#### American Rescue Plan State Fiscal Recovery Fund Recommendation Cover Sheet

Please submit this document with any recommendations for funding from Rhode Island's allocation of federal fiscal recovery funds available through the American Rescue Plan Act. This information will be made available to the public along with any detailed documents submitted that describe the proposal. It is encouraged that such documents identify clear goals and objectives and quantifiable metrics.

This is not a formal request for funds, and submission of recommendations does not guarantee a response, public hearing, or appropriation from the General Assembly.

Name of Lead Agency: Rhode Island Food Polcy Council
Additional agencies making recommendation (if applicable):
Contact Person/Title: Nessakichmin, Phone: 401-789-1842 (3) Network Director 240-838-1023 (c)
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Email Address (if available) Nessa@ribodcancil.org
Brief Project Description (attachments should contain details) 1-000 System vesilience - food sewrity.
Total request: \$ 24, 586,000
One-time or Recurring Expense? One-time (core no 3 yes)
ARPA Eligibility Category (check all that apply) – See link for further information <a href="https://www.rilegislature.gov/commissions/arpa/commdocs/Treasury%20-%20Quick-Reference-Guide.pdf">https://www.rilegislature.gov/commissions/arpa/commdocs/Treasury%20-%20Quick-Reference-Guide.pdf</a>
<ul> <li>Respond to the public health emergency and its economic impacts</li> </ul>
Premium pay to eligible workers
Government services/state revenue replacement
Water/sewer/broadband infrastructure



# American Rescue Plan State Fiscal Recovery Fund Recommendations \*Presented to\* The Rhode Island State Legislature

Date delivered: October 29, 2021

The Rhode Island Food Policy Council is an independent network of food systems stakeholders working to create a more just and resilient food system in Rhode Island. The COVID-19 Pandemic has crystalized the need for Rhode Island to become more food secure, in order to withstand future shocks to the food supply chain. **One way to increase food security for all Rhode Island residents while <u>also</u> helping small local farm, fish, and food businesses is to support a strong local food system.** 

Our five recommendations focus on specific investments that do just that – each with a detailed statement on expected impacts and outcomes. The guidance provided in this document is built on input from hundreds of Rhode Islanders who are part of our network – food businesses, farmers, fishers, aquaculturists, food access workers, food justice advocates, community health workers, and more. They are aligned with recommendations from Governor Dan McKee and the Rhode Island Foundation "Make it Happen" report, particularly page 60 of that report, which outlines food insecurity investments. They are also aligned with and fully supportive of the RI DEM ARPA submission titled "Food Insecurity and Supply Chain Resilience."

#### **Priorities:**

- 1) Increase rural and urban land access (including funding to DEM to buy development rights to parcels via open space funds, which lowers the price for the participating nonprofit organizations)
- 2) Grow institutional markets for local food
- 3) Increase seafood processing capacity
- 4) Support our state's farmers, fishers, and aquaculturists (this should be embedded within the larger grant program proposed in the DEM submission)
- 5) Improve food security for all Rhode Islanders

Please note that the numbers cited in the attached document are for 2 years, so should be multiplied out to cover 3 years, which is reflected in the cover sheet. Thank you for your attention to this submission.

Sincerely,

Nessa Richman Network Director

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# Increase Access to Rural and Urban Farmland



#### **HIGHLIGHTS**

**1043** farms in Rhode Island, 36% under 10 acres and 75%+ under 50 acres

**113+** urban gardens and farms on Aquidneck Island (Middletown, Newport and Portsmouth) and in Central Falls, Cranston, Pawtucket, Providence, Warwick and Johnston

30 BIPOC farmers in Rhode Island

#### **RURAL**

- At \$16,000/acre on average, Rhode Island's agricultural land costs more than five times the national average and three times the Northeast average
- RI DEM's Farmland Access Program (FAP) needs more funding to help assure increases in the number, output, and employment impacts of financially successful farm businesses in RI. This program:
  - Adds to the state's inventory of permanently protected agricultural land
  - Benefits both beginning and established farms
  - RI DEM can handle up to 3 additional properties per year, based on 2021 operations

#### Recommended investment: \$2.2 million

#### **URBAN**

- Demand for urban growing space far exceeds supply
  - Increasing the availability of urban land to agricultural organizations would
    - Allow more urban residents to increase household and community food security
    - Catalyze urban farmers to expand their businesses and increase their economic viability
- Urban gardens and farms contribute to food security and economic mobility for people living in the urban core, including many refugee and immigrant populations who are growing culturally relevant foods for their communities

 Investment funding, leveraged with match funding by federal and other sources, can support at least 5 farmers and at least 80 growers in Cranston, Newport, Pawtucket and Providence

## We are urging the legislature and administration to commit \$830,000 over two years to this priority area:

- \$180,000: Providence and Pawtucket = 6 vacant lots to be developed into community garden and urban farming space
- \$335,000: Cranston (serving Providence, Pawtucket and Central Falls) = continued lease for farmland that currently supports 5 farmers
- \$315,000: Newport (includes significant matching funds) = Purchase of one to two sites

#### **ORGANIZATIONAL PARTNERS - URBAN**

#### **Southside Community Land Trust**

- Manages or owns over 7 urban farms and 20 community gardens in Central Falls, Cranston, Pawtucket, and Providence
- Many SCLT growers are BIPOC (Black, Indigenous, and other People of Color)

#### **Aquidneck Community Table**

- Agricultural land in Aquidneck Island is among the most expensive agricultural land in the state
- Demand for ACT's existing community gardens remains high, including among low-income residents of the Island, with a waiting list every year since it opened

#### African Alliance of RI

- Works with Southside Community Land Trust and other organizations to connect refugee and immigrant farmers to land, education and resources
- Emphasized the importance of land ownership, as opposed to leasing and accessible processes and programs







# Increase Institutional Markets: The Potential of Farm to School in RI



#### **HIGHLIGHTS**

Farm to school incentive and grant programs have been successfully implemented in California, Maine, Michigan, New Mexico, New York, Oregon and Vermont, signing their local food purchasing incentive into law in June 2021

Increased availability of fresh, locally-sourced school food benefits student learning, food security, and health

Almost 80% of schools in RI purchase some local food, but they can do much more. Farm to School programs can create a robust and more stable market opportunity for farmers, helping to reduce RI's reliance on non-local markets, create new jobs and grow the local economy

#### PROJECTED IMPACTS

- Over \$500K in spending by RI schools on RI food puts money directly into the hands of Rhode Island farmers, fishers, and processors
- More than \$900K in boosts to Rhode Island's economy

**NOTE:** Calculations based on results from New York's successful Farm to School program, using a conservative goal of 50% of students who participate in school lunch at schools that reach 30% of the lunch food budget spent on food from RI growers and harvesters by SY2028. We utilized a \$0.20/meal state reimbursement for school food authorities that spend at least 30% of their lunch food budget on RI food.

We are urging the legislature and administration to commit \$356,000 over two years to this priority area:

- \$156,000: Reimbursements to local producers, harvesters, and processors, and the service businesses that indirectly support them
- \$100,000 (\$50,000 per year): Awards for schools and to support suppliers/distributors implement better tracking
- \$100,000 (\$50,000 per year): Funding for parttime administrative support to help with tracking, procurement and logistics, physical infrastructure, and staff





# Increase Seafood Processing Capacity for Our Commercial Fishing Industry



#### **HIGHLIGHTS**

**\$500 million:** Approximate revenue dollars contributed per year to the state's economy

**4,000:** Number of people employed in both direct and indirect sector businesses

The sector also contributes to the state's **\$5 billion** tourism industry

## INCREASED DEMAND FOR SEAFOOD PROCESSING CAPACITY IN RHODE ISLAND

- Current seafood processors operating in the highly competitive and scale-driven global supply chain for processed fish:
  - Three large squid processors
  - A few small to medium sized processors focusing on other specific species (Jonah crab, whiting, shellfish, etc.)
  - About a dozen small to medium sized dealer/ processors handling a wide variety of species
- The single largest barrier to industry growth is lack of infrastructure to handle wastewater. Addressing this long-standing constraint will create jobs and economic opportunity.

We are urging the legislature and administration to commit \$5-15 million in funds to expand seafood processing opportunities.

#### **PROJECTED IMPACTS**

(not mutually exclusive)

1. Provide incentives for seafood processors to install water pretreatment equipment in their plants. These incentives would enable processors to install the needed equipment provided the processor agrees to use the additional water processing capacity to increase processing volumes.

2. Provide incentives for a third-party operator to build a water processing and recycling facility that could handle current and future wastewater from seafood processors (and possibly other food processors)

We are urging the legislature and administration to commit \$5-15 million over two years to this priority area:

- \$5 million for matching grants to support the installation of pre-treatment equipment in seafood processing facilities.
- **\$10 milion** for a project currently being explored with a wastewater processing firm.

#### NOTE:

- Projected costs are dependent on the specific site, size, and operating plan that goes forward (ballpark estimate based on some of the work is that a state support program for just the water processing and recycling facility and related wastewater pre-treatment and hauling equipment would need to include \$10 million in direct financial incentives and state support in raising money through bond financing and federal grants).
- Using the proposals and feedback from the large squid processors as a guide suggests that increasing seafood wastewater processing capacity could:
  - Allow up to an additional 20 million pounds per year of new squid/seafood processing in the state.
  - At approximately \$2/lb value-added additional revenue, that could add up to \$40 million/year in revenue from processors
  - Add an additional 350-400 jobs in seafood processing, fishing, and other indirect businesses







### Support Our State's Farmers, Fishers, and Aquaculturists Through Targeted Capital, Workforce Development, and Technical Assistance



Increase and sustain support for small and beginning farmers and fishermen through the Local Agriculture and Seafood Act Grant Program (LASA)

Support mid-sized farm, fish, and food business sustainability and growth through workforce support and robust technical assistance

#### **HIGHLIGHTS**

- Since 2014, LASA investments have been made in 109 farmers, fishermen, aquaculturists, and organizations that serve them, leading to increased economic viability for these small RI businesses
- A 5-year evaluation undertaken in 2018 found that a subset of 27 early grantees leveraged \$355,379 in grants to yield:
  - \$2.5 million in additional funding, \$5.05 million in increased sales, 84 full- and part-time jobs in addition to more hours for current employees, 25 new products, 41 new partnerships and collaborations and 23 new market channels (including restaurants, institutions, emergency food agencies, farmers markets, and retail)
  - Every year there are far more applications for funding than there are funds available. In 2019, the state program received 62 applications and total funds requested exceeded \$750,000. The state could only fund 12 of these applications.

#### PROJECTED IMPACTS

- The 5-year evaluation estimated that if the sales trend held true for the entire 2014-2018 grantee pool, LASA would have enabled a gross sales increase as high as \$14 million for that period.
- Additional funding for LASA would greatly increase the strength of Rhode Island food system businesses and the communities they serve

We are urging the legislature and administration to commit \$1 million over two years to this priority area:

- **\$450,000** in grants for each year (\$900,000 total)
- \$50,000 per year for administration by a highly competent advisory council, including effective outreach and technical assistance, and evaluation of the program

#### **HIGHLIGHTS**

- Attracting new workers has been a key barrier to sustainability and growth. The impacts of COVID-19 have increased the challenges of attracting and retaining a high quality workforce
- Funds could be utilized through a number of different models to support farm, fish, and aguaculture business workforce recruitment and retention, including targeted sign-on bonuses, targeted wage supports/subsidies, and tax incentives for increasing wages/bonuses. (Specifics should be worked out in partnership with the RI Commerce, Department of Labor and Training, Small Business Development Center, and other stakeholders)
- Many of these businesses in Rhode Island are eligible for a number of federal and other capital opportunities, but need dedicated technical assistance to navigate complicated processes and write successful applications

#### PROJECTED IMPACTS

- Funding to support employee recruitment and retention would help businesses keep up with increased demand and higher supply chain costs and increase employees' quality of life and contribution to the local economy
- Expanded technical assistance provided by organizations like Social Enterprise Greenhouse, Hope & Main, and the RI Small Business Development Center would support farm, fish, and aquaculture business viability and bring additional capital funds into the state.







# Improve Food Security for Our Residents Who Rely on Emergency and Supplemental Food



#### **FOOD INSECURITY SNAPSHOT**

- COVID-19 dramatically increased food insecurity rates across the state, from less than 10% in 2019 to over 25% in 2020
- Impacts of food insecurity disproportionately impact Black, Indigenous, and other People of Color. In 2020, while 21% of White households lacked adequate food, 36% of Black households and 40% of Latinx households were food insecure
- When local products are purchased for distribution, local people eat fresh, healthful food and local farm, fish, and food businesses increase sales

Provide critical infrastructure funding for entities that provide emergency food assistance OUTSIDE of the RI Community Food Bank network

#### **HIGHLIGHTS**

- Over 60 organizations, meal sites, and pantries
   OUTSIDE of the RI Community Food Bank network provide food to residents in need in their communities
  - Elisha Project distributed over 350,000 pounds of food and 145 deliveries the week of June 7, 2021 to over 40 sites across 5 cities, reaching 15,000 families
  - Providence Rescue Mission distributes approximately 16,000 pounds of food each month
  - We Share Hope's food rescue operations have served over 75 non-profits in the state. Project Hand Up has grown from serving 7,115 families in 2019 to 25,372 in 2020, and in 2021, they continue to serve about 300 families weekly

## PROJECTED IMPACTS OF MORE INFRASTRUCTURE FUNDING

- More people have access to the food they need
- More hours of operation for existing facilities
- More refrigeration capacity (allowing more perishable products to be offered)
- More storage capacity
- Enhanced distribution and delivery capacity

We are urging the legislature and administration to commit \$4.7 million over two years to this priority area:

#### PROJECTED COSTS FOR MORE INFRASTRUCTURE

• \$100,000 per year for two years (\$200,000 total)

Increase funding to Hope's Harvest RI for purchase of local farm products, including purchasing through "forward contracts"

#### **HIGHLIGHTS**

- Volunteers harvest fruits and vegetables from farms, either contracting with local growers, paying for surplus produce, or taking donations - all for distribution to hunger relief agencies throughout RI.
- Programming supports healthy food access and food security for all Rhode Islanders, economic opportunities for local farm businesses, and improved community resilience by increasing the amount of locally grown produce consumed in RI
- A proven model that produces tangible, beneficial, and cost effective results for Rhode Islanders in need

## PROJECTED IMPACTS FOR INCREASED FUNDING TO HOPE'S HARVEST

- Significantly increase fresh food access for food insecure households in RI
- Deliver nearly 1.2 million pounds of local, fresh produce to the RI Food Bank (equivalent to over 4 million servings) at an average cost of \$1.31/pound
- Invest over \$628,000 in RI farmers

## PROJECTED COSTS FOR INCREASED FUNDING TO HOPE'S HARVEST

\$1.025 million

## Increase funding for the Local Seafood to Community Program

#### **HIGHLIGHTS**

 Meets the needs of the commercial fishing industry and immigrant and Indigenous communities







- Fishers are getting a fair and stable price despite market fluctuations, specifically for seafood with limited markets or that is thrown away as bycatch
- Seafood is distributed directly to communities in need
- By the end of July 2021, ~100,000 pounds of fresh local seafood was distributed to food-insecure households (approximately equal to 66,660 meals)

## PROJECTED IMPACTS FOR INCREASED FUNDING TO THE LOCAL SEAFOOD COMMUNITY PROGRAM

- Greater efficiency and less labor for weekly statewide deliveries and distribution
- Increased purchases from fishers
- Continued and emerging partnerships with multiple community-based organizations
- Creates larger opportunities of cultural exchange, job training and entrepreneurial opportunities, and community building

## PROJECTED COSTS FOR INCREASED FUNDING TO THE LOCAL SEAFOOD COMMUNITY PROGRAM

\$1.65 million

#### Fully fund Farm Fresh Rhode Island's Bonus Bucks SNAP-Match Program to support nutritious food access for SNAP recipients

#### **HIGHLIGHTS**

- Expands on USDA Supplemental Nutrition Assistance Program (SNAP) benefits by matching funds for nutritious, locally grown fresh fruits and vegetables, doubling the value of SNAP dollars to make nutritious choices more affordable. Since 2009, Farm Fresh RI has relied on foundation and competitive federal grants to fund the Bonus Bucks program
- Creates healthy food access points in neighborhoods with limited high quality produce — Offered at local farmers markets, CSAs, farm stands, and delivery programs across Rhode Island. All funds return directly to the local agricultural economy and incentivize use of federal SNAP funds with local small businesses
- In 2020 alone, the Bonus Bucks program impacted sales at 108 farms and 117 locally owned and operated food producers. Rhode Island shoppers spent over \$199,000 in SNAP at these outlets, and that spending was matched dollar-for-dollar in Bonus Bucks, resulting in a total economic impact of \$400,000 in the local food economy in 2020.

#### **PROJECTED IMPACTS**

- Positive economic, health and food security impacts
- A large portion of farms benefiting from the Bonus Bucks program are small and mid-sized
- Many farms are owned by people of color and firstgeneration immigrants -- communities who have been historically excluded from economic opportunities
  - The three farmers with the highest Bonus Bucks redemption in 2020 are growers with the African Alliance of RI and Southside Community Land Trust.

#### **PROJECTED COST**

• \$1.5 million: to Farm Fresh RI to further support local farmers and SNAP recipients' access to local produce

## Provide free delivery services for SNAP shoppers living in the urban core who have limited mobility

#### **HIGHLIGHTS**

- CartwheelRI, a certified SNAP retailer, is nonprofit grocery service that uses a mobile SNAP EBT POS capability, allowing customers to swipe their EBT card upon home delivery
- Free delivery is available through CartwheelRI. Currently only large retailers are participating in the SNAP Online Purchasing Pilot and have delivery costs, which can be cost-prohibitive and cannot be paid with SNAP benefits.
- Technological barriers play a role for some SNAP shoppers. Cartwheel RI's model accommodates both online and phone delivery

#### **PROJECTED IMPACTS**

- Cartwheel RI could serve a total of 120 low-income individuals/families per week, comfortably scaling to two delivery days per week (60 households per day):
  - Providence (out of the Sankofa Initiative's community space)
  - Newport (potentially using the MLK Center as a delivery hub)
- CartwheelRI shops at various Providence-based locations including Market Mobile and Urban Greens.
   Broadening their reach would circulate more dollars back into RI's greater food economy

#### **PROJECTED COSTS**

• **\$160,000**: to support Providence-based operations **NOTE**: For Newport-based operations the cost would be approximately the same.





