

From: Ross, Chuck [Chuck.Ross@vermont.gov]

Sent: Thursday, April 19, 2012 1:33 AM

To: MacLean, Alex; Lofy, Bill; Reardon, Jim; Spaulding, Jeb; Snyder, Michael; Recchia, Chris; Miller, Lawrence

CC: Leonard, Colleen; LaClair, Jolinda; Bothfeld, Diane; Ross, Chuck; Zamos, Diane

Subject: Fwd: Working Lands proposal - Admin position

Attachments: Working Lands Admin Proposal FINAL 04 17 12.doc; Working Lands Investments April 17 2012.docx

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> Hey Team,

> sorry for the repeat email. I discovered that i sent the previous email with no attachments and a bunch of earlier emails. this should be cleaner.

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> Hi Team,

> Attached are two documents on the working landscape bill. One document outlines what we are planning on suggesting to the legislators as a compromise position between the House, Senate and the Admin as to the budget, board and staffing for the working landscape bill.

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> the other document includes examples of investments the state has made or could make in the working landscape. they are to serve as examples of the kind of investing the working landscape board could make and also serve to give us a sense of the need and scale of need. I think its fair to say that many other folks (legislators and advocates) could generate a much longer list of need that they would argue for and that is why we need the working landscape board and staff to develop a plan to help guide our investments to the right areas/targets and to maximize amount of other resources/funds (private, foundation, philanthropic, federal) leveraged by the investments.

>

> If you have questions please let me/us know.

> thanks

> chuck

> Sent from my iPad

> please excuse typos, spelling and occasional auto fill words

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AGENCY OF AGRICULTURE, FOODS & MARKETS

Administration's Proposal for Working Lands Bill –Board, Budget and Staffing

April 18, 2012

Board Purpose and Composition – 18 members

Board will be composed of 15 voting members and 3 ex-officio members. Board member term appointments will be for three years with no board member serving more than two consecutive terms. The Chair will be the Secretary of Agriculture. The Board's purpose will be to make investments into the agricultural and forest economies infrastructure to accelerate sustainable jobs and business growth. Grants may be made by directly investing the Working Lands Investment funds or by providing funding to other organizations which will subsequently grant or loan the funds in support of the same purpose.

2 forestry; appointed by the Governor
2 forestry; appointed by the Legislature
2 agriculture; appointed by the Governor
2 agriculture; appointed by the Legislature
4 industry at large; appointed by the Governor
1 Commissioner of Forest, Parks and Recreation
1 Secretary of Agency of Commerce
1 Secretary of Agriculture

3 ex-officio

VSJF Exec Director
VEDA Exec Director
VHCB Exec Director

Staffing – 3 Positions

All three staff will work on both agricultural and forest related matters. Two of the positions will be located in the Agency of Agriculture, supervised by the Agency of Agriculture, and be part of their administrative structure. The Working Lands Policy Administrator – Strategic Industry Investment Analyst and Ombudsman position will be with Department of Forests, Parks and Recreation and housed at the Agency of Agriculture. All three positions will have a duty to report to the Agency and Department with respect to their duties, accomplishments, and work plans.

Grants Program Specialist II

The Agency is working to centralize functions that affect all aspects of the Agency. A Grants Program Specialist II would allow for centralizing all contract and grants across agency programs. The Agency currently does not have any contracts/grants staff and relies on skilled program staff for the development and monitoring of contracts and grants. A centralized grants

and contract person for all agency programs would free up skilled program staff to work more closely with, and affect greater impacts for, more Vermonters.

Grade 20; Estimated Salary and Benefits \$50,500 –with 5% raise as of July 1, 2012 - \$53,025

Working Lands Policy Administrator

This position will work directly with the Working Lands Enterprise Board, assist with Board structure, function, preparation of work plan, and prioritization of funding programs for agriculture and forestry in Vermont. The position will prepare research materials, organize presentations from agricultural and forestry groups to the board, prepare reports for the board, and prepare and manage the request for proposals process in preparation for the distribution of funds. The position will interact with the Secretary of Agriculture, Commissioner of Forest Parks and Recreation, and staff for input and information and to act as a designee for either official to the board.

Grade 26; Estimated Salary and Benefits \$72,000 – with 5% raise as of July 1, 2012 - \$75,000

Working Lands Policy Administrator – Strategic Industry Investment Analyst and Ombudsman

This position will work to identify and understand where and how to invest in both the agriculture and forest sectors to leverage other capital sources to help accelerate sustainable sector and job growth. The position must also work with the Grant Program Specialist and the Working Lands Administrator to help build the investment plan. This position will serve as an Ombudsman on all ranges of questions and inquiries from the farm and forest sector business people. The position must work closely with stakeholders and members of the board.

Grade 26; Estimated Salary and Benefits \$72,000 – with 5% raise as of July 1, 2012 - \$75,000

Total Salary: \$203,025

Administrative Costs:

\$50,000 to cover Board travel, meals, technology and expenses associated with its work and the work of the VT Agricultural Development Board.

Investment Resources

\$97,000 of state resources will be available to the Board to allocate as a first round of grants to the forest and farm sectors. No grants will exceed \$20,000 in the first round. Financial resources from other sources may also be awarded by the Board according to whatever terms accompanied with the award of the money.

Overall Budget – \$350,000

\$203,000 Staffing

\$50,000 Administrative support

\$97,000 Investment Funds

Sincerely,



Chuck Ross

Vermont Secretary of Agriculture, Food & Markets

Examples of Vermont Food System Financial Investments and Need

Vermont Agricultural Innovation Center (AIC) Board

In FFY10-FFY11 the AIC invested \$875,000 into 35 projects across the state that each demonstrated a 60% match from other non-federal funds (AIC 40% + MATCH 60% = TOTAL PROJECT COST 100%). A total of \$1.4 million has been demonstrated as project match investments for a grand total of \$2.3 million invested in Vermont's Food System. This is a very strong indication of state-wide need and that investments are readily being matched by the private sector, philanthropists, non-governmental organizations, and project communities.

Below is a list of the strategic categories that the AIC Board directed investments into. It is important to note that in the category of "Infrastructure" AIC dollars were not eligible for investing directly into infrastructure (i.e. such as bricks & mortar, construction, equipment). Infrastructure funds were for the pre-construction planning, business and feasibility analysis needed in order to strategically and successfully increase capacity. The below categories are all necessary ingredients for the growth and success of an industry's "Infrastructure". All AIC funded projects benefit multiple Vermont value-added agricultural producers. Finally, it is also important to note that about 50% of the projects have been completed, with the remaining projects to be completed by September 30, 2012.

Professional & Organizational Development

\$46,000

Workforce Development

\$51,421

Market Development

\$224,389

Infrastructure Development

\$180,486

Technical & Business Assistance

\$372,440

Please see next page for a full list of projects.

FFY10 AIC Project Investments		
Project Title	AIC (40%)	MATCH (60%)
Professional & Organizational Development		
Building Capacity of the Vermont Farmers' Market Association	\$ 13,222.00	\$ 20,000.00
Peer to Peer Networking to Grow a Viable Hops Industry	\$ 12,403.00	\$ 18,605.00
Establishing the Distilled Spirits Council of Vermont	\$ 10,375.00	\$ 16,240.00
F2P Leadership & Network Development	\$ 10,000.00	\$ 15,000.00
subtotal	\$ 46,000.00	\$ 69,845.00
Workforce Development		
Farm Internship Program	\$ 16,500.00	\$ 21,000.00
On-Farm Composting Workshops for Farmers and Pre-Farmers	\$ 7,620.00	\$ 13,490.00
Journeyfarmer Program Pilot	\$ 17,301.00	\$ 24,009.00
Workforce Development Survey of Need	\$ 10,000.00	\$ 15,000.00
subtotal	\$ 51,421.00	\$ 73,499.00
Market Development		
Vermont Branding Program	\$ 52,000.00	\$ 78,000.00
Integrated Demand Assessment & Market Development for Locally Sourced Grains	\$ 23,950.00	\$ 30,095.00
Let's Talk About Cheese - Improving Cheesemaker/Marketer Communications	\$ 9,570.00	\$ 14,700.00
Regional Market Development for New England Produced Beef	\$ 23,080.00	\$ 35,000.00
Product Advisory Board	\$ 3,600.00	\$ 5,400.00
Awareness & Promotion of VT Ice Ciders in Regional Markets	\$ 6,000.00	\$ 9,000.00
Specialty Food Trade Show Technical, Organizational & Marketing Assistance	\$ 27,259.00	\$ 40,889.00
VT Agriculture & Culinary Tourism web-site Development - DigInVermont.com	\$ 45,000.00	\$ 84,500.00
VT Cheesemakers Festival	\$ 15,000.00	\$ 67,500.00
Expanding Markets - Matchmaker Events	\$ 2,500.00	\$ 3,750.00
Building the Meat Industry	\$ 16,430.00	\$ 24,645.00
subtotal	\$ 224,389.00	\$ 393,479.00
Infrastructure Development		
Expansion Project - Pre-Construction Planning	\$ 14,104.00	\$ 21,156.00
Capacity Building for VT Grown Food Processing	\$ 33,333.00	\$ 50,000.00
ACORN Wholesale Collaborative Online Platform	\$ 20,000.00	\$ 30,000.00
Green Mountain Farm Direct -Scaling-Up Farms to Institutions	\$ 13,333.00	\$ 20,767.00
Intervale Center Dairy Barn - Scaling-Up Capacity	\$ 11,837.00	\$ 17,756.00
Advancing Green Mountain Food Hub	\$ 26,667.00	\$ 40,000.00
Meat Processing & Storage Capacity Development	\$ 26,666.00	\$ 40,000.00
Upgrading On-line Wholesale Market for VT Food Hubs	\$ 2,127.00	\$ 3,190.00
Scaling Up - Inventorying Demand, Processing & Distribution Statewide Assessment	\$ 32,419.00	\$ 48,628.00
subtotal	\$ 180,486.00	\$ 271,497.00
Technical Business Assistance Development		
VT Farm Viability Program	\$ 150,000.00	\$ 234,307.00
VT Agriculture Development Program	\$ 75,000.00	\$ 139,815.00
Technical Assistance to Grain & Hop Producers	\$ 68,095.00	\$ 108,343.00
Train the Trainer for Slaughter House Industry	\$ 5,000.00	\$ 7,500.00
Scaling Up Meat Production Enterprises	\$ 40,398.00	\$ 61,407.00
Agricultural Renewable Energy Strategic Initiative	\$ 25,000.00	\$ 37,500.00
Grain Mill Feasibility Analysis	\$ 8,947.00	\$ 13,420.00
subtotal	\$ 372,440.00	\$ 602,292.00
Administration	\$ 125,000.00	
subtotal	\$ 125,000.00	
TOTAL	\$ 999,736.00	\$ 1,410,612.00

Examples of AIC Project Activities and Impacts:

Green Mountain Farm Direct (GMFD) – Green Mountain Farm to School

Expansion of GMFD to market and distribute local food to new institutional food buyers in Essex, Caledonia and Orleans: During 2011, a total of 47 institutions including school, senior meal sites, correctional facilities, restaurants, stores, and other institutions purchased local food through Farm Direct, a 74% increase over 2010. Increase the amount of local food purchased by institutions: During 2011, GMFD sales totaled \$36,045.08, a 251% increase over 2010 sales. Sales significantly exceeded goal of \$20,000.

The Intervale Center Dairy Barn – Scaling-Up Capacity

Total CSA sales topped \$408,000, a growth of 53% over 2010.

Meat Processing & Storage Capacity Development - Mad River Food Hub (MRFH)

MRFH is the only shared use, state inspected meat processing facility in the state. Employs 1.5 workers and is already serving the needs of over 12 farmers, chefs, and value-added food producers in the Mad River Valley. MRFH is incubating small value-added agricultural businesses/food entrepreneurs by providing the necessary infrastructure and technical assistance (i.e. business planning and HACCP plan development) to ensure business model vitality and support growth for scaling up into larger facilities.

On-Farm Composting Workshops for Farmers and Pre-Farmers - Highfields Center for Composting

Developed Operator Certification Curriculum permitted under Vermont's solid waste rules. Three workshops conducted, 56 attendees, estimate new compost revenues of @ \$400,000 in coming years.

Technical Assistance for Scaling-Up of Meat Production Enterprises – Vermont Housing Conservation Board

Seventeen meat producers are currently enrolled to complete a business plan, receive assistance in management and feasibility analysis, financial analysis, market planning and research, and advanced technical assistance.

Awareness and Promotion of Vermont Ice Ciders in Regional Markets – Vermont Ice Cider Association

Generated direct sales opportunities for producers as a result of website traffic - visits to the Vermont Ice Cider website tripled during the weeks surrounding the Expos, from an average of around 6 per week to 18 per week. Through Trade Show participation established 20 retail account leads, 8 distributor relationships, and 1 international importer relationship.

Capacity Building for VT Grown Food Processing – Center for an Agricultural Economy & VT Food Venture Center

Produce sourced for processing from 6 farm and food businesses, distributing local food into 8 institutions and 8 retail stores. Establishing distribution and outreach partnership efforts with 7 organizations.

Vermont Sustainable Jobs Fund Capital Need Identified:

SUB-GROUP	CAPITAL NEED					\$ Equity Gap @ 15%
	Facilities	Equipment	Technology	Vehicles	Total Value (+/-)	
Examples						
MEAT PROCESSING						
<i>VLS&P, Westminster Meats, Royal Butcher, Boyden Beef</i>	x	x			\$3,600,000	\$540,000
CO-PACKING						
<i>Freedom Foods, Food Hubs</i>	x	x	x		\$600,000	\$90,000
VALUE ADDED PRODUCE						
<i>Deep Root, Harlow Farm, Champlain Orchards</i>		x		x	\$300,000	\$45,000
BEVERAGE						
<i>Aqua Vitea, Eden Ice Cider, Rhapsody, Caledonia Spirits</i>	x	x			\$750,000	\$112,500
CHEESE & DAIRY:						
<i>CJHF (Whey Pig Project), Maple Brook Farm</i>	x	x	x		300,000	\$45,000
SPECIALTY FOODS						
<i>Gringo Jacks</i>	x	x			\$600,000	\$90,000
DISTRIBUTION						
<i>OrFoodEx, Food Hubs</i>			x	x	\$250,000	\$37,500
TOTAL					\$6,400,000	\$960,000