

### **Small-Scale Agriculture in Washington**

WSDA support for viable farms and local food systems

### Laura Raymond

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### What we do.



WSDA Mission: Through **service**, **regulation**, **and advocacy**, the Washington State Department of Agriculture (WSDA) supports the viability and vitality of agriculture while protecting consumers, public health, and the environment.



Assure the safety, integrity, and availability of the food supply.

Manage the registration, distribution, use, and disposal of pesticides and fertilizers.

Protect the state's natural resources through the prevention and control of plant and animal diseases.

Support the marketing of the state's agricultural products at the local, national, and international level.

# Who we are. How we're organized.



- Executive Cabinet Agency
- 758 full time employees
- Staff made up of veterinarians, entomologists, chemists, toxicologists, inspectors, investigators, policy and marketing analysts, customer service specialists, and managers
- 220 seasonal employees, primarily inspectors of fruit, vegetable, grain, and seeds



### Where are we?



- Headquartered in Olympia.
- Regional offices in Yakima,
   Spokane, East Wenatchee.
- Smaller offices and staff members cover every county in state.



# **WSDA Regional Markets Program**



WSDA Regional Markets supports the economic viability of small and direct marketing farms and increases the availability of Washington grown products in schools, institutions, and on tables throughout our state.





# **Washington's Small Farms**



A majority of Washington's farms are small 89% are small farms (32,016)

Characterized by diversified production and direct marketing business models

\$148.9 M - Total value of direct markets products

Generate 6.3% of the state's total ag value \$620 M – Total value of ag products sold

Demographic diversity among farm operators in Washington is concentrated in the small farm sector

Data: USDA 2017 census



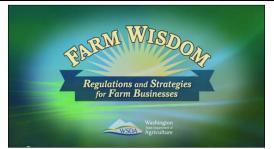


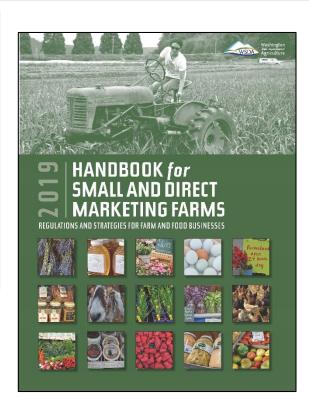


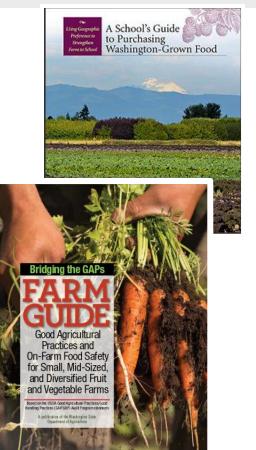
### **Publications and Online Resources**











### **Free Online**



# agr.wa.gov/farmfoodbiz



### WSDA "Farm Wisdom" Videos Online



Salad Greens

Regulations and Strategies for Farm Businesses

**Direct Marketing** 

Cottage Food
Permit

**Nursery Products** 

**Food Processing** 

Licensing for Small Cheesemakers

GAPs and FSMA

Selling Seeds

### **Technical Assistance, Trainings, and Events**







- One-on-one guidance via phone, email, or in-person
- Presentations, outreach, and peerled, hands-on workshops
- Farmer/Buyer networking events
- Food hub and value chain support to assist in regional food and agriculture economic growth













# Regional Supply Chain Development and Market Access and Marketplace Visibility



















# **Farm to School Programming**



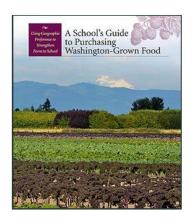
- Taste Washington Day
- Trainings and workshops
- Technical assistance for schools and farms
- Factsheets and tools
- Policy, research and surveys
- Special projects
- Purchasing grants!

Learn more at <a href="https://agr.wa.gov/farmtoschool">https://agr.wa.gov/farmtoschool</a>









#### **WSDA Farm to School Toolkit**











#### RESOURCES FOR SCHOOL GARDENS AND FARM EDUCATION

Food grown in school gardens can be served in the cafeterial Learn about best practices for food safety in the school garden and ways to integrate garden produce into school meals.

READ MORE

### Referrals and Guidance



Regional Markets is often the first stop for farmers and local food businesses searching for information and resources to sell in their chosen markets.

- Regulatory guidance and connections to the right agency for needed licenses or permits
   e.g. WSDA Food Safety Program, Local Health Departments
- Marketplace requirements and voluntary certifications

   e.g. WSDA Organic Program, WSDA Fruit and Vegetable Inspection
   Program
- Connections to professional communities & networks

   e.g. WSDA Regional Markets Food Hub Community of Practice,
   Washington State Farm to School Network
- Marketing and trade assistance
   e.g. WSDA International Marketing Program

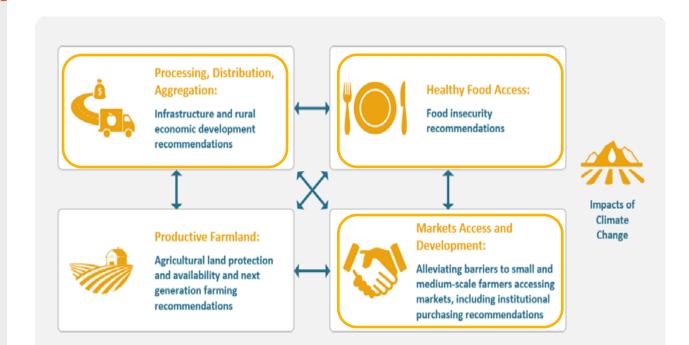






# **Co-Convene WA State Food Policy Forum**





"The greatest and most effective progress will come from moving multiple food system recommendations forward in tandem so that systems change can occur."

Food Policy Forum 2019 Recommendations Report

### **COVID-19 Impacts**



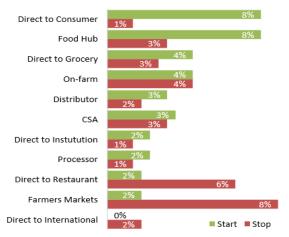
- ➤ 60% of farmers and ranchers said their business has been negatively impacted by COVID-19
- Financial Impacts
  - 50%+ producers indicated a loss of revenue in 2020.
  - 65% of producers experienced increased operating costs in 2020
  - April 2020 restaurant sales down 62%
- Disrupted distribution Systems & Market Closures
  - May 2020 73% of producers impacted by market & distribution system disruptions



### **COVID-19 Impacts**



The COVID-19 Pandemic showcased many local food producers' abilities to adapt and pivot sales channels (Fig. 13). The COVID-19 Pandemic shifted some farms away from larger markets and towards localized/ regional markets including Direct to Consumer, Food Hubs, On-Farm sales, Direct to Grocery, Direct to Institution and CSA's (Fig. 14). Pivots require investments of time, talent, and capital.



**Figure 13.** New marketing channels started and existing channels stopped in 2020, compared to 2019 (percent of total respondents)

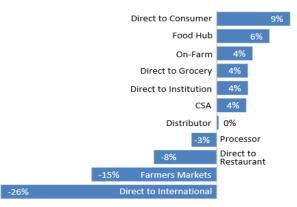


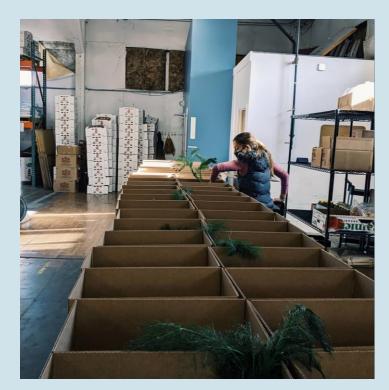
Figure 14. Change in gross annual revenue attributable to specific marketing channels for those farm businesses utilizing a channel in 2019 and/or 2020

# **Regional Markets Emergency Response**



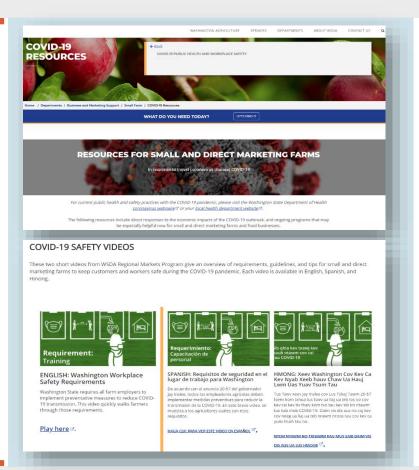
# Support local food system contributions to overall emergency response and resiliency.

- Support swift business adaptations to access and serve disrupted supply chains, market channels, and changing consumer needs
- Connect to farms to available relief, including government food box purchasing
- Help small farms and food businesses weather economic impacts of disruption
- Enhance local food system response and resiliency



### **Relevant Pandemic Information & Resources**





WSDA Regional Markets developed new, relevant resources for small and direct marketing farms that have continued to operate throughout as essential businesses.

# **Collaboration and Partnership**



WSDA Regional Markets works in partnership with many organizations and agencies to support small and direct marketing farmers with business adaptation and resilience.



















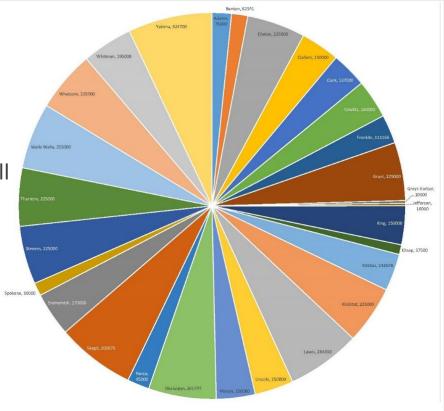


### **Small Meat Processor Emergency Capacity Grants**



Supply chain disruptions at a national level resulted in shift to our local, distributed, small-scale meat processors.

- \$5 million in CARES Act funds to help small scale meat processors with capacity to respond to pandemic demand pressure
  - 58 Infrastructure and capacity grants awarded
  - WSU Technical Assistance
- Overwhelming response;
  - \$7.4 million in grant requests
  - \$14 million in additional identified need



Meat Processing Infrastructure and Capacity Relief Grant Funds by County

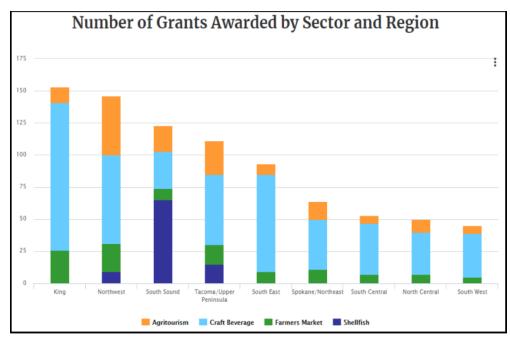


\$15.25 million in Disaster Response Account Funds via partnership with WA

Department of Commerce to provide small business assistance grants for COVID-19

Relief and Recovery.

- 840 grants awarded across four impacted sectors that have important roles in the economic viability of Washington's agricultural producers.
  - Shellfish Growers
  - Farmers Market Organizations
  - Craft Beverage Producers
  - Agritourism Farms





### Top Challenges and Uses reported by businesses across all sectors

Challenges experienced during COVID-19	Uses of grant funds
<ul> <li>Reduced number of</li></ul>	<ul> <li>Pay operating expenses</li></ul>
shoppers, customers &	(rent, lease, mortgages,
visitors	& supplies)
<ul> <li>COVID-19 health and</li></ul>	<ul> <li>Keep employees on staff,</li></ul>
safety compliance costs	ensuring staffing levels
Cashflow issues due to	<ul> <li>Covering costs</li></ul>
reduced income or	associated with COVID-
increased costs	19 requirements







### Top 3 challenges businesses experienced due to COVID-19

Craft Beverage	Farmers Market	Shellfish	Agritourism
Being required to close during closure orders	Reduced income from vendor fees	<ul> <li>Was not able to move market sized product, resulting in lost value</li> </ul>	Overall reduction of visitors and tourists to my region
COVID-19 health and safety compliance costs	<ul> <li>Enforcing public health requirements with shoppers and other in the market</li> </ul>	<ul> <li>Market distribution and sales channels are closed or disrupted</li> </ul>	<ul> <li>Increased cost for supplies, equipment, or staffing</li> </ul>
Cost of inputs have increased	Reduced number of shoppers	Cash flow issues	Fewer customers     participating in     agritourism activities







### Top 3 uses businesses will experience by receiving grant money

Craft Beverage	Farmers Market	Shellfish	Agritourism
Pay rent, lease, mortgage	Pay farmers market operating expenses	<ul> <li>Additional expenses: seed, equipment, expand operations</li> </ul>	<ul> <li>Resources to continue or expand Agritourism activities</li> </ul>
<ul> <li>Investing is materials, supplies, and labor</li> </ul>	<ul> <li>Ensure sufficient staffing and/or services</li> </ul>	Keep employees on staff	<ul> <li>Adapting Agritourism activities to comply with guidelines</li> </ul>
Keep employees on staff	Covering costs for COVID-19 requirements	<ul> <li>Pay rent, lease, mortgage, and utilities</li> </ul>	Costs associated with COVID-19 safety enhancements





### **WSDA** is Focused on Food



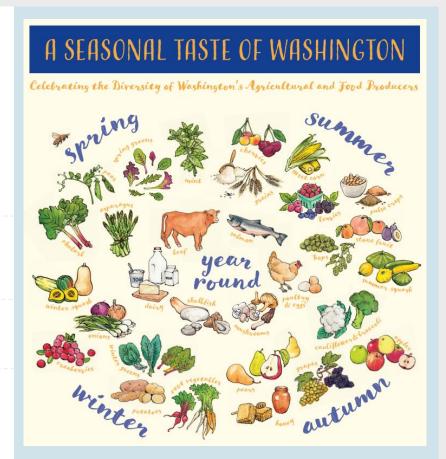
Director's Focus on Food initiative launched 2019

Initiative highlights link between agriculture and food as bedrock of Washington's urban and rural communities

By focusing on food, WSDA underscores its role in the food system and commitment to:

- Supporting all aspects of growing, processing and distributing food
- Helping farmers and producers connect with markets
- Assuring consumers their food is safe
- Making sure everyone in our state has access to good food

"A Seasonal Taste of Washington" poster was picked up from the printer one week before the Governor's 'Stay Home, Stay Healthy' order



### **WSDA** is Focused on Food



**WSDA's mission:** Through **service, regulation, and advocacy**, the Washington State Department of Agriculture (WSDA) supports the viability and vitality of agriculture while protecting consumers, public health, and the environment.

Primary Objective:

Ensure access to a safe and nutritious supply of food to support a healthy and thriving Washington population.

Goal 1:

Increase the economic viability of farmers and food businesses, with resources prioritized for historically underrepresented farmers and ranchers, including women, minority, and small business owners.

Goal 2:

Bolster infrastructure, ensure adequate food supply, and pursue access improvements within the WSDA Food Assistance contactor network.

Goal 3:

Reach outside of the existing WSDA Food Assistance network to find hunger relief organizations serving BIPOC and socially disadvantaged communities that are not otherwise fully served by the existing network.



# **Biennial Food System Investments \$94M+**

#### Farm to School

Farm to School purchasing grants for school meals and Farm to School program expansion.

\$5 Million

# Enhanced Food Assistance Programs

Flexible funding to fill gaps in the emergency food system; Enhanced EFAP pass-through funding, including Tribal EFAP; Enhanced Farm to Food Pantry Funding (\$700K)

\$23 Million

### Local Food System Infrastructure Grants

- + Food Supply Chain Infrastructure and Market Access Grants to support farms, food processors, and food distributors pivot to new markets and business models. (\$9M)
- + Local Food System Infrastructure and Market Access Grants prioritized for women, minority, and small business owners (\$8M)

\$17 Million

# State Farmers to Families Food Box Program

Washington State alternative to the recently ended USDA program with an emphasis on Washington grown products and organizations serving BIPOC and other socially disadvantaged communities.

#### \$45 Million

#### Meat and Poultry Processing Support

Grant program and technical assistance to support processors and producers with expanded opportunities to market WA meat and poultry.

\$4 Million

### Equity in Farming

Agency coordination and reporting on efforts to ensure inclusion of historically underrepresented farmers and ranchers in the agricultural industry.

\$180 Thousand

The 2021
legislature made remarkable investments in Washington's food system that reinforce WSDA's Focus on Food.

# **Comprehensive Investments Support Emergency Relief and Future Resiliency**





"The greatest and most effective progress will come from moving multiple food system recommendations forward in tandem so that systems change can occur."

Food Policy Forum 2019 Recommendations Report

# New Opportunities for Local Food Connections





# Farm to School Purchasing Grants

WSDA

\$5 M, ongoing!

The new Farm to School Purchasing Grants provides school nutrition and early care and education programs with additional purchasing dollars to source Washington-grown foods.

#### **Grant Goals:**

- Increase direct-sourcing from a diverse set of Washington farms and food producers.
- Increase the variety and volume of Washington food purchased for use in school and child care meal programs.

#### How to connect with grantees:

- The list of grantees will be announced in January 2022.
- Register with the Washington Food & Farm Finder Wholesale Directory.







# Farm to School Purchasing Grants



Round 1: >\$1.5 million awarded to 52 Grantees

The new Farm to School Purchasing Grants provide school nutrition and early care and education programs with additional purchasing dollars to source Washington-grown foods, especially produce and fresh prepared foods, from direct-marketing farms and other Washington producers.





# **Farm to School Purchasing Grants**



### Total Applications Awarded

52

### Total Funds Awarded

\$1,503,874

Childcare Sponsors	School Districts	Summer Meals
13	38	1
\$75,066	\$1,427,807	\$1,000

### **Round 1 Funding Period:**

Now - August 2022

### **Round 2 Funding Period:**

September 2022 – June 2023

# Meat & Poultry Assistance + Processing Grants





New WSDA program to assist small and mid-size meat processors and direct-marketing farmers & ranchers with capacity building, market access & other technical support

Also...

- \$3.6 million in grants to 40 meat processors to expand capacity to serve small farms & ranches:
  - 25 Washington counties
  - \$1.8 million to Western WA processors
  - \$1.7 million to 4 "Large Projects" to increase farms' access to USDA-inspected processing, located in NE, SE, S. Central & NW Washington

See the list of awardees: <a href="https://agr.wa.gov/services/grant-opportunities/meat-processor-grant-en">https://agr.wa.gov/services/grant-opportunities/meat-processor-grant-en</a>

Alyssa Jumars, Local Meat Marketing & Capacity Specialist alyssa.jumars@agr.wa.gov (206) 743-4169



Watch for upcoming
WA Meat UP offerings!
<a href="https://www.wameatup.com/">https://www.wameatup.com/</a>



# "Profiting from Your Pivot" Program



Funded for two years thanks to a WSDA Specialty Crop Block

**Grant** 

Business planning and professional services to help specialty crop farmers navigate pandemic related business changes

- One-on-one business coaching sessions
- Select free professional services for your business
- GAP audit prep and reimbursement of USDA GAP fees
- Learn from other farmer mentors
- Live and on-demand small business courses
- Network with fellow Washington producers



Applications for last cohort open Fall 2022: BusinessImpactNW.org/pivot

# **Underrepresented Farmers & Ranchers**



One-time funding for staff and assessment report

Consistent with legislative directives and intent, WSDA is committed to implementing program strategies for inclusion of historically underrepresented farmers and ranchers. With this budget proviso, WSDA is newly funded to report on activities and gaps in current efforts to include historically underrepresented farmers and ranchers.

- Coordinate with Office of Equity, Conservation Commission, and underrepresented farmers and ranchers and organizations that represent them.
- Include historically underrepresented farmers and ranchers in development, implementation of programs and policies
- Leveraging .5 FTE funding for a full time position to carry-out the coordination, analysis, and reporting of the equity in farming proviso and to directly implement strategies for inclusion of underrepresented farmers and ranchers in the Supply Chain and Market Access Grants Program.

# Grants to support local food system infrastructure



\$9 M one-time

Local Food System Infrastructure Grant Program to improve food supply chain infrastructure and market access for farms, food processors, and food distributors.

\$8 M one-time

Local Supply Chain and Market Access Grants prioritized for women, minority, and small business owners

We welcome your input on how to make these grants <u>accessible</u> and <u>impactful</u>.





# Our questions for you:



- What do you think these grants should fund? What needs do you see in your business or community
- What type of technical assistance support would help you/your community apply for and be successful with this grant money? Select all that apply.

Share more of your thoughts via our input survey:

https://www.surveymonkey.com/r/WSDAInfrastructureGrants

# Contact Us! Regional Markets Program



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