



Michigan Food Policy Council

Report of Recommendations

October 12, 2006

Prepared for Governor Jennifer M. Granholm

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Council Members

June 2005 – September 2006

- Elaine Brown - Michigan Food and Farming Systems (MIFFS), appointed to represent the sustainable agriculture community.
- Jim Byrum - Michigan Agri-Business Association, appointed to represent Michigan agriculture organizations.
- Jean Chabut - Michigan Department of Community Health.*
- Janet Cushman – Michigan Department of Human Services.*
- Giancarlo Guzman - Racial & Ethnic Approaches to Community Health, appointed to represent public health organizations.
- Michael Hamm – Michigan State University, appointed to represent institutions of higher education.
- Jim Herbert - Neogen Corporation, appointed to represent non-food manufacturers.
- Mitch Irwin - Michigan Department of Agriculture (chairperson).*
- Mattie Jordan-Woods - Northside Association for Community Development, appointed to represent community-based urban development organizations.
- Cheryl Kobernik - North Star Organics, appointed to represent the sustainable agriculture community.
- Jane Marshall - Food Bank Council of Michigan, appointed to represent anti-hunger organizations.
- JoAnn Merrick – Michigan Department of Environmental Quality.*
- Justin Rashid - American Spoon Foods Inc., appointed to represent food processors.
- Daniel Reeves - Associated Food and Petroleum Dealers of Michigan, appointed to represent food retailers.
- Todd Regis - United Food & Commercial Workers, appointed to represent organized labor.
- Dennis West - Northern Initiatives, appointed to represent rural development organizations.
- Leland Wheaton - Charlotte High School, appointed to represent K-12 schools.
- Todd Wickstrom – The ORAI Group, appointed to represent restaurants.
- Carol Wolenberg – Michigan Department of Education.*
- Wayne Wood - Michigan Farm Bureau, appointed to represent Michigan agriculture organizations.
- Irma Zuckerberg – Michigan Department of Labor and Economic Growth.*

*Council members from state departments are ex-officio members and representatives of the Director of their department.

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The council is grateful for the state employees and public practitioners who committed time to the council as task force participants. The expertise these individuals brought to the table allowed the council to delve into diverse issues and develop recommendations over a relatively short period of time.

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Additionally, as the lead state department, Michigan Department of Agriculture staff went above and beyond in assisting the council in its work. Special thanks to: Mitch Irwin, Keith Creagh, Bridget Beckman, Liesl Clark, Kathy Fedder, Gordon Wenk, Bob Craig, Barb Hensinger, Jeanne Lipe, Matt Clara, and Curtis Remington.

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Executive Summary

Michigan's agriculture and food system wields tremendous potential to buoy the state's economy. Recent studies indicate the agri-food system's economic impact is \$60.1 billion annually and growing. As the second largest industry in the state, the agri-food sector also employs over one million Michigan residents. It is essential that the state optimize the complex agri-food economy while reaping the greatest quality-of-life benefits for residents. No one state department comprehensively supports or governs all of the agri-food system's facets, which include production, processing, distribution, marketing, access and consumption. To fill this gap, the Michigan Food Policy Council provides a forum in which to address issues across the agri-food system.

Established by Governor Jennifer M. Granholm in June 2005¹, the Michigan Food Policy Council (MFPC) has brought diverse food-related stakeholders together to recommend programs and policies that build on the state's agricultural diversity to enhance economic growth while cultivating a safe, healthy and available food supply for all of Michigan's residents. The MFPC is charged with recommending policies that address the following goals:

- Increase economic activity in Michigan resulting in new and expanded businesses and jobs across all food-related sectors in this state.
- Strengthen Michigan's communities with food-related revitalization projects.
- Increase access to fresh and healthy Michigan-grown foods, especially for school children, low-income families, at-risk seniors, and inner-city residents.
- Promote institutional and public purchase and consumption of Michigan-grown and -processed foods.
- Enhance the viability of small- to mid-scale family farms in Michigan by promoting direct farm marketing, sustainable agriculture, agri-tourism and other initiatives.
- Preserve farmland and amplify the environmental benefits of agriculture by promoting sustainable agriculture practices in Michigan.
- Increase collaboration and communication between state departments in the delivery of food-related programs.
- Maximize coordination of existing federal, state, and local resources and capture additional federal resources for Michigan.
- Enhance connections between Michigan growers and Michigan food outlets.
- Encourage the creation of at least 1,000 new food-related jobs in Michigan.
- Expand markets for Michigan agricultural products, including niche markets such as "organically-produced," "pasture-raised," and "sustainably-grown" agricultural products, among others.

The twenty-one governor-appointed council members include public health, education, agriculture, urban and rural development, and food processing representatives, among others, as well as the directors of six state departments. At the first council meeting, council members formed four task forces in order to bring additional stakeholders to the table and investigate aspects of the agri-food system in greater detail. The task forces are:

¹ Established by Executive Order 2005-13, which is available in Appendix E and at: www.michigan.gov/gov/0,1607,7-168-21975-119526--,00.html

- Task Force A: Expanding Food-Related Businesses and Jobs.
- Task Force B: Improving Access to Fresh and Healthy Foods.
- Task Force C: Promoting Michigan Foods.
- Task Force D: Enhancing Agricultural Viability.

Task forces developed and discussed recommendations relating to their issue areas for the full council's review and formal action. Task force participants included council members, state employees, and public experts and practitioners.

The council accepted public comments throughout the recommendation development process. All council and task force meetings were open to the public, and the council held four regional public listening sessions to solicit comments and recommendations relating to the council's mission.

Through alternating council and task force meetings, the council has approved twenty recommendations for the governor's review. The recommendations are presented in their entirety in this report as approved by the council. Each recommendation has a corresponding list of implementation strategies, which can be found in Appendices A-D according to the name of the originating task force. The twenty recommendations cover the following topics:

- Agri-food entrepreneurship (Recommendation A1).
- Support for food processing (Recommendation A2).
- Agricultural Processing Renaissance Zones (Recommendation A3).
- Information and collaboration opportunities (Recommendation A4).
- Supermarkets in underserved locations (Recommendation A5).
- Healthy food access through direct markets (Recommendation B1).
- School, community and urban gardens (Recommendation B2).
- Food Assistance Program/Food Stamp Program (Recommendation B3).
- Summer Food Service Program (Recommendation B4).
- Nutrition education (Recommendation B5).
- Emergency food needs (Recommendation B6).
- Select Michigan program (Recommendation C1).
- Farm-to-school (Recommendation C2).
- Department of Corrections Michigan food purchases (Recommendation C3).
- Support for farmers' markets (Recommendation C4).
- Farmland preservation (Recommendation D1).
- New market development (Recommendation D2).
- Increasing Michigan agriculture visibility (Recommendation D3).
- Expanding and stabilizing the farm workforce (Recommendation D4).
- Role of Michigan State University Extension (Recommendation D5).

Each recommendation addresses at least two of the executive order goals listed earlier. In turn, each goal is addressed by several recommendations (Table 1). This interconnectedness of recommendations and goals illustrates the very nature of the agri-food system. It is not a system that is easily divided into topics or departmental purview. The value and strength of the council's efforts lie in how the goals, topics and recommendations tie together when considered as a package.

Michigan Food Policy Council Recommendations and Executive Order Goals

Direct Benefits

EO Goals	Table 1 Recommendations	A1	A2	A3	A4	A5	B1	B2	B3	B4	B5	B6	C1	C2	C3	C4	D1	D2	D3	D4	D5
Increasing economic activity in Michigan resulting in new and expanded businesses and jobs across all food-related sectors in this state.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Strengthening Michigan's urban and rural areas with food-related revitalization projects.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Increasing access to fresh and healthy Michigan-grown foods, including : school children, low-income families, at-risk seniors, and inner-city residents.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Promoting institutional and public purchase and consumption of Michigan-grown and Michigan-processed foods.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Enhancing the viability of small- to mid-scale family farms in Michigan by promoting direct farm marketing, sustainable agriculture, and agri-tourism, among other initiatives.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Preserving farmland as open space and amplifying the environmental benefits of agriculture by promoting sustainable agriculture practices in Michigan.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Identifying strategies to increase collaboration and communication between state agencies in the delivery of food-related programs and evaluation of collaborative opportunities.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Recommending approaches that maximize coordination of existing federal, state, and local resources and capture additional federal resources for Michigan.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Identifying or recommending programs or pilot programs that enhance access to Michigan-grown foods and Michigan-processed foods.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Identifying mechanisms by which Michigan may expand markets for agricultural products, including, but not limited to, niche markets such as "organically-produced," "pasture-raised," and "sustainably-grown".		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Developing strategies aimed at enhancing connections between Michigan growers and Michigan food outlets.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Developing recommendations to the Department and the Governor not later than October 1, 2006 to encourage the creation of at least 1,000 new food-related jobs in Michigan.		█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█

Many of the recommendations do not require new public expenditures but rather a shift in policy priorities. In fact, the very existence of a food policy forum such as the MFPC has resulted in developing collaboration opportunities, which optimize programmatic opportunities and funding. There are, however, some policy recommendations that require innovative solutions and commitment of public funds, most of which do not require new public monies but a shift in current spending patterns or priorities. While the council strived to fully vet recommendations, neither complete cost evaluation nor prioritization of spending among the recommendations was undertaken. The council believes that the package of recommendations and corresponding implementation strategies, if implemented, stand to result in economic, public health and agricultural benefits. The potential benefits and costs of the recommendations should be carefully weighed when considering implementation in relation to state budget negotiations.

Over sixty individuals regularly participate in the work of the council, as council members, task force participants, or staff. Varied groups and individuals have come together, invested time, effort and creativity, and are committed to building on the successes of the council. Upon completing this set of policy recommendations, work remains for the council in facilitating implementation, evaluating efforts, and maintaining a forum for stakeholder dialogue as issues arise. The council provides a valuable opportunity to develop integrated policy options that enhance Michigan's agri-food system by improving agricultural production, public health and community well being.



Chapter 1: Introduction

Michigan's economic landscape is changing. As Michigan builds a stronger, more diverse economy for the 21st century, the agri-food industry will play an increasingly important role. At \$60.1 billion a year and growing, the agri-food industry is the state's second largest and employs over one million people. While there is tremendous potential for bio-fuel production and growth in this sector, food production and processing will continue to be an important and reliable part of this industry's economic success.

Due, in part, to Michigan's bountiful natural resources and unique geological features, the state's agricultural diversity is second only to California's. There is great potential for Michigan's agri-food industry to increasingly produce, process, distribute and sell food for consumption by 10 million Michiganians. If consumers spent an additional 10% of their at-home food budget on Michigan foods, sales of Michigan-grown foods would increase by \$730 million, benefiting the entire state.

Issues and Trends

Michigan's agri-food system currently faces both challenges and opportunities, and the challenges themselves often pose opportunities for positive change. Urban sprawl threatens farmland as farmers look to find new markets for their products, while many low-income urban consumers have limited access to fresh, nutritious foods. These two seemingly disparate problems can perhaps have a common solution. While some sectors in food and agriculture are declining or stagnating, the agri-food industry is estimated to grow overall in Michigan by \$1 billion a year. Michigan farmers can increase their share in growing markets such as direct market sales in underserved neighborhoods, fresh produce, organic foods and other specialty products.

Farmers across the country are facing increasing pressure to sell their land for development. Between 1974 and 2002, almost 700,000 acres, or 6%, of Michigan's farmland was converted to other uses. In the same time period, the number of farms in Michigan went from 64,094 to 53,315, a 17% reduction. Farms and farmland contribute far more than jobs and dollars to Michigan's well-being. They provide open space for recreation and views, food for Michigan residents, environmental benefits, and they represent a rural way of life that is an integral part of Michigan's "personality."

At the same time, the average American diet is far from what is recommended by public health and medical authorities across the country. For example, most Americans do not consume the recommended daily intake of fresh fruits and vegetables. In fact, they consume approximately 3.7 of the five recommended daily servings of vegetables, and only 1.4 of the four recommended daily servings of fruits. A growing number of public health issues are linked explicitly to food: heart disease, diabetes, high blood pressure, stroke, osteoporosis, arthritis and some types of cancer. Over the past twenty years, the prevalence of overweight children between the ages of six and eleven has more than doubled, to 18.8% in 2004. In Michigan in 2005, more than one out of every ten high school students was overweight. There are a number of factors that play a role in these trends, and access to and information about healthy eating options are important contributors.

It is becoming more important to promote healthy eating behaviors, but in some areas of the state residents lack convenient access to supermarkets or other food outlets that provide healthy food options. Recent research has shown that these "food deserts" are linked to a higher prevalence of chronic health issues and related deaths. Food deserts can be mitigated with community gardens,

farmers' markets and supermarkets and other food outlets that increase residents' access to fresh, wholesome foods. If Michigan residents consumed the recommended daily intake of fruits and vegetables and more of that produce was Michigan-grown, then there would be a substantial market opportunity for Michigan food producers.

Opportunities for farmers and agri-food entrepreneurs include the growing organic foods market, direct-to-consumer markets such as farmers' markets and community supported agriculture (CSA) farms, agri-tourism, and value-added food processing, among others. The organic industry has grown nationally by 17-21% each year since 1997, while all domestic food sales grew by only 2-4% during the same period. Industry analysts predict that the organic market will continue to grow at a rapid pace. Michigan currently has 205 relatively small organic farms² and could capture a greater share of this market.

Farmers are already finding success in direct-to-consumer markets and value-added products such as selling produce for fresh consumption instead of processing. Michigan asparagus growers, with the help of the Select Michigan program, have received up to a 20% premium on asparagus sold to fresh markets and have increased asparagus sales to fresh markets from 5% in 2002 to 25% in 2005.

Farmers, with some support and shared risk, have also proven that they can be innovators and early adopters of new strategies and technologies. They are ready and able to try new things, and many have innovative plans to improve their operations. The most recent round of recipients of the Michigan Department of Agriculture's Agricultural Innovation Grants were chosen from an applicant pool of 225 proposals.³

Finally, Michigan's food processing and manufacturing sector is directly responsible for over \$12 billion in economic output, and almost 40,000 jobs. Food processors provide an important market for Michigan's farm products. In order to encourage new and expanded food processing businesses, state departments must increase their collaboration in regulating this industry in a cost-effective and responsible manner that allows for continued innovation and development. Policies that support Michigan farms, food processors, distributors and retailers can synchronize with policies to increase access to fresh and healthy foods for all of Michigan's citizens.

Background and Structure

Given the opportunities and challenges, it is important for the state to adequately invest in the agri-food economy while generating the greatest quality-of-life benefits for residents. Food policy councils, often established by state or local governments, have effectively brought together diverse constituencies to employ a food systems approach facilitating policy and program development at every stage of the agri-food system.

Governor Granholm established the Michigan Food Policy Council (MFPC) by Executive Order 2005-13 to cultivate a safe, healthy and available food supply for all of Michigan's residents while building on the state's agricultural diversity to enhance economic growth. Over the last fifteen months, the council has provided a forum for state officials and stakeholders to develop policy recommendations that optimize the agri-food system while making connections between economic development, agricultural production, public health and community well being.

² A recent survey of Michigan's organic farmers found the average organic farm to be 237 acres.

³ Forty grants, totaling approximately \$5 million, will likely be awarded in October 2006, pending approval by the State Administrative Board.

The twenty-one governor-appointed council members represent a broad spectrum of public and private stakeholders including:

- The directors or their appointees from:
 - Michigan Department of Agriculture (MDA), chair.
 - Michigan Department of Labor and Economic Growth (DLEG).
 - Michigan Department of Community Health (MDCH).
 - Michigan Department of Education (MDE).
 - Michigan Department of Human Services (DHS).
 - Michigan Department of Environmental Quality (DEQ).
- Two representatives from state farm organizations.
- Two representatives from the sustainable agriculture community.
- One higher education representative.
- One K-12 education representative.
- One community-based urban development representative.
- One rural development representative.
- One representative from the anti-hunger community.
- One representative from the public health arena.
- One representative from the food processing industry.
- One representative from food retailing.
- One representative from the restaurant sector.
- One representative from organized labor.
- One representative from non-food manufacturing.

The full council has met six times since June 2005 to learn about and discuss the state's agri-food system and develop the policy recommendations presented in this report for the governor's consideration. In the first meeting, council members decided to form four task forces to explore issues, programs and policies in more depth and develop draft recommendations for the council's consideration. The task forces are:

- *Task Force A: Expanding Food-Related Businesses and Jobs* recommended programs and policies that increase economic activity resulting in new and expanded businesses across all food-related sectors in the state.
- *Task Force B: Improving Access to Fresh and Healthy Foods* recommended programs and policies that increase access to fresh and healthy foods to all Michigan residents – especially children, low-income and/or at-risk seniors and families, and urban residents.
- *Task Force C: Promoting Michigan Foods* recommended programs and policies that promote institutional and public purchase and consumption of Michigan-grown and -processed foods.
- *Task Force D: Enhancing Agricultural Viability* recommended programs and policies that economically and environmentally strengthen the state's agricultural systems and expand upon the state's agricultural viability.

The task forces include additional stakeholders beyond the council members. Each task force

consists of council members, state employees and members of the public. Some additional organizations participating on task forces include:

- Michigan commodity organizations.
- Michigan Land Use Institute.
- Center for Civil Justice.
- Michigan Economic Development Corporation (MEDC).
- Michigan Food Processors Association.
- Michigan State University Product Center for Agriculture and Natural Resources.
- Food System Economic Partnership.
- Travel Michigan.
- Sysco Food Services, Grand Rapids.
- University of Michigan Integrative Medicine Clinical Services.
- Burr Oaks Farm.
- Michigan Department of Corrections (MDOC).
- Michigan State University Extension (MSUE).

Task forces drafted recommendations at each meeting and the council considered recommendations as they moved out of the task forces. This process facilitated covering many important topics in a relatively short amount of time.

Within the executive order framework, the council and task forces developed recommendations based on:

- Expertise and interest of the council members and task force participants.
- Research and reports relating to agri-food system issues.
- Presentations from public experts at council and task force meetings.
- Public input from the regional public listening sessions, written submissions and public attendance at council and task force meetings.

The council held four regional public listening sessions to solicit comments and recommendations relating to the council's mission. The sessions were held in Grand Rapids, Grayling, Kalamazoo, and Detroit between December 2005 and March 2006. All council and task force meetings were open to the public and written comments could be submitted electronically or by mail at any time. Public comments were given to the relevant task forces and incorporated into recommendation development discussions.

Lessons Learned

The strength of this process lies in the opportunity to address complex and interrelated food policy issues across the spectrum of the state's agri-food system. There is not one "silver bullet" solution or recommendation that can reach across all aspects of the agri-food system. When considered in their entirety, the twenty recommendations address many of the major challenges and opportunities that await food system change in Michigan. The recommendations are related within and across task force topic areas, and each executive order goal is addressed by multiple recommendations (see Table 1 on page 9). Implementing the recommendations together, even incrementally, can result in system-wide change.

As a result of bringing diverse stakeholders together, the theme of collaboration – to optimize program effectiveness and funding – surfaces repeatedly throughout the recommendations. Council members and task force participants consistently noted the networking and information exchange between the varied constituencies as the greatest benefit of this council. Too often, departments and other organizations work in isolated fields, or “silos.” The council recognized the importance of collaboration in the recommendations, and in the process itself, to enhance the effectiveness of agri-food policies and programs in the state.

The recommendations focus on what the state can do to improve the agri-food system, and, as a result, the level of action and potential impact varies across the recommendations. In many cases, the recommendations highlight the state’s important role in collecting and disseminating information and resource tools, and in making links between various groups working on similar or complimentary issues.

Recommendations

Twenty policy recommendations have been passed by the council and are included in this report. Each recommendation includes a policy statement, an explanation and list of implementation strategies. The council voted on the policy recommendations only and they are presented as passed in Chapters 2-5. The recommendations with corresponding explanations and lists of implementation strategies are available in Appendices A-D according to the name of the originating task force.

The council strived for consensus when reviewing and approving recommendations and took appropriate measures to vet recommendations and build consensus throughout the process. The council achieved consensus on all of the recommendations. Changes in circumstances or roles of identified actors should not be barriers to implementing policies in the most effective and efficient manner possible as long as the intent of the recommendations is not compromised.

The recommendations are of varying degrees of complexity, difficulty, and impact on the agri-food system. While some recommendations and implementation strategies are “low-hanging fruit” and could be accomplished relatively quickly and easily, certain recommendations require long-term efforts as well as adequate and sustained funding sources. The magnitude of benefits of any of the recommendations is dependent on the priority and effort given to implementation.

In the time allotted, the council focused on developing recommendations for the governor’s consideration. Some recommendations and implementation strategies have moved forward due to the involvement and work of the decision makers and program managers on the council. Progress on recommendations is noted in the following chapters.



Chapter 2: Growing the Agri-Food Economy

Michigan's agri-food economy is rapidly changing and the state has an opportunity to position its second largest industry for economically and socially sustainable growth into the 21st century. For various reasons, farming, food production and related agri-food industries have not been, and are still largely not included in traditional economic development plans and models across the country. Links and partnerships between the state's business and job development networks and the agri-food industry networks are necessary catalysts for growing Michigan's agri-food economy.

A recent Michigan State University (MSU) study concludes that given continued investment and policy support, the agri-food industry can grow by \$1 billion per year while adding 12,000 to 23,000 new jobs annually. The council considered recommendations relating to agri-food entrepreneurship, food processing, Agricultural Processing Renaissance Zones and retail grocery development to provide a framework for state-level policies that will contribute to economic development.

Michigan State University's Product Center for Agriculture and Natural Resources projects that small- and medium-sized businesses in the agri-food sector, with appropriate investment and support, have far greater potential to create jobs than large-scale projects. While there are many state-sponsored and -supported programs that serve entrepreneurs, there is limited entrepreneurial support tailored to the specific needs of agri-food entrepreneurs.

Recommendation A1: Encourage entrepreneurs in agri-food businesses, and support the networks that help them to be successful.

- a) DLEG, MEDC and MDA should make existing entrepreneurial support services, networks and funding available and accessible to entrepreneurs in agri-food industries and provide equal support to all sizes and scopes of operation.
- b) DLEG, MEDC and MDA should partner with organizations such as MSU's Product Center to establish service hubs for agri-food entrepreneurs, linking state agencies, universities and other service providers.

Another important piece of Michigan's agri-food economy is the food processing and manufacturing industry, which includes fruit and vegetable, meat, dairy and grain processing. Critical to ensuring the viability of Michigan farmers, the food processing industry also accounts for approximately \$12 billion in direct economic activity (in 2002), and almost 40,000 jobs (in 2004).

Recommendation A2: Encourage and support new and existing food processing businesses, and investigate meat-processing needs.

- a) MDA and DEQ should assist existing and prospective food processors in navigating environmental and food safety regulations, obtaining necessary permits and achieving compliance.
- b) MDA should work with appropriate partners, such as the MSU Product Center, to convene a workgroup/conference to investigate meat-processing needs in the state and to discern solutions that will meet the needs of farmers and processors in a cost-effective manner.

- c) MDA and appropriate partners should analyze and develop strategies to address challenges to existing meat processors including supply and capacity concerns.
- d) The state should develop economic policies that benefit food processors, such as incentives for using Michigan products and financing/capitalization for development, retention and expansion.
- e) MDA, MEDC and relevant stakeholders should explore new and emerging processing opportunities in the state, such as organic foods processing, as public demand for “niche products” continues to grow.

Established in 2000, the Agricultural Processing Renaissance Zone (APRZ) program supports food processors and is one of the state’s only economic development tools directly targeted for the agri-food industry. The APRZ program exempts qualified agricultural processors who want to expand or begin operations in Michigan from numerous state and local taxes. As of October 2005, the companies granted the existing seventeen APRZ designations had committed to developing 1,166 new jobs and investing \$547.75 million over the lifetime of their designations. Since the council considered Recommendation A3 below, Governor Granholm signed a package of legislation designating ten new APRZs for biofuel research or processing plants.⁴

Recommendation A3: Expand the impact of the Agricultural Processing Renaissance Zones program.

- a) The state legislature should amend the Michigan Renaissance Zone Act to authorize additional APRZs with the following considerations:
 - i) The state legislature should include in the standard criteria that APRZ processors use Michigan-grown agricultural products or commodities *when possible*.
 - ii) The state legislature should create “mini-APRZs” with criteria thresholds to accommodate smaller-scale processing initiatives.
- b) MEDC and MDA should:
 - i) Prioritize the location and development of additional livestock/poultry/dairy processing companies and/or the expansion of existing facilities in Michigan.
 - ii) Encourage and provide incentives for the expansion of existing facilities and development of new facilities to take advantage of Michigan’s agricultural diversity.

With the exception of APRZs, economic development opportunities specifically targeting agri-food businesses have been lacking and much more can be done to support agri-food businesses and entrepreneurial efforts through outreach and collaboration. Expanding or enhancing partnerships can help farmers, food processors, marketers, and others with food-related businesses grow existing and develop new business initiatives.

Collaboration opportunity areas identified in the implementation strategies for Recommendation A4 below include more comprehensive information on Michigan Department of Labor and Economic Growth’s (DLEG) “Be Your Own Boss” website and Michigan Site Network, and on developing additional support materials for an agri-food industry toolkit. Many of the identified opportunities have been moving forward at the departmental level, including a commitment by DLEG to develop Regional Skill Alliances (RSAs) for the agri-food industry.

⁴ Signed into law in July 2006, PA 268 – PA 274 provide state support to the biofuels industry, including the creation of new agriculture renaissance zones to help spur new ethanol and biodiesel processing plants.

Recommendation A4: Pursue outreach and collaboration opportunities that support agri-food businesses and entrepreneurial efforts.

- a) The state should seek to enhance the working relationships between state departments that impact agriculture and agri-food businesses, increase information accessibility for interested publics, and create new partnerships for business and job growth.

While many of the recommendations have overlapping strategies and goals, Recommendation A5 is as much about access to fresh and healthy foods (described in Chapter 3) as it is about growing agri-food businesses and jobs. Many studies document the lack of supermarkets in poor and/or urban communities. The term “food desert” is used to describe an area without supermarkets or convenient access to fresh, nutritious and affordable food; some areas in Michigan and many neighborhoods in metropolitan Detroit are considered food deserts.

Grocery store development in underserved locations can create benefits on many levels, including: jobs; community economic development; improved selection, quality and price of food; and health benefits. A Kalamazoo neighborhood association spearheaded an effort to bring a Felpausch grocery store to the city’s north side creating thirty new full-time jobs for community residents. In Pennsylvania, a concerted effort to create inner-city grocery stores has led to seven new stores and over 1,400 new jobs.

Federal food assistance clients receive their benefits electronically on a Michigan Bridge Card once at the beginning of each month. As a result, the majority of food stamp purchases occur within the first half of the month, making it difficult for food retailers in lower-income communities to maintain inventory and staff at consistent levels throughout the month. Issuing once-monthly benefits per client on a rolling basis throughout the month would reduce the current “boom and bust” food purchasing cycle and increase grocery store viability in lower-income communities.

Recommendation A5: Improve access to fresh and healthy foods by increasing the number of supermarkets and fresh food retail outlets that serve urban low-income populations.

- a) MEDC should support five communities in which to initiate urban grocery store development and/or revitalization in underserved communities and supply matching funds given availability and/or work with private foundations for financial support.
- b) DHS should explore issuing Food Assistance Program (food stamp) benefits across the calendar month, easing “boom and bust” redemption cycles in grocery stores.



Chapter 3: Accessing Fresh and Healthy Foods

While the majority of Michigan residents do not worry about where their next meal is coming from, approximately 1.1 million people experience food insecurity to some degree. The United States Department of Agriculture (USDA) defines “food security” as access by all members of a household at all times to enough food for an active, healthy life, including the ready availability of nutritionally adequate and safe foods and an assured ability to acquire acceptable foods in socially acceptable ways. It is important to note that food insecurity is not necessarily the same as hunger. Research has shown that food insecurity is directly linked to increased incidence of illness and disease.

There are many programs in Michigan that, at the very least, temporarily alleviate the pressures of food insecurity including the services of the state-level emergency food provider network and federal programs such as the Food Stamp Program⁵; the Special Supplemental Nutrition Program for Women, Infants and Children (WIC); Project FRESH and Senior Project FRESH; and the Summer Food Service Program (SFSP). While the council does not want to see an increased need for these programs, the effectiveness of these programs and others can be improved to ensure more Michiganders have access to fresh and healthy foods at all times. To that end the council considered recommendations covering direct market opportunities in underserved areas; community, school and urban gardens; the federal Food Stamp Program and SFSP; nutrition education; and emergency food needs.

Direct markets, which include farmers’ markets, roadside stands, mobile markets, cooperative buying programs and others, are opportunities for underserved, food desert communities to increase access to fresh and healthy foods locally. Increasing direct market locations in underserved neighborhoods and communities can provide economic, social, and health benefits to residents, and a relatively untapped market opportunity for farmers.

Many programs, such as the Food Assistance Program (FAP), Project FRESH and Senior Project FRESH, are critical links between at-risk populations and direct markets. While Project FRESH and Senior Project FRESH coupons are specifically for fresh produce purchases at direct markets, the FAP’s transition from paper food stamp coupons to the Electronic Benefit Transfer (EBT) card⁶ has inadvertently made recipients unable to redeem their benefits at most farmers’ markets as they are typically cash-only operations. The Project FRESH and Senior Project FRESH programs provide economic benefits both to recipients and to vendors as purchases totaled \$477,000 and \$68,000 respectively in 2004. To this end, there is much room to improve the capacity of direct markets to accept food stamps (via EBT cards) for fresh produce purchases.

Since Recommendation B1 below passed the council, the Michigan Department of Agriculture (MDA), in partnership with Michigan State University (MSU), has received a federal grant through the Federal-State Marketing Improvement Program (FSMIP). MDA and MSU will identify strategies for farmers’ markets managers and policy makers to increase the number and diversity of customers at farmers’ markets in the state, with a focus on consumer groups that are underserved.

⁵ The Food Stamp Program is federally funded and administered at the state level. In Michigan, it is called the Food Assistance Program (FAP). For reference, however, all federal food and nutrition programs (including the Summer Food Service Program, National School Lunch Program, WIC program, Food Stamp Program, and many others) fall under the umbrella title of “nutrition assistance programs.”

⁶ In Michigan, the EBT card is called the “Michigan Bridge Card.”

Recommendation B1: Improve access to fresh and healthy foods through direct markets.

- a) The state should support increasing the number of direct market locations in communities with underserved and low-resource populations through identification of funding opportunities and research.
- b) The state should increase the number of direct markets that can accommodate underserved populations through the EBT, Project FRESH and Senior Project FRESH programs and increase the capacity of direct markets to implement these programs.
- c) The state should strategically distribute state and federal funding to increase consumption of direct market fresh foods by target populations.
- d) The state should coordinate outreach and education to target populations to increase awareness of and demand for direct market fresh foods.

In addition to direct markets, community, school and urban gardens provide access opportunities to fresh foods for those that are traditionally underserved or are in need. Schools and communities with gardens can benefit from increased access to fresh and healthy food, exercise and recreation opportunities, economic development, community development and beautification, environmental remediation and storm water filtration, and property values.

Recommendation B2: Increase the numbers and success of school, community and urban gardens as a means to increase access to fresh and healthy food.

- a) MDA, in partnership with MSUE, MDCH and other appropriate organizations, should provide technical assistance and direction to communities and organizations that promote community and urban gardens.
- b) MDE should specifically encourage the installation of school gardens and minimal cooking instruction facilities at every school as part of farm-to-school and school wellness policy development and implementation.
- c) The state should work to encourage links between community gardeners, Project FRESH vendors and WIC distribution sites.

While community gardens and direct markets are largely community-driven access opportunities, state-administered federal food and nutrition programs play a major role in addressing food security needs across the country. The Food Assistance Program (FAP) in Michigan, or the Food Stamp Program, is the largest program in terms of reach and benefits, and it brings approximately \$1 billion of federal funds into the state every year. The FAP works to address hunger and food insecurity in low-income populations, and at the same time, it is an economic driver for many retail and grocery outlets in low-income areas. Every \$5 in food stamp benefits spent generates approximately \$9.20 in total community spending.

Sixty-five percent of eligible persons participated in the FAP in 2005, placing Michigan 12th in the nation in terms of participation rate. Increasing participation among eligible people is often the main goal of food stamp recommendations, as the program not only benefits food-insecure clients but also helps support Michigan retail businesses with federal funds. The main barriers to participation in the program include lack of awareness of the eligibility threshold, and the amount of time and paperwork required to apply for the program.

Recommendation B3: Increase participation in the Food Assistance Program.

- a) DHS should increase accessibility and ease of participation in the Food Assistance Program (FAP).
- b) DHS should increase awareness of the FAP among eligible people, including those of limited English proficiency (LEP).
- c) DHS should increase partnerships utilized to promote and administer the FAP.
- d) DHS should lead and join in efforts to protect key program components at the federal level.

The Summer Food Service Program (SFSP) is also a state-administered federal program that recruits and reimburses sponsor organizations for providing nutritious meals to children during the summer when the National School Lunch Program (NSLP) is not available. Research has shown that when children are poorly nourished, they are more likely to become sick, have low test scores, and shorter attention spans. However, due to various barriers including the federally-defined “area eligibility”⁷ requirements, the summer meal programs reach only thirteen children per one hundred who participate in the meal programs during the school year.

Recommendation B4: Improve access to fresh and/or healthy foods for low-income children through the Summer Food Service Program.

- a) MDE should continue to increase the number of sponsors and sites administering the Summer Food Service Program (SFSP) and publicize annual goals. MDE should increase the awareness of goals and encourage sponsors to work with MDE to achieve the goals.
- b) MDE should continue to increase the number of children participating in the program and publicize annual goals. MDE should increase the awareness of goals and encourage partners to work with MDE to increase participation.
- c) MDE should continue to pursue and secure state, local, faith-based and non-profit partnerships to help ensure that annual goals of sponsorships, locations, and participation are met and that the value of the food and services received by children at SFSP sites is expanded.

Many state-administered federal food programs include nutrition education components and the Michigan State Nutrition Action Plan (MISNAP) Steering Committee develops the inter-departmental nutrition education plans for the state. In Michigan, over one million people receive food assistance through federal programs and many do not practice healthy nutrition and physical activity behaviors. As a result, they are at increased and/or premature risk for obesity and other chronic diseases including heart disease, diabetes, high blood pressure, stroke, some types of cancer, osteoporosis, and arthritis. The state can increase nutrition education to at-risk populations and bring more federal funds to Michigan by routinely identifying and submitting eligible state funds for match through the federal Food Stamp Nutrition Education program.

⁷ Area eligible sites are located in school districts where at least 50% of the children are eligible for the free and reduced price school lunch program. At these sites, children are not required to provide individual eligibility certification.

Recommendation B5: Incorporate nutrition education and promotion as a part of all food assistance programs.

- a) The state should recognize the Michigan State Nutrition Action Plan (MISNAP) as the guiding document for nutrition education and promotion in Michigan, and should officially designate the MISNAP Steering Committee as a standing committee of DHS.
- b) DHS, MDCH, MDE and MDA should identify qualifying USDA cost share for nutrition education and promotion in food assistance programs, and collaborate with the MISNAP Steering Committee to utilize it statewide and within counties.

The food bank network in the state provides a food safety net for people any time they are in need. Seventy percent of households receiving emergency food services have incomes below the national poverty level and many clients have to choose between buying food and paying for housing, utilities, and/or medicine. Michigan’s food bank network strives to meet these food needs in a cost-efficient manner while also delivering the appropriate quality and quantity of food to those who need it most. The Michigan Agricultural Surplus System (MASS) program is administered by the state’s food bank network and it acquires fresh produce from Michigan farmers to distribute to clients. MASS provides a market for surplus product that is critically needed by the food bank network, reduces food waste and helps farmers stay economically viable. Due to large purchase volumes, MASS has historically provided food at a cost of about ten cents per pound.

Recommendation B6: Increase access to and support for emergency food resources.

- a) MDA should strengthen connections between Michigan agriculture and hungry residents by supporting and expanding the Michigan Agricultural Surplus System (MASS).
- b) DHS should support the emergency food network in Michigan by increasing grant funding for transportation of food donations into and around the state through the food bank system.
- c) The state should request reports from human service organizations and agencies that receive state-funding regarding coordinated local efforts to create and publicize lists of emergency food sites, in order to better serve consumers using existing community emergency food resources.



Chapter 4: Selecting Michigan Foods

With the second most diverse agricultural industry in the country, Michigan has a unique ability to produce a wide variety of foods for in-state consumption. Increasing consumption of Michigan foods by Michigan residents through state-level promotion, direct marketing efforts and institutional purchasing will have a beneficial multiplier effect across the state's economy. Increasing purchases of Michigan foods will help local farmers, processors and retailers capture a larger share of residents' food purchasing power. Additionally, choosing Michigan foods reduces the number of miles food travels before purchase. Fewer "food miles" results in lower transportation energy costs and use and the higher likelihood that food is fresher and perhaps more flavorful and nutritious. Michiganians also benefit from supporting local farmers and processors by cultivating a local agri-food system that can provide a layer of "food security" in cases of regional, national or international food or energy supply disruptions.

The following recommendations focus on promoting institutional and public purchase and consumption of Michigan-grown and -processed foods by targeting the Select Michigan program, institutional purchasing of Michigan foods at schools and correctional facilities, and support for farmers' markets.

The Michigan Department of Agriculture's (MDA) Select Michigan program promotes public purchase of Michigan foods in grocery stores in Grand Rapids and Detroit. With additional resources, this program can expand to other regions and markets, and build on its successes of increasing awareness and purchases of Michigan foods at grocery stores. If consumers spent an additional 10% of their at-home food budget on Michigan foods, sales of Michigan-grown foods would increase by \$730 million.

Recommendation C1: Support the development and institutionalization of the Select Michigan Program.

- a) The Select Michigan program should receive consistent state funding support on an annual basis starting in FY 2007. This money should be used to pursue partnerships with commodity groups, private industry, foundation and federal programs to enhance the program.
- b) The Select Michigan program should eventually expand consumer outreach, promotional and marketing efforts to non-grocery sectors, including restaurants, farmers markets, farm-to-institution initiatives and farm markets.

While the Select Michigan program currently works with retailers, the State of Michigan is in a position to increase institutional purchasing of Michigan foods at schools and correctional facilities. Increasing Michigan foods in schools – especially local, fresh produce – has many benefits including: expanding markets for farmers, increasing nutrition and nutrition education, and increasing awareness of food and agri-food systems for school children. These benefits can be amplified by tying local, fresh food into a curriculum that includes information on nutrition, agri-food systems and Michigan agriculture. However, there are many hurdles for farm-to-school efforts, such as the federal food procurement regulations, which specifically prohibit geographic preference in bid requests. School food service directors are bound by the federal procurement regulations since school meal programs are federally-funded.

There are, however, several successful farm-to-school initiatives around the country, and in Michigan. Farm-to-school initiatives include not only food service procurement of local farm

products, but also school gardens, field trips to farms and farmers' markets, nutrition education, and using local farm products for school fundraisers. Many of these initiatives use non-federal funding or work within federal guidelines to fund their projects.

As articulated in the implementation strategies for both Recommendations C2 and C3 below, a group of non-profit local food organizations, in partnership with the MDA, has begun developing a local foods website. The website will provide a searchable directory linking buyers and sellers of Michigan foods and will include local food system information, programs and activities across the state.

Recommendation C2: Increase the purchase of Michigan-produced foods by Michigan schools for service to students.

- a) MDA should assist farmers, processors and suppliers providing Michigan foods in working with school food service directors.
- b) MDE should assist school food service directors in working with farmers, processors and suppliers when providing Michigan foods to schools.

The state has more flexibility and leverage in food procurement for correctional facilities since funding comes from the state; state procurement regulations do not prohibit geographic preference but do require contracts to provide the "best value" for products and services supplied. In 2005, the Michigan Department of Corrections (MDOC) contracted for food purchases worth \$43 million, and approximately 11% of the food provided by suppliers was grown and/or processed in Michigan. Additionally, weekly spot buys⁸ are opportunities for facility food service directors to get produce and other fresh items from local farmers and processors, but for various reasons connections between local producers and food service directors have been uncommon.

The Michigan Department of Corrections and Michigan Department of Management and Budget (DMB) have been working on many components of Recommendation C3 below and related implementation strategies, including requesting Michigan-specific product information in the food bid requests for the current contract cycle and creating work groups at each correctional facility to work with local farmers in developing "Farm-to-Plate" programs.

Recommendation C3: Increase the amount of Michigan-produced and/or –processed foods purchased by the Michigan Department of Corrections.

- a) DMB and MDOC should cooperate to increase contract purchases of Michigan-produced and/or -processed food by 5% per year⁹ for 2006, 2007 and 2008, provided that such increase is economically feasible. The goal should be evaluated every contract cycle to determine if higher levels might be achieved.
- b) DMB, MDOC and MDA should develop information and education opportunities for farmers and correctional facilities on the spot buy process.

Outside of state institutional purchasing, connections between local producers and consumers are increasingly made through the growing numbers of successful farmers' markets in the state. There

⁸ "Spot buys" are frequent purchases by correctional facility food service directors (usually for produce and fresh items) for up to \$25,000 per buy. The food service directors must get bids by phone or in writing from at least three vendors.

⁹ The specified increase should be calculated as 5% of the purchasing level of Michigan-produced and/or –processed foods for the previous fiscal year. For example, in FY05, the purchasing level for Michigan foods was \$4.7 million, or 11% of total purchases. The purchasing level for FY06, then, should demonstrate an increase by 5% of \$4.7 million, or an additional \$235,000 spent on Michigan-produced and/or –processed foods.

are currently over 150 farmers' markets in Michigan, an increase of 130% since 2000.¹⁰ The popularity of farmers' markets is a testament to the economic, social, and health benefits that can result for communities. Farmers' markets have proven to be social gathering places, access points to fresh foods, economic drivers for area merchants and participating farmers and, in some cases, tourist attractions.

Similar to Recommendation B1 (Chapter 3), Recommendation C4 calls on the state to partner with farmers' markets and other entities to optimize the benefits associated with established farmers' markets, and ensure the long-term success of the markets. A farmers' market support program at MDA could lead interdepartmental direct market access efforts, join farmers' market promotion with nutrition education and agri-tourism efforts, and develop food quality standards and guidelines for managing farmers' markets.

Recommendation C4: Provide support for developing and improving farmers' markets in Michigan.

- a) MDA should develop a Farmers' Market Support Program.



¹⁰ Michigan State University documents these numbers. It is difficult to track farmers' markets, however, as there is no formal state or federal registration or licensing procedure.

Chapter 5: Cultivating Agricultural Viability

Farming is a crucial aspect of Michigan's "personality," and, despite challenges farmers face across the country, farming is the foundation of the state's agri-food industry. A recent Michigan State University (MSU) report estimates the contribution of the *farm* industry to the state's economy is \$6.8 billion annually, with over 100,000 jobs associated with the state's 53,000 farms.

The opportunities and problems facing the farm industry are complex and interrelated. There cannot be farms without farmland or farmers. At the same time, attracting new farmers is difficult if farming is not a viable venture. Therefore, the following recommendations are best considered as a package to increase agricultural viability. The recommendations address the topics of farmland preservation, new market opportunities, the visibility of the agricultural industry, workforce development, and the changing role of Michigan State University Extension's (MSUE) agriculture services.

Without farmland, there can be no farms at all, and any discussion of agricultural viability becomes immaterial. Between 1997 and 2002, Michigan lost approximately 60,000 acres of farmland per year. Productive farmland is one of Michigan's greatest assets, and it is important to protect, enhance and preserve Michigan farmland in order to support a diverse and sustainable economy in the state. Michigan residents value farms and farmland, and wish to see them preserved. Many of the benefits associated with farms and farmland are "public benefits," and so it falls to the state to address this issue.

Michigan temporarily preserves over three million acres of farmland under the Farmland and Open Space Preservation Act.¹¹ The state also protects land permanently through donated conservation easements and through grants from the Michigan Agricultural Preservation Fund. Unfortunately, the Agricultural Preservation Fund is not sufficiently funded. Michigan needs a comprehensive and strategic plan, and ensuing action, for significant farmland preservation in the state.

Recommendation D1: Preserve a significant acreage of valuable Michigan farmland using a variety of temporary and permanent preservation techniques over the next twenty years, and maintain the viability and diversity of Michigan agriculture.¹²

- a) The state should develop an official "vision" for strategic preservation of valuable farmland that includes at least one million acres of farmland permanently protected, in addition to acreage targets for temporarily preserved farmland, explicit funding strategies and programs, and evaluation benchmarks to facilitate and document progress toward this vision.
- b) The state should identify and direct adequate funding for the Agricultural Preservation Fund to achieve the one million acre target. The state should use these funds in partnership with local communities, with the stipulation that 5% of the proposed annual funding should be dedicated to agricultural viability efforts and encouraging innovation in agriculture.
- c) The state should implement the recommendations made by the Michigan Land Use Leadership Council with respect to farmland preservation.
- d) The state should explore options for protecting urban agricultural lands in addition to rural farmland.

¹¹ The Farmland and Open Space Preservation Act (PA 116) creates a voluntary program whereby farmers can establish a temporary restriction on the development of enrolled farmland, in exchange for tax benefits.

¹² There has been significant research exploring the ramifications of farmland loss and the need for preservation in Michigan. This recommendation is based on that research and earlier recommendations from groups including MSU's Land Policy Institute and the Michigan Land Use Leadership Council.

In order to preserve farms, farming must be an economically viable venture, and preserving farmland, while certainly crucial, is only one piece of this. Expanding all sectors of Michigan agriculture along with developing new niche markets and other market opportunities can also increase farm viability. Taking advantage of new market opportunities takes time, energy, capital, the right location and networks. New market ventures are difficult and farmers often need assistance to be successful. State departments, in cooperation with Michigan research universities, MSUE and non-profit organizations, can support farmers by making resources and expertise available for new business ventures.

New markets can include a range of opportunities, from value-added products (e.g., turning berries into preserves) to transitioning from selling vegetables for processing to selling vegetables for direct market and/or fresh consumption. Once new market opportunities are identified, the information must be disseminated, and strong networks created for farmers transitioning to new markets.

Recommendation D2: Encourage and support new opportunities for niche and value-added markets.

- a) MDA should partner with relevant agencies and organizations to identify new opportunities and markets for Michigan's agricultural products and help producers gain access to these markets.
- b) MDA should partner with relevant agencies and organizations to identify sources of capital and assist producers in attaining capital for new ventures in the agri-food industry.
- c) MDA should partner with relevant agencies and organizations to implement a comprehensive information network to provide services to assist existing and potential farmers in transitioning or entering into new ventures.

Many new market opportunities involve more consumer and community involvement in the business and market development. However, many Michigan residents are unaware of the importance of the agriculture industry to the state. Marketing and promotion efforts can help increase awareness of and support for the agriculture industry.

Agri-tourism represents both an economic development opportunity as well as an opportunity to increase the visibility of Michigan agriculture. Farm-based recreation and tourism can increase farm incomes and rural economic activity, and generate exposure for Michigan's agricultural industry. Many farmers, though interested in new opportunities in agri-tourism, do not have the time, expertise or other resources to develop these ventures. The Michigan Agricultural Tourism Advisory Commission was established in 2005 to delve into these issues and to address some of the challenges in developing Michigan's agri-tourism opportunities. The commission, in partnership with MDA, has published a guide to agri-tourism attractions in the state, including farmers' markets, cider mills, U-pick farms, and farmstands.

Recommendation D3: Increase promotion and education around Michigan's diverse agricultural industry and its importance to both the state's overall economy and to residents' quality of life.

- a) The state should take advantage of opportunities to cross-promote Michigan agriculture with public health, economic development, and travel marketing campaigns.
- b) Travel Michigan and MDA should work closely to increase opportunities and marketing for agri-tourism in the state.
- c) The state should increase education about food and agri-food systems in Michigan.

When considering the future of Michigan's agricultural industry, the importance of new farmers and farm labor cannot be underestimated. The aging farmer population in this country, and in Michigan, is tied to many factors including the loss of farmland. It is extremely important to support new farmers – including children of farmers, farmworkers, minority farmers and others – with targeted programs whenever possible since Michigan cannot have farms without farmers. Programs serving new farmers must recognize the diversity of people and ventures that will respond to growing niche markets and new opportunities.

Approximately \$2 billion in Michigan farm gate receipts depends on the labor of 45,000 migrant and seasonal farmworkers. The dynamics of this population, in terms of seasonal and geographical concentration, employment, needs, and services, are largely undocumented.¹³ While there has traditionally been an oversupply of this labor, shifting local, state and federal policies have the potential to contribute to instability in this crucial workforce. Michigan must continue to attract this population with high-quality housing and access to services.

Recommendation D4: Expand and stabilize the farm workforce.

- a) MDA should establish an Office of Multicultural and Emergent Farmers to cultivate and encourage all new farmers and to increase culturally appropriate outreach to the growing population of minority farmers.
- b) MDA should work with DLEG, MSUE, MSU, the Interagency Migrant Services Committee (IMSC) and other local partners to continue to support the migrant and seasonal labor workforce by evaluating conditions and improving housing and access to services

In addition to support for new and transitioning farmers, Michigan State University Extension (MSUE) has long provided farmers with technical expertise and resources to increase production and per-acre yields. While continuing these essential services, MSUE should also recognize the substantial opportunities to increase farm profitability and income by other means, including entrepreneurial initiatives, value-added initiatives, and new market development. MSUE, in partnership with the MSU Product Center for Agriculture and Natural Resources, has begun this process and is poised to deliver additional services to agricultural producers with additional resources. With support from the state and other partnering organizations, MSUE should focus more on helping producers respond to these production and market opportunities.

Recommendation D5: Improve and expand the efficacy and propriety of Michigan State University Extension's agriculture services and service delivery.

- a) MSUE should formally develop a greater emphasis on marketing and on the recognition of new and changing opportunities in agriculture and the development of imaginative responses.
- b) The state should seek long-term funding partnerships, including federal match funds, for the MSU Product Center, in order to financially support MSUE agents and others as Agriculture Innovation Counselors for product development and agriculture support.
- c) MSUE agents should develop expertise in business, product development, marketing, and innovation and participate in regional collaborations to deliver agricultural business training and other services.

¹³ Note that the US Census Bureau's Decennial Census is not an appropriate tool to capture information about this population. The Interagency Migrant Services Committee (IMSC) has commissioned the *Migrant And Seasonal Farmworker Enumeration Profiles Study* to be released in late 2006.

Chapter 6: Moving Forward

Since June 2005, the Michigan Food Policy Council has developed twenty policy recommendations for the governor's review. Over sixty diverse groups and individuals have come together, invested time, effort and creativity, and are energized by the council's success to date and eager to build on it in the future.

Nearly all participants have commented that the most valuable aspects of the council have been the "collaboration, networking, and learning opportunities" that result from bringing diverse stakeholders, decision makers and program implementers to the table in an official and formal body. Too often, state departments and other organizations focus their resources and efforts in isolated fields; breaking down these "silos" will go a long way toward improving Michigan's agri-food system.

The collaborative process also resulted in recommendations and corresponding lists of implementation strategies (detailed in Appendices A-D) that, when considered in their entirety and implemented accordingly, will begin to address major challenges and opportunities facing the state's agri-food system. The council believes that the recommendations, if implemented, will lead to economic, public health and agricultural benefits. However, the magnitude of benefits is dependent on the priority and effort given to implementation.

Michigan stands at the brink of change with the potential to diversify and grow its economy while improving residents' quality of life. Food is not only a basic necessity entrenched in tradition and culture but also an economic driver and a powerful tool for addressing complex community development and public health issues. Governor Granholm recognized the opportunities in the state's agri-food system by creating the Michigan Food Policy Council, and as a result, twenty integrated policy recommendations were developed that can turn challenges into opportunities. The council believes implementation is key to agri-food system change in Michigan and is poised to facilitate implementation, evaluate efforts, and maintain a stakeholder forum for continued policy development and deliberation.



Glossary

Agri-food system (Also *agri-food economy*, *agri-food industry*) – The system (economy, industry) that encompasses all aspects of food, including food production, transport, processing, packaging, manufacturing, wholesaling, retailing, and consumption.

Agri-tourism – Tourism based on attracting visitors to farms or farm-related events; includes such things as U-pick operations, farm tours, corn mazes, hay rides, vineyards and tasting rooms, and farmers' markets.

Bio-fuel – Any fuel that is derived from biomass (recently living organisms or their metabolic byproducts); frequently used in reference to ethanol (derived mainly from corn in the US) or biodiesel (derived from soybeans). Biofuel inputs can include manure, straw, timber and many other products as well.

Community garden (Also *urban garden*) – Small plots of land rented by community members for gardening from the entity that holds the title or lease to the land. A community garden can also be a shared garden developed and maintained by members of a community. In urban areas, *community gardening* is sometimes called *urban gardening*, and often takes place on vacant lots.

Community supported agriculture (CSA) – A system in which consumers pay in advance for farm products, and farmers then supply a “share” of farm products to consumers periodically through the course of the agreement.

Direct market – A market where the producer sells directly to the customer, eliminating any third party processing, packaging, retailing, etc. Direct markets include farmers' markets, roadside stands, farmstands, U-pick operations, community supported agriculture (CSA) farms, etc.

Farm-to-school – See *institutional purchasing*.

Farm-to-institution – See *institutional purchasing*.

Farmers' market – A public market, usually outdoors, where farmers can sell their products directly to consumers.

Food desert – An area or community with limited access to healthy food. The barriers to food access can be economic (when the only healthy food available is too expensive) or physical (when there is not any healthy food available in a given location).

Food insecurity – Lack of *food security*.

Food security – Access by all people at all times to enough food for an active, healthy life. Food security includes at a minimum: 1) ready availability of nutritionally adequate and safe foods, and 2) an assured ability to acquire acceptable foods in socially acceptable ways.

Institutional purchasing – Procurement (of goods and services) by organizations, businesses and agencies that serve many people, including schools, correctional facilities, hospitals, colleges and universities, nursing homes, etc. For the purposes of this report, we use *institutional purchasing* to refer to food procurement.

Niche market - A small, but potentially profitable market segment. A niche product is a product tailored to meet that market demand.

Organic – The United States Department of Agriculture’s National Organic Program defines organic standards that must be met in order for a farm to be certified as organic. These standards prohibit the use of antibiotics and growth hormones in animals, synthetic fertilizers and pesticides, bioengineered products and ionizing radiation, and require certain management practices to build soil health and fertility.

Pasture-raised – Indicates that animals were raised outdoors on pasture and that their diet consisted of grasses and hay.

Select Michigan – A consumer education program in the Michigan Department of Agriculture to help shoppers more easily identify and increase purchases of Michigan-grown and –processed foods at grocery stores.

Sustainable agriculture – No single definition explains the many notions of *sustainable agriculture*, but the main intent of the phrase is to describe agricultural practices and farm management that integrate environmental, social and economic concerns.

Underserved community – A community with insufficient public (and often private) resources, which are usually low-income communities.

Urban sprawl – Rapid, expansive and often unplanned growth of a metropolitan area, generally characterized by single-use zoning, large-scale developments, low-density land use, car dependence and homogeneity in design.

Value-added – Indicates an increase in the price or value of a product, due to some modification. Adding value to farm products can include milling, washing, chopping, bagging, cooking, freezing, etc.

Appendix A: Recommendations from Task Force A

Task Force A: Expanding Food-Related Businesses and Jobs focused on programs and policies that increase economic activity, resulting in new and expanded businesses across all food-related sectors in the state. The task force met eight times between June 2005 and August 2006, and drafted five recommendations for the council's review. The complete recommendations with explanations and lists of implementation strategies are included in this section.

Task Force A Participants:

Council Members

- Keith Creagh, Michigan Department of Agriculture (MDA), Chair
- Jim Byrum, Michigan Agri-Business Association
- Jim Herbert, Neogen Corporation
- JoAnn Merrick, Michigan Department of Environmental Quality (DEQ)
- Irma Zuckerberg, Michigan Department of Labor and Economic Growth (DLEG)
- Mattie Jordan-Woods, Northside Association for Community Development
- Todd Regis, United Food and Commercial Workers
- Mike Hamm, Michigan State University (MSU)
- Dan Reeves, Associated Food Dealers

State Employees

- Marcia Black-Watson, Michigan Department of Labor and Economic Growth (DLEG)
- Ron Moffet, Michigan Economic Development Corporation (MEDC)
- Bob Craig, Michigan Department of Agriculture (MDA)

Public Participants

- Bill Knudsen, MSU Product Center for Agriculture and Natural Resources
- Terry Morrison, Michigan Food Processors Association
- Art Loeffler, Star of the West
- Michael DiRamio, Food System Economic Partnership

Recommendation A1: Encourage entrepreneurs in agri-food businesses, and support the networks that help them to be successful.

- a) DLEG, MEDC and MDA should make existing entrepreneurial support services, networks and funding available and accessible to entrepreneurs in agri-food industries and provide equal support to all sizes and scopes of operation.
- b) DLEG, MEDC and MDA should partner with organizations such as MSU's Product Center to establish service hubs for agri-food entrepreneurs, linking state agencies, universities and other service providers.

Recommendation A1 Explanation:

Economic development plans for the State of Michigan rely on multiple sectors as well as on diversity in scale, product and production strategies within those sectors. While recruiting new

businesses to the state is certainly an important piece of this economic development plan, development of new and innovative businesses within the state is also critical. There are no guarantees for success of any one entrepreneurial venture, but there are certain programs and initiatives that can increase the likelihood of success. Entrepreneurs often don't have the time, energy, capital, networks or expertise that might help them to develop a successful new business or to take an existing business in a new direction.

There are many state-sponsored and state-supported programs that serve entrepreneurs. However, despite the fact that the agri-food industry is the second largest industry in Michigan, there is limited entrepreneurial support for it. Many of the existing programs and networks for entrepreneurs either do not meet the specific needs of agri-food entrepreneurs, or are difficult to access. Additionally, there is little support for a broad portfolio of scale, product, and production strategies within the agri-food sector even though this diversity is necessary in order to capture a wide array of consumer niches. State agencies can work together with public universities, non-profits and other organizations to create an environment in Michigan that is supportive and helpful to agri-food entrepreneurs.

Recommendation A1 Implementation Strategies:

- 1) The state should support the MSU Product Center for Agriculture and Natural Resources' request for Congressional funding.
- 2) DLEG, MEDC and MDA along with the Product Center and partners should provide technical assistance to agri-food entrepreneurs by:
 - a) Utilizing existing networks and programs, such as the Small Business Technical Development Centers (SBTDCs) and MSU Extension, and tailoring existing entrepreneurial programs to meet the needs of agri-food entrepreneurs, when appropriate.
 - b) Developing a comprehensive technical assistance resource map for entrepreneurs including information specifically relating to agri-food industries.
 - c) Conducting a statewide assessment of needs and services for agri-food entrepreneurs to determine what types of services and support are available and/or lacking.
 - d) Collecting information on funding sources, and assisting entrepreneurs in locating and securing funding.
- 3) DLEG, MEDC and MDA should collaborate to increase private/public partnerships, information and educational opportunities that promote a culture of agri-food entrepreneurship in Michigan, including, but not limited to:
 - a) Working with industry and/or regional partnerships, such as the Michigan Turkey Producers and the Food System Economic Partnership (FSEP) in Southeastern Michigan, to highlight best practices and develop a model for regional agri-food economic collaboration that might be promoted/replicated throughout the state.
 - b) Developing a point of contact (personnel and website) for entrepreneurship information including information specifically relating to agri-food industries.
 - c) Developing a fact sheet/FAQ page, prominently linked on the main website of each agency/department, that delivers preliminary information on starting an agri-food business in Michigan.
 - d) Incorporating agri-food entrepreneurship lessons into new and existing youth education and outreach programs (e.g., Future Farmers of America, 4-H Clubs, and Youth Farmstands.)
- 4) DLEG, MEDC and MDA should encourage greater support for diversity in scale, product and

production strategy in order to build capacity for Michigan farmers and processors to capture niche markets in Michigan and in the Great Lakes region, including, but not limited to:

- a) Encouraging the use of the Earned Income Tax Credit (EITC) and Individual Development Accounts (IDAs) for entrepreneurship in agri-food businesses among limited resource individuals, and working to identify match-funding sources for expanding the IDA program.
- 5) DLEG should:
- a) Include agriculture and food-related business information in the “Be Your Own Boss” program and website.
 - b) Establish Regional Skill Alliances (RSAs) for the agricultural industry to develop workforce talent and promote entrepreneurial opportunities and innovation.

Recommendation A2: Encourage and support new and existing food processing businesses, and investigate meat-processing needs.

- a) MDA and DEQ should assist existing and prospective food processors in navigating environmental and food safety regulations, obtaining necessary permits and achieving compliance.
- b) MDA should work with appropriate partners, such as the MSU Product Center, to convene a workgroup/conference to investigate meat-processing needs in the state and to discern solutions that will meet the needs of farmers and processors in a cost-effective manner.
- c) MDA and appropriate partners should analyze and develop strategies to address challenges to existing meat processors including supply and capacity concerns.
- d) The state should develop economic policies that benefit food processors, such as incentives for using Michigan products and financing/capitalization for development, retention and expansion.
- e) MDA, MEDC and relevant stakeholders should explore new and emerging processing opportunities in the state, such as organic foods processing, as public demand for “niche products” continues to grow.

Recommendation A2 Explanation:

The food processing and manufacturing industry in Michigan is an important piece of the agri-food system, accounting for approximately \$12 billion in direct economic activity (in 2002), and almost 40,000 jobs (in 2004.) The food processing industry – including fruit and vegetable, meat, and grain processing – is also critical in ensuring the viability of Michigan farmers. Food processing businesses must meet a range of environmental and food safety regulations, and their continued success in Michigan will require cooperation from a number of state agencies and departments in facilitating this permitting process in a cost-effective and responsible manner that allows for continued innovation and development.

Michigan currently does not have a state meat inspection program; most meat and meat processing facilities are USDA-inspected. Livestock producers in the state have expressed the need for more meat processors and facilities that are willing and able to process meat according to specific requirements (e.g., organic or cultural/ethnic processing requirements). Increasing processing capacity can help farmers tap into new niche and value-added markets around the state. Many farmers, processors and prospective processors are interested in either the reinstatement of the state meat inspection program, or a thorough investigation of alternative strategies to help such “specialty” processors establish and grow their businesses in Michigan.

A viable Michigan agriculture industry is inextricably linked to a viable food processing industry, and both industries are crucial to the state's economy.

Recommendation A2 Implementation Strategies:

- 1) MEDC and MDA should:
 - a) Formalize and regularly perform the update process for the Michigan Site Network (MISITENET) directory to include vacant food processing facilities information and photos.
- 2) MDA and DEQ, along with industry and research partners, should commit to long-term participation and cooperation in the Food Processors Workgroup to address regulatory and research issues facing fruit and vegetable processors by:
 - a) Cross training staff to increase the level of understanding of agri-food industry-specific compliance issues.
 - b) Establishing protocols for guidance to help businesses achieve compliance with regulatory standards.
 - c) Developing interim regulatory policies/standards to complement ongoing research that will establish long-term standards.
 - d) Facilitating communication and reporting between DEQ and industry.
- 3) MDA and MEDC should work with appropriate partners, such as the MSU Product Center and industry partners, to investigate cost-effective means to address issues of concern to the meat production and processing industries within the state including, but not limited to:
 - a) Performing a formal benefit-cost analysis of a renewed state meat inspection program and identifying cost-share opportunities and requirements for various stakeholders.
 - b) Researching successful state meat inspection programs in other states, and discerning best practices.
 - c) Convening a conference or stakeholder meeting to assess the needs of farmers and meat processors with respect to meat processing and inspection, and to address the potential of costs and fees to producers to increase meat processing/inspection capacity in the state.
 - d) Investigating alternative economically and politically feasible solutions to address farmers' and meat processors' needs.
- 4) The state should partner with the food processing industry to identify options and investigate strategies for processors to enter niche markets in food processing, including meeting the regulatory requirements and standards for processing organic, kosher and halal foods.
- 5) The state should create a tax incentive for new and existing food processing businesses that invest in or continue to invest in equipment, facilities, research and development that will specifically benefit Michigan growers (e.g., investments in equipment that is dedicated to adding value to Michigan produce, and will create stable markets for Michigan-grown produce.)
- 6) The state should investigate creative financing options to assist processors in achieving environmental compliance and increasing capacity.

Recommendation A3: Expand the impact of the Agricultural Processing Renaissance Zones Program.

- a) The state legislature should amend the Michigan Renaissance Zone Act to authorize additional Agricultural Processing Renaissance Zones (APRZs) with the following considerations:

- i) The state legislature should include in the standard criteria that APRZ processors use Michigan-grown agricultural products or commodities *when possible*.
 - ii) The state legislature should create “mini-APRZs” with criteria thresholds to accommodate smaller-scale processing initiatives.
- b) MEDC and MDA should:
- i) Prioritize the location and development of additional livestock/poultry/dairy processing companies and/or the expansion of existing facilities in Michigan.
 - ii) Encourage and provide incentives for the expansion of existing facilities and development of new facilities to take advantage of Michigan’s agricultural diversity.

Recommendation A3 Explanation:

Established in 2000, the Agricultural Processing Renaissance Zones (APRZs) program exempts qualified agricultural processors who want to expand or begin operations in Michigan from numerous state and local taxes. In 2002, minimum thresholds were set at \$3 million of new investment and thirty new jobs created over the life of the APRZ. The Michigan Economic Development Corporation (MEDC) implements the program and works closely with the Michigan Department of Agriculture (MDA) and Michigan Department of Environmental Quality (DEQ) in awarding APRZs.

The APRZ program is one of the state’s only economic development tools directly targeted for the food and agriculture industries, and the current group of authorized APRZs will soon be exhausted.

Recommendation A4: Pursue outreach and collaboration opportunities that support agri-food businesses and entrepreneurial efforts.

- a) The state should seek to enhance the working relationships between state departments that impact agriculture and agri-food businesses, increase information accessibility for interested publics, and create new partnerships for business and job growth.

Recommendation A4 Explanation:

Agriculture and food-related businesses make up the second largest industry in Michigan, contributing \$60 billion to the state’s economy and supporting one million jobs. However, with the historically heavy emphasis on manufacturing in the state, much more can be done to support agri-food businesses and entrepreneurial efforts through outreach and collaboration.

In particular, Task Force A identified opportunities within existing programs that might bolster the state’s outreach and collaboration efforts. Expanding or enhancing existing partnerships can help farmers, food processors, marketers, and others with food-related businesses in the state to grow existing and develop new business initiatives.

Recommendation A4 Implementation Strategies:

- 1) DLEG should:
 - a) Include agriculture and food-related business information in the “Be Your Own Boss” program and website.
 - b) Establish a statewide Regional Skill Alliance (RSA) for the agricultural industry to develop workforce talent and promote entrepreneurial opportunities and innovation. A workgroup should be convened with key stakeholders (community colleges, employer & labor organizations, education and others) to develop the RSA proposal and seek start-up funding.

- 2) MEDC and MDA should:
 - a) Formalize and regularly perform the update process for the Michigan Site Network (MISITENET) directory to include vacant food processing facilities information and photos.
- 3) MDA should:
 - a) Facilitate the development of an online toolkit of state resources and requirements for agri-food industry businesses (similar to the Cool Cities Resource Toolbox) to help search through the financial assistance, services, and permit/license requirements and incentives available from the state and federal governments.
- 4) MDA and DEQ should:
 - a) Cross train staff to increase the level of understanding of agri-food industry-specific compliance issues.
 - b) Coordinate discussions with MDA, MEDC, DEQ, food processing industry representatives, and other stakeholders regarding food-processing wastewater permitting issues. These discussions will open communication lines between parties and explore opportunities for both economic growth and environmental stewardship of the food processing industry.

Recommendation A5: Improve access to fresh and healthy foods by increasing the number of supermarkets and fresh food retail outlets that serve urban low-income populations.

- a) MEDC should support five communities in which to initiate urban grocery store development and/or revitalization in underserved communities and supply matching funds given availability and/or work with private foundations for financial support.
- b) DHS should explore issuing Food Assistance Program (food stamp) benefits across the calendar month, easing “boom and bust” redemption cycles in grocery stores.

Recommendation A5 Explanation:

Many studies document the lack of supermarkets in poor communities and communities of color. In some areas, wealthy communities have been shown to have over three times the number of supermarkets as lower-income communities. This lack of supermarkets is compounded by a lack of access to convenient and reliable transportation options for poor people looking to purchase fresh and nutritious foods. The term “food desert” is used to describe an area without supermarkets or convenient access to fresh, nutritious and affordable food. Low-income populations often pay more for food, since much of their food is purchased at corner convenience stores and liquor stores, which frequently charge 10% or more over supermarket prices. Also, the diets of lower-income people tend to be severely lacking in fresh and nutritious foods. Incidence of diet-related disease is increasing in these “food deserts.”

Grocery store development in underserved locations creates benefits on many levels, including: jobs; community economic development; improved selection, quality and price of food; and health benefits.

Additionally, federal food assistance clients receive their benefits (via electronic deposit of food stamp dollars onto their Michigan Bridge Card) once at the beginning of each month. This once monthly deposit results in the vast majority of food stamp purchases occurring within the first half of the month, making it difficult for food retailers in lower income communities to maintain inventory and staff at consistent levels throughout the month. There is widespread support in the food retail and labor community for a staggered distribution of benefits through the course of a month, which would more evenly spread food purchases over each month and increase grocery store viability in low-income communities.

Recommendation A5 Implementation Strategies:

- 1) MEDC should designate an “Urban Food Retail Development Specialist” to be a contact person for interested retail developers and communities seeking to develop grocery stores. This individual will be responsible for:
 - a) Identifying relevant federal, state and local funding opportunities and assisting with securing private financing.
 - b) Coordinating the five grocery initiatives, which should include investigating:
 - i) Unmet fresh food demand in target areas, relative spending power and income concentration, economic incentives currently available to supermarket developers, barriers to supermarket investment, and zoning and planning issues that inhibit/promote supermarket development.
 - c) Assisting developers and communities with locating the right contacts within state and federal government and linking technical expertise within relevant state departments.
 - d) Providing technical assistance to convenience store owners/operators in underserved areas seeking to include more locally grown produce and products.
- 2) DLEG should assist developers and communities with land acquisition through the Land Bank Fast Track Authority given the innovative opportunities it could provide grocery initiatives in gaining clear title to tax reverted land parcels.
- 3) The state should optimize existing funding sources that may or may not currently allow for retail grocery projects and create new funding sources when necessary. Funding sources to be reviewed and/or considered include:
 - a) A new funding pool for communities/retailers to renovate and maintain existing urban facilities.
 - b) Brownfield Redevelopment Act funds and other brownfield funding sources primarily available through MEDC and DEQ.
 - c) MEDC’s Urban Land Assembly Fund.
 - d) Federal funds available from the New Markets Tax Credit program administered by the Michigan State Housing Development Authority (MSHDA) and MEDC in Michigan.
 - e) Local Initiatives Support Corporation — <http://www.lisc.org/detroit/>.
 - f) Urban Renaissance Zones tax benefits for grocery stores developed in the zones.
- 4) DLEG and other relevant agencies should:
 - a) Establish priority for any communities that support improved access to fresh and healthy foods, especially for underserved locations when distributing Michigan’s Cool Cities and other state-funded grants.
- 5) DHS, given adequate appropriation from the legislature, should work to issue food stamp benefits across the calendar month and coordinate efforts with food stamp program administrators and recipients in order to ensure that recipients’ needs and concerns are incorporated and addressed. DHS should report on its findings by October 1, 2007.

Appendix B: Recommendations from Task Force B

Task Force B: Improving Access to Fresh and Healthy Foods focused on programs and policies that increase access to fresh and healthy foods for all Michigan residents – especially children, low-income and/or at-risk seniors and families, and urban residents. The task force met eight times between June 2005 and August 2006, and drafted six recommendations for the council's review. The complete recommendations with explanations and lists of implementation strategies are included in this section.

Task Force B Participants:

Council Members

- Jane Marshall, Food Bank Council of Michigan, Chair
- Janet Cushman, Michigan Department of Human Services (DHS)
- Giancarlo Guzman, Racial and Ethnic Approaches to Community Health
- Todd Wickstrom, The ORAI Group

State Employees

- Marla Moss, Michigan Department of Education (MDE)
- Sherri King, Office of Services to the Aging (OSA)
- Diane Golzynski, Michigan Department of Community Health (MDCH)
- Karla Stratton, Michigan Department of Community Health (MDCH)
- Jan Williams, Michigan Department of Human Services (DHS)
- Martha Gonzalez-Cortes, Michigan Department of Human Services (DHS)
- Barbara Hensinger, Michigan Department of Agriculture (MDA)

Public Participants

- Terri Stangl, Center for Civil Justice
- Monica Myklebust, University of Michigan
- Barb Mutch, Michigan State University Extension (MSUE)

Recommendation B1: Improve access to fresh and healthy foods through direct markets.

- a) The state should support increasing the number of direct market locations in communities with underserved and low-resource populations through identification of funding opportunities and research.
- b) The state should increase the number of direct markets that can accommodate underserved populations through the Electronic Benefit Transfer (EBT), Project FRESH and Senior Project FRESH programs and increase the capacity of direct markets to implement these programs.
- c) The state should strategically distribute state and federal funding to increase consumption of direct market fresh foods by target populations.
- d) The state should coordinate outreach and education to target populations to increase awareness of and demand for direct market fresh foods.

Recommendation B1 Explanation:

Direct markets, which include farmers' markets, mobile markets, cooperative buying programs and others, are opportunities for underserved communities to increase access to fresh and healthy foods locally. Many urban and rural communities lack sufficient access to food outlets with fresh and healthy options and research has shown that lack of access leads to increased incidence of illness and disease. Increasing direct market locations in underserved neighborhoods and communities can provide economic, social, and health benefits to residents, and a relatively untapped market opportunity for farmers.

Furthermore, many existing direct market venues do not have the capacity to accommodate food assistance programs, such as food stamps; the Special Supplemental Nutrition Program for Women, Infants and Children (WIC); Project FRESH; and Senior Project FRESH, that give at-risk families and individuals the ability to purchase food - especially fresh fruits and vegetables. For example, the switch from paper food stamps to the Electronic Benefit Transfer (EBT) cards has presented a challenge to cash-only direct markets, which often do not have the phone lines or electricity needed to process the transactions. The Project FRESH and Senior Project FRESH programs specifically target direct market opportunities, but the impacts of these programs are limited by technical issues (such as vendor certification and program marketing) and by lack of funding. The programs provide economic benefits to the recipients and the retailers. In 2004, the Senior Project FRESH program brought approximately \$68,000 to Michigan farmers. In 2004, Project FRESH brought more than \$477,000 to Michigan farmers.

Recommendation B1 Implementation Strategies:

- 1) MDCH, DHS, MDA, and OSA, in cooperation with state research universities, should conduct research to:
 - a) Assess the economic impact of direct market venues on the state.
 - b) Identify communities where local food/direct market efforts are needed.
 - c) Quantify costs and benefits of farmer/market participation in EBT, Project FRESH and Senior Project FRESH.
 - d) Identify and address barriers to food stamp EBT use at direct market locations.
- 2) The state should increase funding so that:
 - a) OSA can provide base funding of \$2000 per Michigan county to expand the Senior Project FRESH program to be matched with federal dollars.
 - b) MDCH can meet the state's 30% match requirement for the Project FRESH program allowing the program to expand statewide.
- 3) MDA should:
 - a) Explore the potential of a USDA Federal-State Marketing Improvement Program (FSMIP) grant to support research and work in direct market and access issues.
- 4) MDCH should:
 - a) Evaluate current vendor participation in Project FRESH and Senior Project FRESH, investigate options for increasing participation (potentially through innovative locations like farmers' markets at Head Start locations), and set specific goals to increase the number of vendors participating in the program.

- b) Promote the use of the Nutrition Environmental Assessment Tool (NEAT) with an increased emphasis on food security for communities to conduct their own assessments regarding food availability.
 - c) Make Project FRESH application forms and marketing information available online for farmers and direct market managers, including translated forms for non-English speakers.
- 5) MDA, MDCH, DHS, and OSA should:
- a) Identify a point person in each department and develop an inter-agency technical assistance packet with information on establishing EBT access, and Project FRESH and Senior Project FRESH certification.
 - b) Cooperate with MSU to support the nascent Michigan farmers' market association and to ensure dissemination of information regarding access issues.
- 6) DHS should:
- a) Request USDA funding for EBT technology/training/transaction fees at farmers' markets and a EBT pilot program for Michigan farmers' markets.
 - b) Evaluate wireless EBT/credit/debit equipment and processing options and work with DMB to negotiate group purchases for interested direct marketers.
- 7) DLEG should:
- a) Establish priority for any communities that support improved access to fresh and healthy foods, including direct marketing initiatives, especially for underserved locations when distributing Michigan's Cool Cities and other state-funded grants.

Recommendation B2: Increase the numbers and success of school, community and urban gardens as a means to increase access to fresh and healthy food.

- a) MDA, in partnership with MSUE, MDCH and other appropriate organizations, should provide technical assistance and direction to communities and organizations that promote community and urban gardens.
- b) MDE should specifically encourage the installation of school gardens and minimal cooking instruction facilities at every school as part of farm-to-school and school wellness policy development and implementation.
- c) The state should work to encourage links between community gardeners, Project FRESH vendors and WIC distribution sites.

Recommendation B2 Explanation:

Community and urban gardens provide a host of benefits to communities: access to fresh and healthy food, exercise and recreation opportunities, economic development, community development and beautification, environmental remediation/storm water filtration, increased property values, and psychological benefits.

School gardens can increase children's consumption of fresh fruits and vegetables, and complement a curriculum in areas that include math, science, health, economics, history, art, and language. The vast majority of children do not eat the recommended servings of fresh fruits and vegetables per day. School gardens can also increase children's physical activity during the school day. By addressing both diet and physical activity, school gardens can play an important role in the fight against childhood obesity and diabetes.

Many of the policies that govern community, school and urban gardens are outside of state purview, and under the control of school districts and local government. However, the state can encourage and support gardening programs, and prioritize school gardens. The state can also help to integrate gardening into school curricula and comprehensive district wellness plans.

Recommendation B2 Implementation Strategies:

- 1) MDA, MSUE and MDCH should work together to:
 - a) Investigate the variety of funding sources and other resources available to community gardeners and to cities and assemble a resource packet
 - b) Provide links to community gardening resources on departmental home pages.
 - c) Work with commodity and other agricultural organizations to assemble school garden start-up kits/toolboxes.
 - d) Encourage urban gardeners to become Project FRESH certified and to sell their produce at WIC clinics and/or other available venues.
 - e) Establish links with the Michigan Community and School Garden Coalition and work to:
 - i) Promote community gardening as an essential component of a healthy community.
 - ii) Provide assistance with planning and zoning issues to make community gardening a permitted land use at the local level.
 - iii) Create a “mentoring” program whereby new or potential community gardens are linked with more established mentor gardens.
- 2) MDE should encourage school districts and individual schools to utilize school gardens and cooking instruction as a means to increase student nutrition and healthy eating by:
 - a) Specifically encouraging school gardens and cooking instruction at every school as a component of school wellness policy development and implementation.
 - b) Helping schools to integrate school gardening and cooking into their overall curriculum and meal plans.
 - c) Encouraging installation of a garden and at least minimal cooking instruction facilities (e.g., stove, countertops) as a part of every renovation or new school building.

Recommendation B3: Increase participation in the Food Assistance Program.

- a) DHS should increase accessibility and ease of participation in the Food Assistance Program (FAP).
- b) DHS should increase awareness of the FAP among eligible people, including those of limited English proficiency (LEP).
- c) DHS should increase partnerships utilized to promote and administer the FAP.
- d) DHS should lead and join in efforts to protect key program components at the federal level.

Recommendation B3 Explanation:

The Food Assistance Program (FAP) in Michigan, or the Food Stamp Program, is a federal program that is administered at the state level through the Michigan Department of Human Services (DHS). It is a large program that brings approximately \$1 billion of federal funds into the state every year. The FAP works to address hunger and food insecurity in low-income populations, and at the same time, it is an economic driver for many retail and grocery outlets in low-income areas.

The 2005 FAP participation rate in Michigan was 65% (i.e., 65% of eligible people participated in the program). Michigan is ranked 12th in the nation in terms of participation. Increasing participation among eligible people is often the main goal of many FAP recommendations, as the program not only addresses the food security needs of recipients but also helps support Michigan retail businesses with federal funds. The other important goal for the program is to increase the accuracy of payments to FAP participants. There is an ongoing tension between program participation and program accuracy, as increased reporting requirements (and thereby increased accuracy) often decrease ease of participation, while relaxed reporting (which makes the program more accessible) leads to increases in payment errors.

The main barriers to participation in the FAP include lack of awareness of the eligibility threshold, and the amount of time and paperwork required to apply for the program.

Recommendation B3 Implementation Strategies:

- 1) DHS should coordinate cross-promotion of the FAP by all relevant state agencies to applicants for and users of other state programs and agencies aimed at low-income persons. This cross-promotion should include:
 - a) Partnerships with the private and non-profit sectors.
 - b) An interdepartmental workgroup that meets at least twice per year to plan, implement and update cross-promotion strategies.
 - c) Private subcontractors providing services to low-income people should be required to cross-promote other available assistance programs and services, including the FAP.
- 2) DHS should lobby for and utilize federal options to ensure that benefits are available to childless adults.
- 3) DHS should continue to improve access to benefits for persons with limited English proficiency (LEP) by:
 - a) Assuring LEP clients have priority for caseworkers who speak their primary language.
 - b) Expanding current efforts to provide LEP applicants and recipients with information about their cases in their primary language, especially time-sensitive notifications.
 - c) Directing LEP clients to interpreter services when appropriate.
- 4) DHS should ensure speedy implementation of the BRIDGES software program to improve the administration of the FAP.
- 5) DHS should join in efforts at the federal level to:
 - a) Oppose block grant proposals that do not increase federal funding to the state as need increases at the state level.
 - b) Oppose the elimination of categorical eligibility.
- 6) DHS should arrange for direct data matches with Michigan's Child Support Enforcement System to ensure that persons paying child support have these payments deducted from their countable income.
- 7) DHS should enable applicants and agencies to submit a FAP application online.
- 8) DHS should utilize the federal option to support FAP recipients transitioning into work by making transitional food stamps available for six months despite a likely increase in income.

- 9) DHS should enable a process whereby online and in-person applications for Medicaid and MI-Child programs could initiate the application for the FAP. This would include:
 - a) Utilizing existing online applications (such as those for MI-Child and Childcare) to begin the process of FAP application.
 - b) Reviewing models in other states that use joint simplified applications for food stamps and Medicaid, and seek federal program waivers as necessary to permit such a simplified joint application.
- 10) DHS should explore the federal option to implement monthly issuance dates that are staggered throughout the month.
- 11) DHS should implement simplified reporting for certain people without earned income, such as homeless persons and persons with no income or very irregular income.

Recommendation B4: Improve access to fresh and/or healthy foods for low-income children through the Summer Food Service Program.

- a) MDE should continue to increase the number of sponsors and sites administering the Summer Food Service Program (SFSP) and publicize annual goals. MDE should increase the awareness of goals and encourage sponsors to work with MDE to achieve the goals.
- b) MDE should continue to increase the number of children participating in the program and publicize annual goals. MDE should increase the awareness of goals and encourage partners to work with MDE to increase participation.
- c) MDE should continue to pursue and secure state, local, faith-based and non-profit partnerships to help ensure that annual goals of sponsorships, locations, and participation are met and that the value of the food and services received by children at SFSP sites is expanded.

Recommendation B4 Explanation:

There is significant research linking nutrition with cognitive development and academic performance. When children are poorly nourished, they are more likely to become sick, and have low-test scores and shorter attention spans. The Summer Food Service Program (SFSP) is a federally funded, and state-administered program that recruits and reimburses sponsor organizations for preparing and serving nutritious meals to children during the summer months in communities where the National School Lunch Program (NSLP) is not available. Most children who participate do so at “area eligible” sites where children are not required to provide individual eligibility certification. Such sites must be located in school districts where at least 50% of the children are eligible for the free and reduced price school lunch program.

However, the SFSP is underutilized in Michigan. Of the 608,381 children receiving lunch under the NSLP during FY05, only 10% of these children receive meals in the summer through either the NSLP or the SFSP. The low participation may be attributed to a number of factors. For SFSP it may be attributed to a lack of access and awareness of the program. Unfortunately, over 45% of children eligible for free or reduced price school lunches (under the NSLP) do not live in areas that qualify as SFSP area eligible sites. In the 370 districts that are area eligible to provide SFSP, less than half have a SFSP site in their area. The same children who need free or reduced price lunches during the school year also likely need these meals in the summer.

While the Michigan SFSP can point to successes in recent years, there are many opportunities to more aggressively expand existing efforts so the state can optimize the benefits of this federally funded program.

Recommendation B4 Implementation Strategies:

- 1) The state should increase program publicity and promotional efforts in order to boost demand for and participation in the SFSP.
 - a) The state should integrate information about SFSP into all children's programs provided by state departments and sharing information with state contractors at the local level (local health departments, managed care organizations, community based organizations, etc.), including linking to the SFSP website.
 - b) MDE, MDCH, and DHS should partner to promote SFSP to WIC and food stamp recipients, respectively, upon receipt of the nutrition assistance programs. Promotional information should include a list of current SFSP sponsors available at all relevant regional and agency offices.
 - c) MDE and MSUE should partner to promote SFSP through MSUE's nutrition education network and 4-H programming.
 - d) MDE should explore a partnership with the Michigan Nutrition Network for funding/staff dedicated to marketing and promoting the SFSP.
- 2) MDE should take steps to increase the number of sponsors and sites in Michigan.
 - a) MDE should strongly encourage all school districts that qualify for open enrollment to participate and sponsor the SFSP.
 - b) MDE should establish a link to the Corporation for National and Community Service to assist sponsors with securing volunteers for SFSP site administration.
 - c) MDE should work with the SFSP Advocacy Committee to set achievable annual goals for increasing sponsors, sites, and number of children participating.
 - d) MDE should investigate strategies used in other regions to increase federal support for administrative work promoting and expanding the SFSP program.
- 3) The state should investigate options for additional private foundation, federal, and non-profit support to add value to SFSP through educational programming.
 - a) The governor's foundation liaison should encourage local foundations to support the SFSP and related youth programs at SFSP sites, and to urge their grantees to participate in SFSP and/or provide programming to SFSP sites.
 - b) The SFSP Advocacy Committee that reviews the SFSP semi-annually should be expanded to include innovative partners and meet more frequently. The partners should develop a toolkit to assist SFSP sponsors with providing activities focused on nutrition education at their meal sites.
- 4) MDA and MDE should:
 - a) Encourage SFSP sponsors to use Michigan-produced and/or –processed foods whenever possible and include information from commodity group organizations on availability of Michigan foods in the application process.
 - b) Investigate the possibility of SFSP delivery at farmers' markets in low-income areas.

Recommendation B5: Incorporate nutrition education and promotion as a part of all food assistance programs.

- a) The state should recognize the Michigan State Nutrition Action Plan (MISNAP) as the guiding document for nutrition education and promotion in Michigan, and should officially designate the MISNAP Steering Committee as a standing committee of DHS.

- b) DHS, MDCH, MDE and MDA should identify qualifying USDA cost share for nutrition education and promotion in food assistance programs, and collaborate with the MISNAP Steering Committee to utilize it statewide and within counties.

Recommendation B5 Explanation:

In Michigan, over one million people receive food assistance through United States Department of Agriculture (USDA) programs and many do not practice healthy nutrition and physical activity behaviors. As a result, they are at increased and/or premature risk for obesity and other chronic diseases including heart disease, diabetes, high blood pressure, stroke, some types of cancer, osteoporosis, and arthritis. The economic impact of chronic disease is significant, making it critical to promote healthy lifestyles.

The Michigan State Nutrition Action Plan (MISNAP) Steering Committee operates mainly through DHS, but is not an official committee of the department. The committee brings together representatives of the primary food assistance state-level programs to develop and maintain MISNAP and to strengthen collaboration in nutrition education and promotion efforts. Represented programs include: Food Stamp Nutrition Education (FSNE); Expanded Food and Nutrition Education Program (EFNEP); Supplemental Nutrition Education Program for Women, Infants and Children (WIC); School Lunch and Breakfast Programs; Summer Food Service Program (SFSP); Commodity Supplemental Food Program (CSFP); The Emergency Food Assistance Program (TEFAP); Child and Adult Care Food Program; and the Office of Services to the Aging (OSA).

One opportunity for the state to increase nutrition education is to identify match-eligible funds currently spent by state agencies and to put them up for federal match. Through FSNE, the state can be reimbursed for 50% of all qualifying expenditures for nutrition education and promotion. Identifying qualifying expenditures will help Michigan enhance the amount of nutrition education and promotion it provides.

Recommendation B5 Implementation Strategies:

- 1) The MISNAP Steering Committee should:
 - a) Continue to maximize the use of resources and increase collaboration within and among state agencies to improve nutrition education in food assistance programs.
 - b) Continue to develop and regularly update the MISNAP.
 - c) Articulate program outcomes in the MISNAP to increase support for preventative nutrition education programs.
 - d) Provide all the necessary information to identify match-eligible funding within relevant state agencies, document those funds, and put them up for federal match money. This includes drafting a brief overview document to help agencies identify their qualifying expenditures.
- 2) DHS, MDCH, MDE and MDA should collaborate with the MISNAP Steering Committee, and provide access to program information that will help MISNAP achieve its stated objectives of:
 - a) Collaboration among USDA Food and Nutrition Services (FNS) agencies throughout the state.
 - b) Development of links to the Michigan Nutrition Network (MNN) as a means of strengthening collaboration efforts with partners outside of USDA FNS programming.
 - c) Promotion of healthy eating and physically active lifestyles.
 - d) Promotion of breastfeeding.

- e) Promotion of the consumption of fruits and vegetables, whole grains, and nonfat or low-fat milk or dairy products for people over the age of two.
- f) Increasing access to healthy foods.

Recommendation B6: Increase access to and support for emergency food resources.

- a) MDA should strengthen connections between Michigan agriculture and hungry residents by supporting and expanding the Michigan Agricultural Surplus System (MASS).
- b) DHS should support the emergency food network in Michigan by increasing grant funding for transportation of food donations into and around the state through the food bank system.
- c) The state should request reports from human service organizations and agencies that receive state-funding regarding coordinated local efforts to create and publicize lists of emergency food sites, in order to better serve consumers using existing community emergency food resources.

Recommendation B6 Explanation:

In Michigan, over one million people receive emergency food resources from the food bank network system annually. Seventy percent of households receiving emergency food services have incomes below the national poverty level and many clients have to choose between buying food and paying for housing, utilities, and/or medicine. Michigan's food bank network strives to meet these food needs in a cost-efficient manner while also delivering the appropriate quality and quantity of food to those who need it most. Though many food bank customers are enrolled in state and federal food programs, some customers, for various reasons, do not receive supplemental support from federal food programs. The emergency food network works to meet specific, usually temporary, emergency food needs and is critical to the stabilization of families and individuals with low incomes. This network is also an entry point for families and individuals to access food resources to help them meet their longer-term needs.

The Michigan Agricultural Surplus System (MASS) is a program operated by the state's food bank system to acquire fresh produce from Michigan farmers and distribute it to clients. The MASS program is currently funded at \$600,000, down from \$1.2 million in 2002-2003; the program provides a market for Michigan farmers for produce that cannot otherwise be sold in the retail market. The food is wholesome but not necessarily salable (due to cosmetic blemishes or grade) in the retail market. MASS provides a market for surplus product that is critically needed by the food bank network, reduces food waste and helps farmers stay economically viable. Due to large purchase volumes, MASS has historically provided food at a cost of about ten cents per pound.

The Michigan Department of Human Services also provides critical funds to the food bank system through transportation grants and emergency food resource grants to serve recipients of the federal Temporary Assistance for Needy Families (TANF) program.

Recommendation B6 Implementation Strategies:

- 1) MDA should support the MASS program by:
 - a) Seeking partnerships and projects where the state MASS funding can be used as financial match for leveraging additional private and federal funding for related initiatives such as Select Michigan and nutrition education through the Family Nutrition Program.

- b) Advocating a return to higher funding levels for the program as appropriated by the state legislature.
 - c) Promoting MASS to Michigan agricultural commodity groups, processors and producers to help expand their markets and promote Michigan grown products.
- 2) DHS should recognize the high return on money granted to the state's food bank system and the resulting benefit to people with emergency food needs by:
- a) Increasing transportation funds to the foods banks so that the donated food is optimized in the most efficient and cost-effective distribution system possible.
 - b) Increasing funding for emergency food resources for TANF families because of the high volume buying power of the food bank network and resulting economic benefit to families.
- 3) The state should increase the availability of emergency food resource information by:
- a) Encouraging local organizations, such as Community Action Agencies and Continuums of Care, to share updated lists of emergency food sites with public and private organizations that handle requests for emergency food at the state and local level.
 - b) Working with non-profit and private partners to strengthen information and referral resources such as 2-1-1 so consumers have optimal access to information about available services in their community.

Appendix C: Recommendations from Task Force C

Task Force C: Promoting Purchase of Michigan Foods focused on programs and policies that promote institutional and public purchase and consumption of Michigan grown and processed foods. The task force met seven times between June 2005 and August 2006, and drafted four recommendations for the council's review. The complete recommendations with explanations and lists of implementation strategies are included in this section.

Task Force C Participants:

Council Members

- Cheryl Kobernik, North Star Organics, Co-Chair
- Elaine Brown, Michigan Food and Farming Systems, Co-Chair
- Leland Wheaton, Charlotte High School

State Employees

- Marla Moss, Michigan Department of Education (MDE)
- Gatha McClellan, Michigan Department of Corrections (MDOC)
- Chris Lietzau, Michigan Department of Agriculture (MDA)
- Kathy Fedder, Michigan Department of Agriculture (MDA)

Public Participants

- Kenyatta Brame, Sysco Grand Rapids
- Melinda Curtis, Select Michigan
- Ben Kudwa, Michigan Potato Industry
- Gretchen Mensing, Michigan Apple Industry
- Patrice Murdock, Brighton Public School District

Recommendation C1: Support the development and institutionalization of the Select Michigan Program.

- a) The Select Michigan program should receive consistent state funding support on an annual basis starting in FY 2007. This money should be used to pursue partnerships with commodity groups, private industry, foundation and federal programs to enhance the program.
- b) The Select Michigan program should eventually expand consumer outreach, promotional and marketing efforts to non-grocery sectors, including restaurants, farmers markets, farm-to-institution initiatives and farm markets.

Recommendation C1 Explanation:

Working with retailers in Grand Rapids and Detroit, the Michigan Department of Agriculture (MDA)'s Select Michigan program has increased the marketing opportunities for Michigan-grown food products, and the awareness and purchases of Michigan-grown food products. In the first year of promotion (2003), the sales increase for promoted items was 111%. In 2004, building on that initial success, Select Michigan-promoted products at partnering retailers saw an 8.6% increase in dollar sales and an 18.9% increase in unit sales.

Funding for the program was exhausted at the end of 2005 and previous funding arrangements through USDA are no longer available. Select Michigan does not currently receive any state funding.¹⁴ Several other states have state food marketing and promotional programs with varying scope. There is much room to expand the success of the Select Michigan program. At the very least, however, some consistent state funding to maintain the program would help to leverage federal dollars and pursue private investment. Select Michigan has proven that the program can garner industry support and funds with some base level of commitment from the state.

Recommendation C1 Implementation Strategies:

- 1) The state should increase appropriation to MDA to allow for a consistent commitment of funds (within MDA) to institutionalize the Select Michigan program.
- 2) MDA should:
 - a) Use state appropriation for Select Michigan to pursue and secure private sector investment in the program.
 - b) Use state appropriation for Select Michigan to obtain federal matching dollars through some of the following opportunities (and others):
 - i) Michigan Nutrition Network (MNN) federal funds.
 - ii) Specialty Crop Block Grant funds.
 - iii) Rural Development Agency (RDA) grants.
 - c) Trademark or service mark the Select Michigan logo.
 - d) Expand the Select Michigan program throughout the state, with sensitivity to regional differences in implementing the program, and throughout the year for more year-round marketing and promotions.
 - e) Develop additional comprehensive and easily available promotional materials for the Select Michigan program.
 - f) Expand the use of existing certification programs (Michigan Agriculture Environmental Assurance Program, organic, etc.) to use Select Michigan labeling.
 - g) Develop a thorough and informative Select Michigan website with interactive features that include:
 - i) Directories of farms and farm markets.
 - ii) Information on farmers' markets.
 - iii) Information on CSA farms and opportunities.
 - iv) Information on agri-tourism in Michigan.
 - v) Information for wholesale buyers on access to Michigan foods and growers.
 - vi) Information on events and festivals.
 - vii) Links to local food system initiatives around the state.
 - h) Coordinate with MEDC to promote the Select Michigan program at new urban grocery store developments that receive state support and provide technical assistance to convenience store owners/operators in underserved areas seeking to include more locally-grown produce and products.

¹⁴Since this recommendation was written in 2005, the state has designated funding for one full-time staff person for the Select Michigan program in 2005 and in 2006.

Recommendation C2: Increase the purchase of Michigan-produced foods by Michigan schools for service to students.

- a) MDA should assist farmers, processors and suppliers providing Michigan foods in working with school food service directors.
- b) MDE should assist school food service directors in working with farmers, processors and suppliers when providing Michigan foods to schools.

Recommendation C2 Explanation:

While there is definitely a growing movement in the United States to bring food from local farmers into schools, there are a number of hurdles facing these efforts. The benefits of bringing fresh local produce into schools are manifold: expanding markets for farmers, increasing nutrition and nutrition education (and thereby health and potentially academic performance) in schools, and increasing awareness of food and agri-food systems in schools.

Among the biggest challenges to farm-to-school efforts are federal procurement regulations. School food services generally receive some federal money to procure food, and once the federal money is commingled with state funds, states must abide by federal procurement regulations. The Code of Federal Regulations specifically prohibits geographic preference in bid requests [7CFR 3016.36 (c) (2).] States, therefore, cannot specifically request local foods for their food service.

Aside from federal procurement regulations, hurdles (both real and perceived) to farm-to-school initiatives include: cost of locally-sourced foods, reliability of consistent supply, seasonality of produce, delivery problems, student food preferences, lack of kitchen facilities, lack of staff trained in food preparation, and inconvenience.

There are, however, several successful farm-to-school initiatives around the country, and in the State of Michigan. Farm-to-school initiatives include not only food service procurement of local farm products, but also school gardens, field trips to farms and farmers' markets, nutrition education, and using local farm products for school fundraisers. Many of these initiatives use non-federal funding, or work within federal guidelines to fund their projects. A potential way to meet federal regulations while purchasing local food is to utilize the small purchase threshold for food. For purchases less than the small purchase threshold¹⁵, food service directors can obtain three price quotes from specific vendors/farmers, rather than initiating a more formal procurement bid procedure. Some food service directors around the country have had success using this tool to implement farm-to-school initiatives of varying scale, but the potential of this option is unknown in Michigan.

Recommendation C2 Implementation Strategies:

- 1) MDE should:
 - a) Investigate the potential of various procurement tools for school food authorities to purchase local food and abide by federal regulations, such as:
 - i) The small purchase threshold.
 - ii) Multiple or line-item awards to farmers, processors and suppliers within larger food contracts.

¹⁵ There is a state small purchase threshold (\$18,490 for the 2005-06 school year), and many school districts set their own threshold; food service buyers must abide by whichever threshold is lower.

- b) Educate food service directors on the small purchase threshold and other procurement tools and promote their use for farm-to-school initiatives.
 - c) Implement food preparation training for food service staff to accommodate sourcing fresh and local foods.
 - d) Encourage school food service directors to include local farmers, processors and suppliers when taking bids for produce that falls under the small purchase threshold.
 - e) Encourage all new school construction projects to consider kitchen facilities.
- 2) MDA should:
- a) House a farm-to-school point person to coordinate efforts between MDA, MDE and MDCH. This person will be responsible for the following, in addition to other responsibilities:
 - i) Identify local farmers, processors and suppliers and work with MDE to make the information available to school food service directors.
 - ii) Create and disseminate (via MDA and commodity groups) an information sheet on the school food procurement process to help farmers, processors and suppliers learn more about the process.
 - iii) Institute and coordinate “Michigan Farms for Michigan Kids Week” to provide a special event on which to focus initial efforts.
 - b) Identify, target and promote job creation around farm-to-school initiatives.
 - c) In cooperation with commodity groups and growers associations, facilitate the development of a voluntary web-based directory of farmers searchable by location. The directory should be updated and consistently maintained and applicable/usable by all who are interested in locating farmers and Michigan farm products.
 - d) Investigate opportunities for farmers to supply their products to commercial distributors.
- 3) The state should encourage Michigan’s federal Congressional delegation to partner with Congressional representatives from other states to resolve the contradictions and tensions embodied in the federal procurement process and in child nutrition and farm-to-school legislation.
- 4) The state should pass legislation making farm-to-school initiatives a priority for the nutrition and education of children and for the economic well being of farmers.
- a) Develop Michigan Farm-to-School grants with state match money.
 - b) Identify a lead state department on farm-to-school initiatives with responsibility for tracking efforts and grants.
- 5) The state should include some consideration for farm-to-school initiatives in state-administered grant and loan funds, such as Cool Cities and the Julian-Stille Value-Added Program.

Recommendation C3: Increase the amount of Michigan-produced and/or –processed foods purchased by the Michigan Department of Corrections.

- a) DMB and MDOC should cooperate to increase contract purchases of Michigan-produced and/or -processed food by 5% per year¹⁶ for 2006, 2007 and 2008, provided that such increase is economically feasible. The goal should be evaluated every contract cycle to determine if higher levels might be achieved.

¹⁶The specified increase should be calculated as 5% of the purchasing level of Michigan-produced and/or –processed foods for the previous fiscal year. For example, in FY05, the purchasing level for Michigan foods was \$4.7 million, or 11% of total purchases. The purchasing level for FY06, then, should demonstrate an increase by 5% of \$4.7 million, or an additional \$235,000 spent on Michigan-produced and/or –processed foods.

- b) DMB, MDOC, and MDA should develop information and education opportunities for farmers and correctional facilities on the “spot buy” process.

Recommendation C3 Explanation:

The Michigan Department of Management and Budget (DMB) works with the Michigan Department of Corrections (MDOC) to purchase food for all of Michigan’s state correctional facilities. Food is acquired through long-term contracts and “spot buys,” which are made weekly by food service directors at each correctional facility.

Currently, major three-to-five year DMB contracts for MDOC food purchases are worth \$43 million annually, and approximately 11% of food provided by suppliers is grown and/or processed in Michigan. All contracts are posted on the DMB website and any vendor can bid on the contracts. Postcards go out to registered vendors to notify them when a contract has been put out for bid. The bid process might be seen as cumbersome or confusing, depending on the experience or resources of the bidding party.

“Spot buys” are frequent purchases by correctional facility food service directors (usually for produce and fresh items) for up to \$25,000 per buy. The food service directors must get bids by phone or in writing from at least three vendors. Food service directors are able and interested in purchasing food from local growers who can deliver the food to the facilities. However, they do not know who or how to contact local food producers and so these connections are uncommon. Similarly, most local food producers and suppliers do not think to attempt to sell their products to the local correctional facility, and would likely not know how to contact food service directors.

Recommendation C3 Implementation Strategies:

- 1) DMB and MDOC should:
 - a) Change MDOC food contracts to require vendors to supply two columns of price quotes for the vendor’s best price, and the best price for a comparable Michigan –produced and/or – processed product to facilitate side-by-side comparison of prices.
 - b) Encourage food service directors at each correctional facility to include local farmers, processors and suppliers when taking bids for produce through spot buys.
 - c) Create and disseminate (via MDA and commodity groups) an information sheet on the spot buy process to help farmers, processors and suppliers learn more about the process.
- 2) DMB and MDA should:
 - a) Create training and information opportunities for farmers, processors, and suppliers to learn how to navigate the state bid process and receive notification of bid opportunities.
- 3) MDA, in cooperation with commodity groups and growers associations, should:
 - a) Facilitate the development of a voluntary web-based directory of farmers searchable by location. The directory should be updated and consistently maintained and applicable/usable by all who are interested in locating farmers and Michigan farm products.
 - b) Connect DMB representatives to commodity group executives’ meetings to explain the contract and purchasing opportunities. MDA, commodity/growers groups, and processors should work to identify producers/processors willing and able to provide products to state departments.
 - c) Facilitate and encourage the development of innovative partnerships to increase the purchase and/or processing of Michigan foods by state departments.

Recommendation C4: Provide support for developing and improving farmers' markets in Michigan.

- a) MDA should develop a Farmers' Market Support Program.

Recommendation C4 Explanation:

The number of farmers' markets has grown dramatically across the country and across the state over the last decade. There are currently over 150 farmers' markets in Michigan, an increase of 130% over the sixty-five farmers' markets in 2000.¹⁷ Total direct-to-customer sales (this includes farmstands, community supported agriculture farms, etc. in addition to farmers' markets) were over \$37 million in Michigan in 2002. The popularity of farmers' markets is a testament to the economic, social, and health benefits that can result for communities. Farmers' markets have proven to be social gathering places, access points to fresh foods, economic drivers for area merchants and participating farmers and, in some cases, tourist attractions.

Farmers' markets serve a critical dual function in increasing consumers' access to fresh foods, and increasing market opportunities for farmers. In this way, they are an important leverage point at which to improve the health of Michigan citizens and the health of Michigan's economy. In a 2000 nationwide assessment, of the 66,700 farmers selling at farmers' markets, almost 30% identified the markets as their sole outlet. The vast majority of farmers selling at markets are small- and medium-sized farmers.

The state can partner with farmers' markets and other entities to determine how to optimize the benefits associated with established farmers' markets, and ensure the long-term success of the markets.

Recommendation C4 Implementation Strategies:

- 1) MDA should develop a Farmers' Market Support Program that:
 - a) Investigates the needs, resources and long-term plans of established farmers' markets in the state.
 - b) Coordinates with MDCH, DHS, and OSA to provide technical assistance on establishing EBT, Project Fresh, and Senior Project Fresh access and certification.
 - c) Helps establish enforceable quality standards for fresh fruits and vegetables for sale and provide personnel to conduct routine inspections given availability of adequate funding arrangements.
 - d) Works with the newly established Michigan Farmers' Market Association to develop guidelines and information aimed at increasing the number of "growers only" farmers' markets or areas of farmers' markets.
 - e) Encourage professional management of farmers' markets when possible.
 - f) Enhance the viability of farmers' markets by:
 - i) Working with Travel Michigan and others to identify farmers' markets as tourist attractions and community resources on state and regional maps.
 - ii) Working with the Michigan Agricultural Tourism Advisory Commission and others to develop specialized signage identifying local municipal farmers' markets.
 - iii) Working with the Michigan Farmers' Market Association and commodity groups to educate farmers about selling at farmers' market.

¹⁷ Michigan State University documents these numbers. It is difficult to track farmers' markets, however, as there is no formal state or federal registration or licensing procedure.

- g) Promote nutrition education and community well-being at farmers' markets by:
 - i) Assisting urban agriculture/gardening groups in exploring opportunities to sell at farmers' markets.
 - ii) Working with MSUE nutrition educators and others to conduct presentations on food preparation, storage and share cooking tips and recipes.
- h) Increase Select Michigan promotions at farmers' markets by:
 - i) Providing Select Michigan promotional materials to farmers.
 - ii) Encouraging the development of special events highlighting Michigan products that might be hosted at farmers' markets across the state.
- i) Partner with the Michigan Farmers' Market Association to develop a strong evaluation component to the pilot program, and to determine which aspects of the program should be replicated at farmers' markets around the state.

Appendix D: Recommendations from Task Force D

Task Force D: Enhancing Agricultural Viability focused on programs and policies that economically and environmentally strengthen the state's agricultural systems and expand upon the state's agricultural viability. The task force met seven times between June 2005 and August 2006, and drafted five recommendations for the council's review. The complete recommendations with explanations and lists of implementation strategies are included in this section.

Task Force D Participants:

Council Members

- Justin Rashid, American Spoon Foods, Chair
- Mike Hamm, Michigan State University (MSU)
- Dennis West, Northern Initiatives
- Wayne Wood, Michigan Farm Bureau
- Elaine Brown, Michigan Food and Farming Systems

State Employees

- Terri Novak, Michigan Department of Environmental Quality (DEQ)
- Robin Rosebaum, Michigan Department of Agriculture (MDA)
- Rich Harlow, Michigan Department of Agriculture (MDA)
- Gordon Wenk, Michigan Department of Agriculture (MDA)
- Melinda Remer, Travel Michigan

Public Participants

- Bill Bobier, Farmer/Resource consultant
- Patty Cantrell, Michigan Land Use Institute
- John Bakker, Michigan Asparagus Industry
- Tom Bloomer, Burr Oaks Farm
- Chris Peterson, MSU Product Center for Agriculture and Natural Resources

Recommendation D1: Preserve a significant acreage of valuable Michigan farmland using a variety of temporary and permanent preservation techniques over the next twenty years, and maintain the viability and diversity of Michigan agriculture.¹⁸

- a) The state should develop an official "vision" for strategic preservation of valuable farmland that includes at least one million acres of farmland permanently protected, in addition to acreage targets for temporarily preserved farmland, explicit funding strategies and programs, and evaluation benchmarks to facilitate and document progress toward this vision.
- b) The state should identify and direct adequate funding for the Agricultural Preservation Fund to achieve the one million acre target. The state should use these funds in partnership with local communities, with the stipulation that 5% of the proposed annual funding should be dedicated to agricultural viability efforts and encouraging innovation in agriculture.

¹⁸ There has been significant research exploring the ramifications of farmland loss and the need for preservation in Michigan. This recommendation is based on that research and earlier recommendations from groups including MSU's Land Policy Institute and the Michigan Land Use Leadership Council.

- c) The state should implement the recommendations made by the Michigan Land Use Leadership Council with respect to farmland preservation.
- d) The state should explore options for protecting urban agricultural lands in addition to rural farmland.

Recommendation D1 Explanation:

A recent Michigan State University report estimates the contribution of the farm industry to the state’s economy to be \$6.8 billion annually, with over 100,000 jobs associated with the state’s 53,000 farms. This farm industry is the foundation of the state’s \$60 billion agri-food industry. Between 1997 and 2002, Michigan lost approximately 60,000 acres of farmland per year. Productive farmland is one of Michigan’s greatest assets, and it is important to protect, enhance and preserve as much of Michigan farmland as possible in order to provide for a diverse and sustainable economy for the state. Michigan residents value farms and farmland, and wish to see them preserved. Many of the benefits associated with farms and farmland are “public benefits”, though, and so it falls to the state to address this issue.

Michigan currently temporarily preserves over three million acres of farmland under the Farmland and Open Space Preservation Act (PA 116.) The state also protects land permanently through donated permanent conservation easements and through grants from the Michigan Agricultural Preservation Fund. The Agricultural Preservation Fund is not currently sufficiently funded.

Recommendation D1 Implementation Strategies:

- 1) MDA and MSU, along with other relevant agencies and organizations, should work to increase education around the need for farmland preservation, and the associated benefits that accrue to communities and individuals.
- 2) MDA should work with appropriate partners, such as MSU’s Land Policy Institute, to develop a strategic plan for farmland preservation, including the establishment of an Innovation Fund for Agriculture.
- 3) The state should designate stable and consistent funding for multiple agricultural land preservation strategies by:
 - a) Evaluating appropriate options for funding the Agricultural Preservation Fund (refer to the MSU Land Policy Institute’s 2006 report *Alternative Funding Sources for Farmland Preservation in Michigan* for analysis of possible funding sources).
 - b) Piloting an equity mortgage and equity insurance program in a local community.
 - c) Establishing a competitive process for state match dollars so that the state can be strategic about preservation.
 - d) Maintaining community match requirements at the current level of 25%, but strongly encouraging and/or assisting communities in achieving a higher match contribution.
- 4) The state should develop temporary conservation strategies that complement its permanent preservation goals and strategies.
- 5) The state should develop Agricultural Production Areas (as described in the Michigan Land Use Leadership Council’s recommendations) program similar to the PA 116 program.
- 6) The state should follow the recommendations of the Michigan Land Use Leadership Council with respect to focusing resources and expenditures on existing utility infrastructure so as to protect agricultural lands and undeveloped areas to the greatest extent possible, and working with local governments to do the same.

Recommendation D2: Encourage and support new opportunities for niche and value-added markets.

- a) MDA should partner with relevant agencies and organizations to identify new opportunities and markets for Michigan's agricultural products and help producers gain access to these markets.
- b) MDA should partner with relevant agencies and organizations to identify sources of capital and assist producers in attaining capital for new ventures in the agri-food industry.
- c) MDA should partner with relevant agencies and organizations to implement a comprehensive information network to provide services to assist existing and potential farmers in transitioning or entering into new ventures.

Recommendation D2 Explanation:

Niche markets and new market opportunities are one way of increasing farm viability. Taking advantage of new market opportunities takes time, energy, capital, the right location and networks and often farmers need assistance to be successful. State agencies and departments, in cooperation with Michigan research universities and non-profit organizations, can help to fill these gaps and make such resources available to farmers looking to embark on new business ventures. New markets can include a range of opportunities, from value-added products (e.g., turning berries into preserves) to transitioning from selling vegetables for processing to selling vegetables for direct market and/or fresh consumption. The identification of opportunities is only one piece of a program to increase farm viability through new markets; the information must be distributed to farmers and strong networks created to support farmers transitioning to new ventures.

Additionally, many of these new market opportunities involve more consumer and community involvement in the business and market development, rather than the more passive roles that consumers have traditionally had in food production. In order to succeed, farmers taking advantage of these new opportunities must try to be especially in tune with consumer desires and interests.

Recommendation D2 Implementation Strategies:

- 1) MDA should develop case studies and best practices highlighting successful small farm marketing initiatives.
- 2) MDA, in cooperation with commodity groups and growers associations, should facilitate the development of a voluntary web-based directory of farmers searchable by location. The directory should be updated and consistently maintained and applicable/usable by all who are interested in locating farmers and Michigan farm products.
- 3) MDA should investigate new markets for Michigan products including, but not limited to: organic/sustainable agriculture, direct marketing to consumers, capturing the markets of health and natural food stores, heirloom variety/heritage breed production, farm-to-school initiatives, fresh vs. processed, and capturing the restaurant markets.
- 4) MDA should support the recommendations of the Michigan Organic Advisory Committee (MOAC) and collaborate with nonprofit groups such as the Michigan Organic Food and Farm Alliance (MOFFA) and Michigan Food and Farming Systems (MIFFS) to:
 - a) Encourage the growing organic farm industry.
 - b) Expand marketing and promotion of organic agriculture in Michigan.
- 5) MDA and MEDC should establish a State of Michigan grant/ funds-matching program to fund the development of business plans and feasibility studies to start up value-added ventures.

- 6) MEDC should include a representative from MDA or the agri-food industry on the MEDC Strategic Fund Board to provide input into decisions on funds for agricultural ventures.
- 7) MDA should work with the newly established Michigan Farmers' Market Association to develop guidelines and information to increase the number of "growers only" farmers' markets.
- 8) MDA should investigate the opportunity to hold a "Governor's Summit on Michigan Food" to increase networking opportunities between buyers (public institutions and private businesses) and Michigan producers.
- 9) MDA should support and partner with marketing associations and others in efforts to create infrastructure (e.g., distribution networks, small-scale processing facilities, etc.) that will support new market opportunities.

Recommendation D3: Increase promotion and education around Michigan's diverse agricultural industry and its importance to both the state's overall economy and to residents' quality of life.

- a) The state should take advantage of opportunities to cross-promote Michigan agriculture with public health, economic development, and travel marketing campaigns.
- b) Travel Michigan and MDA should work closely to increase opportunities and marketing for agri-tourism in the state.
- c) The state should increase education about food and agri-food systems in Michigan.

Recommendation D3 Explanation:

The agri-food industry is the second largest industry in Michigan. A recent Michigan State University report estimates the current and potential impact of the industry on the state's economy to be \$60.1 billion annually, with over one million associated jobs. Many Michigan residents, however, are unaware of the importance of the agriculture industry to the state. Marketing and promotion efforts can help increase awareness and support of the agriculture industry.

Agri-tourism represents both an economic development opportunity as well as an opportunity to increase the prominence of Michigan agriculture. Farm-based recreation and tourism can increase farm incomes and rural economic activity, and at the same time generate exposure for Michigan's agricultural industry. Many farmers, though interested in new opportunities in agri-tourism, do not have the time, expertise or other resources to develop these ventures. The Michigan Agricultural Tourism Advisory Commission was developed in 2005 to delve into these issues and to address some of the challenges in developing Michigan's agri-tourism opportunities.

In addition to agri-tourism, there exist other opportunities to increase the promotion and education around Michigan's agriculture industry, and thereby increase the awareness of Michigan residents about this important industry.

Recommendation D3 Implementation Strategies:

- 1) MDA should develop an "agri-tourism point person" position to work closely with Travel Michigan to promote agri-tourism in Michigan. This person will be responsible for the following, in addition to other related tasks:
 - a) Undertaking a county-by-county inventory of Michigan's agriculture and agri-tourism assets, and develop marketing materials for Michigan Food and Agriculture Tours and Trails.

- b) Promoting Michigan agricultural fairs and festivals to a larger audience.
 - c) Working to educate new and existing agri-tourism ventures on the important factors that comprise a high-quality tourist experience.
 - d) Assisting agri-tourism ventures in using the existing services available through Travel Michigan.
 - e) Working with Travel Michigan to highlight/place prominently more information about agri-tourism on the Travel Michigan website.
- 2) MDA should work to promote the recommendations of the Michigan Agricultural Tourism Advisory Commission (recommendations complete in late 2006).
 - 3) Travel Michigan should:
 - a) Work with the agri-tourism industry to develop at least one travel/tour package (including coupons) that highlights Michigan agriculture and products.
 - 4) MDA and Travel Michigan should:
 - a) Educate local and regional convention and visitors bureaus on the importance of agri-tourism in the state.
 - b) Educate agri-tourism businesses on the importance of working with destination marketing organizations including, but not limited to, regional tourism organizations, local convention and visitors' bureaus, and local chambers of commerce.
 - 5) MDA should work with MDCH to tie a "buy Michigan products" campaign to nutrition/fitness campaigns (e.g., drinking daily milk requirement and eating recommended servings of fruits and vegetables per day).
 - 6) The governor should do a monthly radio address profiling Michigan agriculture with topics including minority farming, agricultural diversity of Michigan, agricultural regions of Michigan, etc.
 - 7) MDA should support the development and institutionalization of the Select Michigan Program to increase consumer education (see recommendation C1).
 - 8) MDA should partner with MDE and other relevant organizations to increase education about food and agri-food systems directed at consumers and school children.

Recommendation D4: Expand and stabilize the farm workforce.

- a) MDA should establish an Office of Multicultural and Emergent Farmers to cultivate and encourage all new farmers and to increase culturally appropriate outreach to the growing population of minority farmers.
- b) MDA should work with DLEG, MSUE, MSU, the Interagency Migrant Services Committee (IMSC) and other local partners to continue to support the migrant and seasonal labor workforce by evaluating conditions and improving housing and access to services.

Recommendation D4 Explanation:

Central to discussions of supporting and encouraging new farmers is the viability of the farm venture in general. The aging farmer population in this country, and in Michigan, is tied inextricably to the loss of farmland and to decreasing farm profits. Agricultural viability is key for young people, or people at a transitional stage, considering farming as a career. Given that, it is still extremely important to support new farmers, including children of farmers, farmworkers, minority farmers and others, with new farmer programs whenever possible since Michigan cannot have farms without

farmers. There are a number of initiatives around the state to assist new farmers and introduce youth to farming as a potential career. One such program is the Youth Farmstands Project, which introduces youth in low-income communities (currently in Kalkaska and Detroit) to selling produce at farmstands and saving money for education. Programs serving new farmers must recognize the diversity of people and ventures that will respond to growing niche markets and varied opportunities.

One of the fastest growing agricultural communities in Michigan is comprised of Hispanic farmers. They often do not take advantage of the conventional sources of technical assistance, such as MSU Extension, due to cultural barriers, language barriers, or lack of awareness. Michigan should recognize the importance of this growing and committed group of farmers and develop appropriate outreach services.

Finally, approximately \$2 billion in Michigan farm gate receipts depend on the labor of approximately 45,000 migrant and seasonal farmworkers. The dynamics of this population, in terms of seasonal and geographical concentration, employment, needs, and services, are largely undocumented.¹⁹ While there has traditionally been an oversupply of this labor, shifting local, state and federal policies have the potential to contribute to instability in this crucial workforce. Michigan must continue to attract this population with high-quality housing and access to services.

Recommendation D4 Implementation Strategies:

- 1) MDA should create an Office of Multicultural and Emergent Farmers to house one employee with contacts across all related state departments to do the following:
 - a) Survey and inventory existing programs that serve new farmers and identify gaps in services and information.
 - b) Serve as a clearinghouse for information on programs in the state that serve new farmers and maintain a website with appropriate information.
 - c) Provide technical assistance directly to new farmers and to new farmer and farm transition programs, including, but not limited to:
 - i) Providing pesticide application information, and bilingual written materials and staff contacts.
 - ii) Partnering with DLEG to integrate these services with migrant and seasonal labor outreach.
 - iii) Assisting in linking new farmer programs, such as the Youth Farmstands Project, to appropriate partners, such as Future Farmers of America (FFA), 4-H Clubs, Michigan farm credit unions and school districts.
 - iv) Partnering with the Michigan Farm Bureau to expand the FarmLink Program.
 - v) Identifying state funds spent within MDA that might be eligible for federal match and working with related program partners to document those funds and put them up as state match for new farmer programs.
 - d) Acknowledge the importance of the minority farmer population and develop culturally appropriate strategies to increase access to information for this group.
 - i) Officially house the Limited Resource/ Minority Farmer Coalition.

¹⁹ It is important to note that the US Census Bureau's Decennial Census is not an appropriate tool to capture information about this population. The IMSC has commissioned the *Migrant And Seasonal Farmworker Enumeration Profiles Study* to be released in late 2006.

- 2) The state should direct the Interagency Migrant Services Committee (IMSC) to perform a comprehensive review and develop a report on the conditions and status of the migrant and/or seasonal agriculture workforce in Michigan. The report should include recommendations and be performed at least every five years.
- 3) The state should support and preserve existing programs that serve the migrant and/or seasonal farm workforce, including, but not limited to: housing, health care, childcare, education, employment, legal and social services programs.
- 4) MDA should work to stabilize the migrant and seasonal labor workforce by:
 - a) Improving the quality and availability of housing by:
 - i) Working with local zoning boards to create zoning ordinances that allow for licensed housing.
 - ii) Requesting renewed funding for the Construction Grant Program in the FY '07 budget cycle.
 - iii) Providing 3 additional inspectors to conduct *at least one* in-season inspection of occupied housing, in addition to standard pre-occupancy inspections.
 - b) Working with MIOSHA to ensure enforcement of field sanitation requirements (e.g., drinking water and toilets in fields and packing sheds) in order to:
 - i) Improve the health and productivity of workers.
 - ii) Address issues of public health and food safety.
 - c) Partnering with agencies/organizations to survey the status of migrant labor within the non-seasonal agri-food industry (e.g., dairies, livestock, food processing, nurseries), and discern gaps in regulation and services.

Recommendation D5: Improve and expand the efficacy and propriety of Michigan State University Extension’s agriculture services and service delivery.

- a) MSUE should formally develop a greater emphasis on marketing and on the recognition of new and changing opportunities in agriculture and the development of imaginative responses.
- b) The state should seek long-term funding partnerships, including federal match funds, for the MSU Product Center, in order to financially support MSUE agents and others as Agriculture Innovation Counselors for product development and agriculture support.
- c) MSUE agents should develop expertise in business, product development, marketing, and innovation and participate in regional collaborations to deliver agricultural business training and other services.

Recommendation D5 Explanation:

Michigan State University Extension has long provided farmers with expertise and resources in the area of increased production and per-acre yields. However, there are substantial opportunities to increase farm profitability and income by other means, including, but not limited to, entrepreneurial initiatives, value-added initiatives, and new market development. The state should provide resources and support for farmers to take advantage of these opportunities. Michigan State University Extension, in partnership with the MSU Product Center, has begun this process in some instances and is poised to deliver additional services to agricultural producers with additional funding from the state. There is currently significant momentum and enthusiasm for the work of these two

agencies, and a lapse in funding to support these efforts will undermine the progress that has been made in developing a more entrepreneurial outlook in Michigan's agricultural sector. Given support from the state and other partnering organizations, MSUE needs to put more time and energy into helping producers respond to new market opportunities.

There are two existing regional partnerships that can serve as models: the Food System Economic Partnership (in Southeast Michigan), and Taste the Local Difference (in Northwest Michigan.) Both of these initiatives demonstrate that innovative partnerships can lead to increased profitability and opportunity for farmers and consumers.

Recommendation D5 Implementation Strategies:

- 1) The state should increase funding to Project GREEN to, in turn, support MSUE in expanding entrepreneurial and marketing services available to Michigan agricultural producers. This funding should, either through MSUE or the MSU Product Center for Agriculture and Natural Resources, support a strong network of Extension Agents as Agricultural Innovation Counselors.
- 2) MSUE should increase its full-time economic development staff with a focus on entrepreneurial efforts (i.e., as agricultural innovation counselors through the MSU Product Center), in addition to the personnel delivering more traditional agriculture and community services. These staff should be knowledgeable of and work to promote:
 - a) Local partnerships.
 - b) Leadership academies and training opportunities, including business classes at local colleges and universities.
 - c) Continuing education in:
 - i) Government and policy.
 - ii) Leading and organizing public meetings.
 - iii) Computer/internet literacy and website development.
 - iv) Managerial skills.
 - v) Marketing skills, including pricing.
 - d) State, federal and private funding opportunities and options for new and expanded agri/food business ventures.
- 3) MSUE should help develop and participate in regional partnerships that include business networks, growers, county and local governments, commodity groups and other agri-food system stakeholders. These partnerships should work to:
 - a) Identify opportunities for local agriculture.
 - b) Link agriculture to consumers.
 - c) Develop incubator kitchens.
 - d) Pursue farm-to-school initiatives.

Appendix E: Executive Order 2005-13

DEPARTMENT OF AGRICULTURE MICHIGAN FOOD POLICY COUNCIL

WHEREAS, Section 1 of Article V of the Michigan Constitution of 1963 vests the executive power of the State of Michigan in the Governor;

WHEREAS, under Section 8 of Article V of the Michigan Constitution of 1963 the Governor is responsible for the faithful execution of the laws;

WHEREAS, developing opportunities for small- to mid-scale family farmers to capture a greater percentage of Michigan food dollars will increase the viability of agriculture, preserve open space, and revitalize rural communities;

WHEREAS, if Michigan consumers spent an additional 10 percent of food dollars on Michigan-grown and Michigan-processed foods, economic activity in this state would grow by \$730 million, benefiting not just Michigan farmers, but our entire state;

WHEREAS, in 2001, only 76% of individuals eligible for food stamps in Michigan received them;

WHEREAS, increasing food stamp program participation closer to 100% would bring in between \$60-125 million of additional federal funds for the purchase of food from Michigan retailers;

WHEREAS, food policy councils established in other states have provided government officials and stakeholders with a forum to identify policies that harness the potential of the food system to foster economic development, provide children and those in need greater access to fresh and nutritious foods, and support stewardship of our finite land and water resources;

WHEREAS, food policy councils have demonstrated effectiveness in bringing together a broad array of food-related government and non-government constituencies to employ a food systems approach that facilitates policy evaluation and program development at every stage of the food process from seed to table;

WHEREAS, formation of a state food policy council will benefit Michigan farmers, including small- and mid-scale farmers, local food processors, manufacturers, distributors, and retailers;

WHEREAS, creation of a state food policy council will provide increased focus on the economic development opportunities of Michigan's food system along with improvements to agriculture production, community well-being, and public health;

NOW, THEREFORE, I, Jennifer M. Granholm, Governor of the State of Michigan, by virtue of the power and authority vested in the Governor by the Michigan Constitution of 1963 and Michigan law, order the following:

I. DEFINITIONS

As used in this Order:

A. "Council" means the Michigan Food Policy Council established within the Department of Agriculture by this Order.

B. "Department" means the Department of Agriculture, the principal department of state government created under Section 1 of 1921 PA 13, MCL 285.1 and Section 175 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.275.

II. CREATION OF THE MICHIGAN FOOD POLICY COUNCIL

A. The Michigan Food Policy Council is created as an advisory body within the Department to assist the Department and the Governor in fostering a healthy and available food supply to all of Michigan's

residents while enhancing the state's agricultural and natural resources, encouraging economic growth, expanding the viability of small- to mid-scale farms, and improving the health of our communities and Michigan residents.

B. The Council shall consist of 21 members.

C. The Council shall include the following ex officio members from within state government:

1. The Director of the Department of Agriculture or his or her designee from within the Department of Agriculture.
2. The Director of the Department of Community Health or his or her designee from within the Department of Community Health.
3. The Director of the Department of Environmental Quality or his or her designee from within the Department of Environmental Quality.
4. The Director of the Department of Human Services or his or her designee from within the Department of Human Services.
5. The Director of the Department of Labor and Economic Growth or his or her designee from within the Department of Labor and Economic Growth.
6. The Superintendent of Public Instruction or his or her designee from within the Department of Education.

D. The following members appointed by the Governor:

1. Two individuals representing Michigan agricultural organizations.
2. Two individuals representing sustainable agriculture or sustainable agricultural development.
3. One individual representing institutions of higher education.
4. One individual representing K-12 schools.
5. One individual representing community-based urban development activities.
6. One individual representing rural development activities.
7. One individual representing anti-hunger organizations.
8. One individual representing public health organizations or persons with expertise in public health.
9. One individual representing food processors.
10. One individual representing food retailers.
11. One individual representing non-food manufacturers.
12. One individual representing restaurants.
13. One individual representing organized labor.

E. Members of the Council appointed by the Governor under Section II.D shall be appointed for terms of 2 years. A vacancy caused other than by expiration of a term shall be filled in the same manner as the original appointment for the remainder of the term.

F. The Director of the Department of Agriculture shall serve as the Chairperson of the Council. The members of the Council shall select members of the Council to serve as Vice-Chairperson and Secretary of the Council.

III. GOALS AND RESPONSIBILITIES OF THE COUNCIL

A. The goals of the Michigan Food Policy Council shall include all of the following:

1. Increasing economic activity in Michigan resulting in new and expanded businesses and jobs across all food-related sectors in this state.
2. Strengthening Michigan's urban and rural areas with food-related revitalization projects.
3. Increasing access to fresh and healthy Michigan-grown foods, including for school children, low-income families, at-risk seniors, and inner-city residents.
4. Promoting institutional and public purchase and consumption of Michigan-grown and Michigan-processed foods.
5. Enhancing the viability of small- to mid-scale family farms in Michigan by promoting direct farm marketing, sustainable agriculture, and agri-tourism, among other initiatives.
6. Preserving farmland as open space and amplifying the environmental benefits of agriculture by promoting sustainable agriculture practices in Michigan.
7. Identifying strategies to increase collaboration and communication between state agencies in the delivery of food-related programs and evaluation of collaborative opportunities.
8. Recommending approaches that maximize coordination of existing federal, state, and local resources and capture additional federal resources for Michigan.
9. Identifying or recommending programs or pilot programs that enhance access to Michigan-grown foods and Michigan-processed foods.
10. Identifying mechanisms by which Michigan may expand markets for Michigan agricultural products, including, but not limited to, niche markets such as "organically-produced," "pasture-raised," and "sustainably-grown" agricultural products.
11. Developing strategies aimed at enhancing connections between Michigan growers and Michigan food outlets.
12. Developing recommendations to the Department and the Governor not later than October 1, 2006 to encourage the creation of at least 1,000 new food-related jobs in Michigan.

B. The Council shall do all of the following:

1. Develop and adopt 6-month, 12-month, and a 24-month recommended action plan for achieving the goals of the Council.
2. Make recommendations to the Department on the adoption of policies to advance the goals for the Council set forth in this Order.
3. Recommend policies or activities intended to increase spending of food dollars on Michigan-grown and Michigan-processed foods by 10 percent.
4. Advise the Department regarding the "Select Michigan" program.

C. The efforts of the Council are intended to positively impact the entire state with a special emphasis on school children, low-income families, and individuals in both urban and rural areas.

IV. OPERATIONS OF THE COUNCIL

A. The Council shall be staffed and assisted by personnel from the Department of Agriculture, as directed by the Director of the Department of Agriculture. The budgeting, procurement, and related management functions of the Council shall be performed under the direction and supervision of the Director of the Department of Agriculture.

- B. The Council shall adopt procedures consistent with Michigan law and this Order governing its organization and operations.
- C. A majority of the members of the Council serving constitutes a quorum for the transaction of the Council's business. The Council shall act by a majority vote of its serving members.
- D. The Council shall meet at the call of the Chairperson and as may be provided in procedures adopted by the Council.
- E. The Council may establish committees and request public participation on workgroups as the Council deems necessary. The Council may also adopt, reject, or modify any recommendations proposed by a committee or a workgroup.
- F. The Council may, as appropriate, make inquiries, studies, investigations, hold hearings, and receive comments from the public. The Council may also consult with outside experts in order to perform its duties, including, but not limited to, experts in the private sector, organized labor, government agencies, and at institutions of higher education.
- G. Members of the Council shall serve without compensation. Members of the Council may receive reimbursement for necessary travel and expenses according to relevant statutes and the rules and procedures of the Department of Management and Budget and the Civil Service Commission, subject to available funding.
- H. The Council may hire or retain contractors, sub-contractors, advisors, consultants, and agents, and may make and enter into contracts necessary or incidental to the exercise of the powers of the Council and the performance of its duties as the Director of the Department deems advisable and necessary, in accordance with this Order, and the relevant statutes, rules, and procedures of the Department of Management and Budget and the Civil Service Commission.
- I. The Council may accept donations of labor, services, or other things of value from any public or private agency or person, including, but not limited to, support from Michigan State University, the Michigan Integrated Food and Farming System, the Food Bank Council of Michigan, and the W.K. Kellogg Foundation.
- J. Members of the Council shall refer all legal, legislative, and media contacts to the Department.

V. MISCELLANEOUS

- A. All departments, committees, commissioners, or officers of this state or of any political subdivision of this state shall give to the Council, or to any member or representative of the Council any necessary assistance required by the Council, or any member or representative of the Council, in the performance of the duties of the Council so far as is compatible with its, his, or her duties. Free access shall also be given to any books, records, or documents in its, his, or her custody, relating to matters within the scope of inquiry, study, or investigation of the Council.
 - B. Any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected by this Order shall not abate by reason of the taking effect of this Order
 - C. The invalidity of any portion of this Order shall not affect the validity of the remainder of the Order.
- This Order is effective upon filing.

Given under my hand and the Great Seal of the State of Michigan this 7th day of June, in the year of our Lord, two thousand and five.

JENNIFER M. GRANHOLM
GOVERNOR
BY THE GOVERNOR:

SECRETARY OF STATE

Appendix F: Acronyms

APRZ – Agricultural Processing Renaissance Zone
CSA – Community Supported Agriculture
CSFP – Commodity Supplemental Food Program
DCH – see MDCH
DEQ – Michigan Department of Environmental Quality
DHS – see MDHS
DLEG – Michigan Department of Labor and Economic Growth
DMB – Michigan Department of Management and Budget
DOC – see MDOC
EBT – Electronic Benefit Transfer
EFNEP – Expanded Food and Nutrition Education Program
EITC – Earned Income Tax Credit
FAP – Food Assistance Program (Food Stamp Program in MI)
FAQ – Frequently Asked Questions
FFA – Future Farmers of America
FNS – USDA's Food and Nutrition Service
FSEP – Food System Economic Partnership
FSMIP – Federal-State Marketing Improvement Program
FSNE – Food Stamp Nutrition Education
IDA – Individual Development Account
IMSC – Interagency Migrant Services Committee
LEP – Limited English proficiency
MAEAP – Michigan Agriculture Environmental Assurance Program
MASS – Michigan Agricultural Surplus System
MDA – Michigan Department of Agriculture
MDCH – Michigan Department of Community Health
MDE – Michigan Department of Education
MDHS – Michigan Department of Human Services
MDOC – Michigan Department of Corrections
MEDC – Michigan Economic Development Corporation
MFPC – Michigan Food Policy Council
MIFFS – Michigan Food and Farming Systems
MIOSHA – Michigan Occupational Safety and Health Administration
MISITENET – Michigan Site Network
MISNAP – Michigan State Nutrition Action Plan

MNN – Michigan Nutrition Network
MOAC – Michigan Organic Advisory Council
MOFFA – Michigan Organic Food and Farm Alliance
MSHDA – Michigan State Housing Development Authority
MSU – Michigan State University
MSUE – Michigan State University Extension
NEAT – Nutritional Environmental Assessment Tool
NSLP – National School Lunch Program
OSA – Michigan Office of Services to the Aging
PA XXX (e.g. PA 316) – Public Act XXX
RDA – USDA's Rural Development Agency
RSA – Regional Skill Alliance
SBTDC – Small Business and Technology Development Center
SFSP – Summer Food Service Program
SNAP – State Nutrition Action Plan
TANF – Temporary Assistance for Needy Families
TEFAP – The Emergency Food Assistance Program
WIC – Special Supplemental Nutrition Program for Women, Infants and Children
USDA – United States Department of Agriculture

Notes



www.michigan.gov/mfpc