financing				\$0
5					
6					
7					
8					
Total Grants, Tax Credit Equity, Other		46.44%			\$1,371,944
Total Owner Equity		0.00%			\$0
Equity (Bridge) Financing		0%	0.00%		\$0
Long Term Financing (20Yr)		5.00%	53.56%		\$1,582,285

Historic Tax Credits					
Basis					
Total Project					\$2,954,230
	Minus: Purchase Price				\$0
	Minus: Non Qualifying Expenses	10%			\$295,423
	Minus:				\$0
	Minus: DRIF Grant				\$0
Total Project Basis					\$2,658,807
	North Carolina Historic Tax Credit	40%			\$1,063,523
	Federal Historic Tax Credit	20%			\$531,761
Total Historic Tax Credit					\$1,595,284
	Syndication Discount - State Credit	\$0.82	On Dollar		\$872,089
	Syndication Discount - Federal Credit	\$0.94	On Dollar		\$499,856
Estimated Tax Credit Equity					\$1,371,944

Expense Worksheet

Forest City Mill Project

Item	Monthly	Annual
1) Cleaning		
Payroll, Taxes, Benefits		
Contractual Services	\$0.00	\$0
Supplies	\$0	\$0
Equipment	\$0	\$0
Other: Misc.	\$0	\$0
Other:		\$0
Other:		\$0
Total Cleaning	\$0	\$0
2) Repairs & Maintenance		
Payroll, Taxes, Benefits		
Elevator		\$3,000
HVAC		\$1,500
Electrical		\$500
Structural/Roof		\$500
Plumbing		\$500
Fire & Life Safety		\$500
Supplies		\$500
Equipment		\$500
Other: Misc.		\$500
Other:		
Other:		
Total Repairs & Maintenance		\$8,000
3) Utilities		
Electric	\$0	\$0
Natural Gas		
Water & Sewer	\$0	\$0
Trash Removal	\$0	\$0
Total Utilities		\$0
4) Security		
Payroll, Taxes & Benefits		
Contract Services		
Other: Central Station Monitoring		\$0
Other:		
Other:		
Total Security		\$0
5) Parking		
0	\$0	\$0
\$50		
6) Administration		
Payroll, Taxes & Benefits		
a) Manager		
b) Assistant manager		
c) Administrative Assistant		
d) Bookkeeper		
e) Other:		
Management Fees	3.00%	\$6,000
Legal Fees		\$2,000
Audit		\$2,000
General Office Expenses		\$1,200
Other:		
Other:		
Other:		
Total Administration		\$11,200
7) Fixed Expenses		
Real Estate Taxes - City	0.00	\$0
Real Estate Taxes - County	0.00	\$0
Business Improvement District	0.00	\$0
Building Insurance		\$0
Other:		
Other:		
Other:		
Total Fixed Expenses		\$0
8) Leasing Expenses		
Advertising & Promotion	\$0	\$0
Legal		\$1,000
Commissions		
Tenant Upfit Allowances		
Lease Concessions	\$0	\$0
Other: Misc.	\$0	\$0
Other:		
Other:		
Total Leasing Expenses		\$1,000
Total Expenses		\$20,200
Contingency (5%)		\$1,010
Total Estimated Expenses		\$21,210

100%
100%
100%

Reserves for Replacement		
Roof & Structure		\$2,000
Units (3 Units x \$1000)	3	\$3,000
Common Areas (4 Floors x \$500)	0	\$0
Other: Mechanical Systems		
Other:		
Total Reserves		\$5,000

Forest City Mill Building

Income Analysis

Unit Rents - Per Bay

Unit #	Unit Type	Unit Size	Annual Rent/SF		Annual Rent Increase						
					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
1		5000	\$10.00	3%	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703
2	2-Story	10000	\$10.00	3%	\$100,000	\$103,000	\$106,090	\$109,273	\$112,551	\$115,927	\$119,405
3		5000	\$10.00	3%	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703
Total Monthly Apartment Rent Per Floor				12	\$16,667	\$17,167	\$17,682	\$18,212	\$18,758	\$19,321	\$19,901
Total Annual Rent from Units					\$200,000	\$206,000	\$212,180	\$218,545	\$225,102	\$231,855	\$238,810

**NOTE: Rent Shown is Triple Net Lease (Rent plus Taxes, Insurance and Utilities)

Grand Total - Annual Income	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	\$200,000	\$206,000	\$212,180	\$218,545	\$225,102	\$231,855	\$238,810

Cash Flow Analysis - Forest City Mill Building

Mortgage Calculation	Int.	Initial Invest.	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Beginning Balance - Long Term (1st Position)	5.00%	\$1,582,285	1,582,285	1,534,433	1,484,188	1,431,431	1,376,036	1,317,871	1,256,798
Interest Paid			79,114	76,722	74,209	71,572	68,802	65,894	62,840
Principal Paid			47,852	50,245	52,757	55,395	58,165	61,073	64,127
Ending Balance - 1st Mortgage			1,534,433	1,484,188	1,431,431	1,376,036	1,317,871	1,256,798	1,192,671
<hr/>									
Total Interest Paid			79,114	76,722	74,209	71,572	68,802	65,894	62,840
Total Principal Paid			47,852	50,245	52,757	55,395	58,165	61,073	64,127
Total Debt Service Paid			126,967	126,967	126,967	126,967	126,967	126,967	126,967

Annual Cash Flows		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Gross Unit Rent	3%/Yr	200,000	206,000	212,180	218,545	225,102	231,855	238,810	
Total Gross Rent		200,000	206,000	212,180	218,545	225,102	231,855	238,810	
Vacancy Rate		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	
(Minus) Vacancy (\$)		20,000	20,600	21,218	21,855	22,510	23,185	23,881	
Adjusted Gross Income		180,000	185,400	190,962	196,691	202,592	208,669	214,929	
Other Income		0	0	0	0	0	0	0	
(Minus) Other Income (Vacancy)		0	0	0	0	0	0	0	
Total Revenue		180,000	185,400	190,962	196,691	202,592	208,669	214,929	
<hr/>									
Total Operating Expenses	3%/Yr	21,210	21,846	22,502	23,177	23,872	24,588	25,326	

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Net Operating Income		158,790	163,554	168,460	173,514	178,720	184,081	189,604
Less: Annual Debt Service		126,967	126,967	126,967	126,967	126,967	126,967	126,967
Less: Developer Fee Repayment		0	0	0	0	0	0	0
Plus: Operating Reserve		\$0	\$0	\$0				
Gross Cash Flow		\$31,823	\$36,587	\$41,494	\$46,547	\$51,753	\$57,114	\$62,637
Reserves for Replacement	3.00%	5,000	5,150	5,305	5,464	5,628	5,796	5,970
Net Cash Flow		\$26,823	\$31,437	\$36,189	\$41,084	\$46,125	\$51,318	\$56,667

Note: Refinancing after Year 5

Debt Coverage Ratio		1.25	1.29	1.33	1.37	1.41	1.45	1.49

Estimation of Value (After Year 5)	
Year 5 NOI	178,720
Capitalization Rate	8.50%
Sale Value	\$2,102,583
Remaining Debt	1,317,871
Potential Profit	\$784,712

Loan Calculator

Enter Values	
Loan Amount	\$ 1,582,285.40
Annual Interest Rate	5.00 %
Loan Period in Years	20
Number of Payments Per Year	1
Start Date of Loan	1/1/2003
Optional Extra Payments	

Loan Summary	
Scheduled Payment	\$ 126,966.67
Scheduled Number of Payments	20
Actual Number of Payments	20
Total Early Payments	\$ -
Total Interest	\$ 957,048.09

Lender Name:

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance
1	1/1/2004	\$ 1,582,285.40	\$ 126,966.67	\$ -	\$ 126,966.67	\$ 47,852.40	\$ 79,114.27	\$ 1,534,433.00
2	1/1/2005	1,534,433.00	126,966.67	-	126,966.67	50,245.02	76,721.65	1,484,187.97
3	1/1/2006	1,484,187.97	126,966.67	-	126,966.67	52,757.28	74,209.40	1,431,430.70
4	1/1/2007	1,431,430.70	126,966.67	-	126,966.67	55,395.14	71,571.53	1,376,035.56
5	1/1/2008	1,376,035.56	126,966.67	-	126,966.67	58,164.90	68,801.78	1,317,870.66
6	1/1/2009	1,317,870.66	126,966.67	-	126,966.67	61,073.14	65,893.53	1,256,797.52
7	1/1/2010	1,256,797.52	126,966.67	-	126,966.67	64,126.80	62,839.88	1,192,670.72
8	1/1/2011	1,192,670.72	126,966.67	-	126,966.67	67,333.14	59,633.54	1,125,337.58
9	1/1/2012	1,125,337.58	126,966.67	-	126,966.67	70,699.80	56,266.88	1,054,637.79
10	1/1/2013	1,054,637.79	126,966.67	-	126,966.67	74,234.78	52,731.89	980,403.00
11	1/1/2014	980,403.00	126,966.67	-	126,966.67	77,946.52	49,020.15	902,456.48
12	1/1/2015	902,456.48	126,966.67	-	126,966.67	81,843.85	45,122.82	820,612.63
13	1/1/2016	820,612.63	126,966.67	-	126,966.67	85,936.04	41,030.63	734,676.59
14	1/1/2017	734,676.59	126,966.67	-	126,966.67	90,232.85	36,733.83	644,443.74
15	1/1/2018	644,443.74	126,966.67	-	126,966.67	94,744.49	32,222.19	549,699.25
16	1/1/2019	549,699.25	126,966.67	-	126,966.67	99,481.71	27,484.96	450,217.54
17	1/1/2020	450,217.54	126,966.67	-	126,966.67	104,455.80	22,510.88	345,761.75
18	1/1/2021	345,761.75	126,966.67	-	126,966.67	109,678.59	17,288.09	236,083.16
19	1/1/2022	236,083.16	126,966.67	-	126,966.67	115,162.52	11,804.16	120,920.64
20	1/1/2023	120,920.64	126,966.67	-	120,920.64	114,874.61	6,046.03	0.00