Title:	Food System Economic Partnership: Farmer Residency and Farm Incubator Programs in Southeast					
Sponsoring Agency		NIFA	Project Status	COMPLETE		
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Project No.		MICW-2012-00665	Proposal No.	2012-00665		
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Submitted By		Phil Tocco	Date Submitted to NIFA	04/01/2015		

Program Code: BFRDP

# **Project Director**

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# **Recipient Organization**

FOOD SYSTEM ECONOMIC PARTNERSHIP 705 N ZEEB RD Ann Arbor, MI 481031560 DUNS No. 019075884

**Program Name:** Beginning Farmer and Rancher

Performing Department {NO DATA ENTERED}

# **Co-Project Directors**

{NO DATA ENTERED}

## **Non-Technical Summary**

The decline in the automotive sector has decimated the economy in southeast Michigan, while Michigan's total unemployment rate current stands at 10.6%. Despite the bad economy, the food and agriculture industry continues to grow, currently contributing \$91 billion to Michigan's economy and poised to become the leading industry in the state. As the second most agriculturally diverse state, producing a vast array of fruits and vegetables. Michigan is threatened by the national trend of sprawling development and an aging farming population. The average age of Michigan's farmers is over 56, while those under 35 represent only 5% of the farming population. A significant number of younger farmers need to be trained in order to effectively replace the current aging generation but they face critical barriers including access to land, capital and support services. In order to hold on to the gains made in agricultural employment, Michigan must start training younger farmers and work to break down the barriers they face. The Farmer Residency and Farm Incubator Programs (Tilian Farm Development Center) will train new and beginning farmers to replace aging farmers and meet the increasing demand for locally produced farm products especially in the area of high-value sustainable, organic fruit and vegetable production. The Farmer Residency and Farm Incubator Programs fills a much needed niche for students in the farmer training career path, providing a transition from completion of course work and practical application, to self-operation of one's own farming operation. The Farmer Residency Program is similar in concept to a medical residency in that after a student finishes their course work or training in a program like the MSU Organic Farmer Training Program, they will have the opportunity to apply for a position as a resident in the Farmer Residency Program. Residents are paid farm managers (similar to medical residents), but do so under the supervision of a more experienced practitioner. The Farmer Residency Program will entail Residents managing and operating a financially viable self-supporting farm with a 48-week CSA focused on year-round production of fresh produce for local markets. If Residency farmers express interest, they may apply to be an Incubator farmer once their residency is complete and a business plan has been made. The Residency and Incubator Programs will utilize pioneering farming practices such as winter hoop house production. The Residency Program will operate on 10 acres for its four-season, year-round training program, and the Farm Incubator will utilize 40 acres during the first two years of operation which will be allocated to each farmer. Hoop houses on the 10 acres will be used for year-round CSA production and one heated hoop house will be utilized for transplant production to provide for on-farm training. Over a ten-year period the Farmer Residency and Farm Incubator Programs will train a minimum of 20 new beginning farmers, with the potential to train as many as 60.

# Accomplishments

{NO DATA ENTERED}

**Departments** 

## Major goals of the project

The Food System Economic Partnership (FSEP), a nonprofit organization serving five counties in southeast Michigan, is focused on agricultural economic development, on catalyzing change in the regional food system, and on keeping farmers on their land, producing food, and farming profitably. In partnership with the Michigan State University Organic Farmer Training program, the FSEP Farmer Residency and Farm Incubator program (Tilian Farm Development Center) takes a unique and innovative two-pronged approach to support beginning farmers in Michigan. FSEP will build capacity to create a formalized mentorship program and build towards financial self-sufficiency for the Farm Incubator/Farmer Residency programs. The Farmer Residency Program will provide access to additional training, production knowledge, farm management experience through the operation of a set business model with oversight provided by the Project Manager. The Farm Incubator Program, currently operating for the past 18 months and serving seven beginning farmers on five farms provides access to land, capital, shared equipment and resources for beginning farmers with individual business plans. Both programs, working together, will provide business development support, assistance in marketing, and mentoring for their farmers. Long-term goals of the program are to replicate the farm incubator program to other counties in the region, provide support to beginning farmers, including land access, business development and marketing services, provide access to capital and access to financing with the aim of increasing the numbers of new farmers launching financially viable farm businesses serving local markets.

## What was accomplished under these goals?

# Accomplishments

The Tilian Farm Development Center has had a high level of success in recruiting and turning out new farmers that now have thriving farm businesses. The first cohort to participate in the program 'graduated' 3 new farm businesses - Green Things, Seeley Farm and Bending Sickle - in 2013 that transitioned from Tilian to new locations within the local foodshed. In 2012, Tilian added 2 new incubator farms, Honest Eats and Meristem, with about 1 acre of field space in production for each farm. Also during this year Seeley Farm doubled its farm size to 1 ½ acres, bringing the total acreage of field space under specialty crop cultivation at Tilian up to nearly 6 acres. Bending Sickle continued its field usage of ~15 acres during its second year at Tilian (2012). Hoop house usage increased during the second year as well, with over 12,000 sq ft of space cultivated in the hoops during 2012.

In 2014, four "new" beginning farmers representing 3 new farm businesses joined the incubator program and have just completed their first harvest season: Fox Figs, Arbor Hills Farm and Gary Mazzeo, LLC. These new Tilian farms utilized 1.25 acres of open field space and a combined total of ~6000 sq ft of hoop house space. Two of the incubator farm businesses will continue in the program in 2015. Six additional farm business applications have been received and accepted for the 2015 participant cohort, representing a total of 11 active program participants.

As previously mentioned, Tilian launched the Farmer Residency Program in 2012, the second year of operation of the incubator project. The residency farm had 5 acres of field space planted and the business was run primarily by 2 farmers-in-residence, with the help of 2 seasonal interns to assist with field production and harvest activities. This year the new Tilian Anchor Farm utilized 4000 sq ft of hoop house space and 0.5 acres of field space.

Another area of accomplishment for both the incubator project and its new farmers centers on the innovation around finding new distribution and market channels for the incubator farm businesses and residency farm. Traditional community supported agriculture (CSA) and farmers market channels were available for marketing/selling the farms' output, as well as selling directly to local restaurants and through food co-ops. However a couple of new spins on how/where to pick up a CSA share or where to locate a small market stand were successfully put into play for Tilian's program farmers.

Typically CSA shares are picked up by the shareowner at the producer's farm or some other central distribution location, such as a farmer's market. Honest Eats Farm took this one step further by offering a home or office delivery of the CSA share, thus potentially increasing the available customer base by removing the obstacles of inconvenient pick up times or locations. Green Things Farm arranged to have its CSA pickup at an elementary school and enlisted the help of a parent to market their CSA.

Opportunities for establishing producer/buyer relationships continue to develop, resulting in new market channels for local farmers. One such opportunity is growing specific crops for value-added food producers, and one of Tilians' current incubator farmers is pursuing that route, committing the entire harvest to a local producer of raw fermented vegetable products. This was a very successful collaboration at the local level, and both the farmer and producer are planning to expand production next year and experiment with new varieties of vegetables and production methods.

An innovative extension of the CSA business model that was implemented by the Tilian Residency Farm was the "RSA", or Restaurant Supported Agriculture model. Several restaurants, large and small food purveyors, and even a local food bank signed up to receive a weekly RSA share from the residency farm. Considered a highly successful pilot program, we see this as a new "wholesale" market channel that may lay the groundwork for opening up other wholesale markets to local producers. The new Anchor Farm continued with a similar marketing strategy for its output this year, although not through a formal CSA model as was employed in 2012. The Anchor Farm made inroads to establishing a wholesale market by securing local purchasing contracts with Leonardo's Wholesale Foods, Frog Holler wholesale distributors and the local food assistance

# What opportunities for training and professional development has the project provided?

**Training and Professional Development Opportunities** 

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As previously mentioned, there are two types of incubator programs under the Tilian FDC umbrella: the Residency Program (both original and revised forms) and Farm Business Incubator Program.

The Residency Program was initially designed and operated as a two year program for beginning farmers with some agricultural production experience or formal education, providing further hands-on learning experience in farm operations and management, business plan implementation, and marketing and sales. This unique program offers aspiring farmers the opportunity to turn their technical knowledge into practical experience on a working farm without the risk of launching their own business. The program has since been restructured into two parts: the Anchor Farm and the ¼ acre Incubator Program. The ¼ acre Incubator Program. This model provides material support, technical assistance and equipment training by Tilian staff for small growing projects run by participants that have formal agriculture education and/or urban community farming experience. The Tilian Anchor Farm is a working farm that provides a model of production for incubator and residency participants, and will continue to foster new markets within the local food economy and provide operating capital for Tilian programming, just as the residency program was originally conceived.

The Farm Business Incubator Program is a more independent learning experience, where participants with significant practical farming experience enter the program with the objective of starting and building their own farm business, working over a 2-3 year period to implement their individual business plans farming on a 1-3 acre scale in preparation for continuing that business at an off-site location. This program seeks to lower the costly investment barriers required to start a farm and allow new farms an opportunity to build a business and market clientele over a number of years before undertaking the risk of acquiring the productive resources themselves.

While providing access to land and equipment/tools are core objectives of the project, of equal importance is providing training and a collaborative learning environment for all incubator project participants. From 2011 - 2014, there were 16 beginning farmers that participated in the Tilian FDC incubator programs, 4 in residency and 12 in the farm business program. Due to the objectives of each program and the differences in participant experience levels, different types of "training" were offered through the FDC, as well as common, shared learning opportunities.

Because the Tilian incubator project is an experiential learning concept/model, there was no formal, classroom-style training offered. The exchange of information generally took place during weekly farm meetings and/or field walks which all farmers, including resident farmers, were required to attend. These meetings covered a wide variety of topics and issues pertinent to farm management and program administration, such as training on newly purchased equipment for the farm center, coordination of shared resources and infrastructure, maintenance, farm grounds and infrastructure improvements, volunteer work days, and the like. Farming practices were also discussed and knowledge shared on topics like soil improvements through amendments, cover cropping, growing season extension/four-season production, maximizing hoop house use, pest management practices, etc. These meetings also provided a forum for the farmers to share and learn from each other's experiences.

While active, the original residency program had more specific training available due to the inherent nature of the program. The resident farm manager was "in charge" of all production and business operations for the residency farm and provided training to first year residents and seasonal interns on hoop house climate management, propagation, planting, irrigation, cultivation, harvest, post-harvest handling and business marketing. In 2012, advisors and mentors to this program were Jeremy Moghtader, Director of the Michigan State University Organic Farmer Training Program and farm manager for the MSU Student Organic Farm, and Tomm Becker, owner of local Sunseed Farm in nearby Webster Township, MI, and former production manager at MSU's Student Organic Farm.

Highlights of additional learning opportunities for Tilian FDC incubator farmers

Food safety is a major concern for school system food service directors, chefs and other institutional buyers purchasing from local farmers. FSEP hosted several workshops in conjunction with Michigan Food and Farming Systems (MIFFS) and MSU Extension during the summer of 2012 to train farmers on food safety steps that must be taken at every point along the food handling/processing chain. These workshops covered Good Agricultural Practices (GAP) and were conducted on-site at Tilian FDC and at Todosuick Farms in Howell, MI.

FSEP also identified a general need for additional farmer networking opportunities for those producers selling in the local food system. Farmers markets provide an informal network during the summer months for farmers to trouble-shoot and brainstorm solutions to various challenges they face. However, a need for networking outside of the conventional growing season exists. To serve this need FSEP launched a monthly Food and Farming Innovation Network - Breakfast Forum on the first Tuesday of the month starting in November 2012. These breakfasts featured a speaker, relevant to issues local producers face, and provided an opportunity for networking, mentoring and innovation. Below is a list of speakers and topics that were covered in the first series of this program.

• Brad Morgan, Morgan Composting, presented information on their products and how they created a niche in the marketplace by customizing potting soils for farm specific applications.

• Dan Carmody, Eastern Market Corporation (Detroit, MI), spoke about issues involved in building a regional food system and Detroit's Healthy Metropolitan Food Hub.

· Jason Rowntree, Assistant Professor at MSU and Director of Lake City Research Center, Grazing Research and

Extension, discussed grazing practices and pasture-based meat production.

• Paul Thompson, WK Kellogg Chair in Agricultural Food and Community Ethics at MSU, gave a presentation on the Ethics of Local Food.

• Wendy Banka, founder of the Michigan Small Farm Council, led a discussion on the politics of the Right to Farm for Small Urban, Suburban and Rural Farms in Michigan.

Other topics rounding out the series were hoop house use and growing season extension, and irrigation and water conservation. Several of the breakfasts were held at the Washtenaw Food Hub and had an average attendance of over 20 guests from both the local farming community and general public. Farmers in the Tilian incubator programs were encouraged to attend.

(The breakfast networking series was made possible in part due to grant awards received from the BFRDP program, ConAgra Foods Foundation, Americana Foundation and Community Foundation for Southeast Michigan.)

# How have the results been disseminated to communities of interest?

Several articles have been written about Tilian Farm Development Center, its business farm incubator and residency programs, and participants/graduates which have appeared in the local newspapers and the FSEP e-newsletter. Other local organizations within the county have also reported on the activities at Tilian FDC, and Tilian has hosted tours and events onsite to promote the farming center and sustain local interest and support.

Because FSEP leases the farmland for the program from Ann Arbor Charter Township (Washtenaw County), representatives from the Tilian Program Advisory Committee have given regular updates to the Township's Farmland Preservation Board. Tilian FDC has a website and an extensive email distribution list that is used to update interested parties on the program of the farmers and site activities. The program also has a Facebook page, using social media as another avenue for program outreach.

# What do you plan to do during the next reporting period to accomplish the goals?

{Nothing to report}

# Participants

Actual FTE's for	r this Reportiı	ng Period
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Role	Non-Students or	Students with Staffing Roles			Computed Total
	faculty	Undergraduate	Graduate	Post-Doctorate	by Role
Scientist	0	0	0	0	0
Professional	0	0	0	0	0
Technical	1.1	0	0	0	1.1
Administrative	0.1	0	0	0	0.1
Other	0.2	0	0	0	0.2
Computed Total	1.4	0	0	0	1.4

# Student Count by Classification of Instructional Programs (CIP) Code

{NO DATA ENTERED}

# **Target Audience**

# Beneficiaries / Target Audience

There are several beneficiaries of the Tilian FDC incubator project, the most notable of which are the new, "just starting out" farmers and Ann Arbor Charter Township. The benefits to new farmers engaged at Tilian and the Township are circular and synergistic; the Township is good for new farmers and new farmers are good for the Township. Looking at the bigger picture, the at-large surrounding community also benefits in having access to more local, year-round fresh, healthy foods. **The New Farmers** 

Two farm business "graduates" from the first cohort of participants in the incubator program (2011-2013) located their businesses in Ann Arbor Charter Township: Seeley Farm and Green Things Farm. Seeley Farm has secured 5 acres of land for production adjacent to Tilian FDC, and Green Things bought 64 acres of land in the Township, with 30 acres under

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cultivation in 2013. Worth noting is Green Things Farm was able to buy land conserved under the City of Ann Arbor's Natural Area Preservation Program/Greenbelt Program and Ann Arbor Charter Township's PDR (purchase of development rights) program, land that was put in conservation for farming and not development. As previously mentioned both new farms grow diverse specialty crops and sell their produce at farmers markets, local grocery stores (such as Whole Foods - national chain), food cooperatives in the Ann Arbor, MI area, and also through individual farm CSA programs. While both Seeley and Green Things Farms successfully transitioned their businesses from Tilian FDC to farmland within Ann Arbor Charter Township, it's important to emphasize that all the new, young farmers that participated in the incubator program benefited by having access to land and shared resources to try out their ideas and develop their business plans to become successful farmers wherever they chose to settle and work in the agricultural industry. Honest Eats Farm was able to locate near the Washtenaw/Monroe County line and is farming 5 - 6 acres of specialty crops there. Bending Sickle Community Farm, a livestock venture started at Tilian, found 14 acres to lease northwest of Ann Arbor outside of Stockbridge, MI, to grow their plans for raising livestock and continue offering "meat CSA" shares to the local community. This is promising evidence that the Tilian incubator project can serve as a model for training aspiring farmers for successful careers in farming and continue the strong American tradition of agriculture playing a significant role in our nation's economy.

## Ann Arbor Charter Township

The Tilian FDC incubator program benefits Ann Arbor Charter Township and the surrounding communities in multiple ways. New farms and farming ventures stemming from the Tilian program that locate within the Township and surrounding area will create new jobs, which in turn supports the vision for the future of Ann Arbor Charter Township as a pastoral, agricultural community.

## New Farms and Job Creation

Ann Arbor Charter Township was the beneficiary of several new jobs created as a result of the incubator project at Tilian FDC. As previously mentioned, both Seeley Farm and Green Things Farm located their businesses in the Township after leaving Tilian. These new, independent businesses created 6 new jobs (4 transferring from the Tilian program). Also while at Tilian, Honest Eats Farm had two employees and the Residency Farm had two fulltime employees plus part-time seasonal workers/interns to assist with farming activities.

Additional jobs were created as a result of the Washtenaw Food Hub locating in Ann Arbor Charter Township. This is discussed in greater detail in the narrative under New Farming Ventures.

## New Farming/Food Ventures

The location of Tilian FDC in Ann Arbor Charter Township caught the attention of a well-established, local farm owner who had purchased an old agriculture storage facility located in the Township. With the help of FSEP's Business Development Specialist and other local food activists, the Washtenaw Food Hub was born. This food hub serves as a centralized aggregation and distribution point for small and mid-sized family farms selling produce into the local food system, including institutional purchasing. This venture has also led to a value-added food processor locating in the Township, and plans for another local fruit and vegetable processing business to relocate to the food hub in spring of 2014. These "new" food businesses and the food hub venture itself has resulted in adding 6 new fulltime jobs in Ann Arbor Charter Township, which brings a combined total of 15 new jobs in farming and food processing to the Township from 2011 through the 1<sup>st</sup> quarter of 2014. Please note: these numbers do not include 2 fulltime positions at the Residency Farm, the seasonal, part-time positions that supported the new farm businesses while in the incubator program, or several businesses scheduled to begin farming and food processing in the Township in 2014.

# Volunteers and "Local Support"

Volunteers and volunteerism often plays a vital role in the success of new organizations and non-profit business enterprises, and this holds true for Tilian FDC as well. Many people have come out to volunteer as assistants at the incubator farms, to work on Tilian property improvements and maintenance, and for fundraising. From the beginning, Tilian has had a volunteer steering/advisory team with representatives from the incubator farms, residency farm, FSEP, Michigan State University and local interested parties with both agriculture and non-agriculture backgrounds. Over the past 2 years, the Tilian Program Advisory Committee (TPAC) took on a greater role in guiding the direction of programs/farm operations and volunteered an average 20 hrs/month (total) to support the project.

## Products

{Nothing to report}

# **Other Products**

**Product Type** Educational Aids or Curricula

**Description** Program Manual

# **Changes/Problems**

## **Challenges and Lessons Learned**

As with any new venture or project, regardless of how well thought out and planned, new projects and programs often have unforeseen challenges and the Tilian Farm Development Center Incubator Project was no exception. Starting out with the best of intentions and ending up with a functionally complex situation is not uncommon when a group of people come together with great passion for a concept but differing ideas about how to make that concept come to life and be sustainable for the long term. Our project collaborators tried to launch two similar, yet different incubator concepts at roughly the same time located at the same place, with a build-as-you-go plan for operations and funding, which occasionally resulted in disagreements, misunderstandings and missteps. There was also no single point of contact or person with full project oversight and accountability due to the disjointed manner in how the farming programs were brought together under the same banner but funded from different sources. To further complicate matters, FSEP underwent staffing changes and reductions shortly after being awarded this grant, which further stressed our capacity to meet the program deliverables as outlined in the program.

In addition to oversight and administrative issues, the residency farm and the farm business incubator programs were both labor intensive from the start, with farmers in both programs converting old, overgrown, weed-ridden farmland into fertile, productive individual farms, as well as putting in time to improve the farm center infrastructure for the common good of the overall project. However, at times it likely seemed as though the programs were competing against each other for resources, funding support, farm help and market share.

To possibly avoid some of the specific challenges and pitfalls our endeavor encountered, we would suggest the following, which also falls into the category "If I had it to do over, I would have ..."

1. Have all basic program components in place before recruiting or engaging program participants;

2. Create a program manual for participants that they can preview **before** applying for the program and then receive upon entering the program so that participants know what is expected of them and what they can expect from the program;

3. Have a program manager on-site at the launch of the project to oversee all aspects of the program and work from a singular management plan;

4. Have a clearly understood, binding structure or process for making decisions when you have a diverse group of stakeholders serving on the program steering team; and

5. Be explicit on what the role of a steering team is with respect to program direction and/or administration. Even though the Tilian FDC incubator project had its share of start-up and operations issues, there were several accomplishments and some unexpected positive outcomes. The 'restaurant supported agriculture' (RSA) business model was an innovative marketing strategy for the residency farm to get up-front financial support for farm operations. There was also a show of strong community support for the Tilian mission with some local fundraising activities that provided resources to construct 2 additional hoop houses for the farm development center. And the PDR program in Ann Arbor Charter Township got a boost with one of the Tilian incubator "graduates" taking advantage of the program to purchase land in the Township as a permanent location for their farm. That's a positive testament and tangible example of the program's value for new farmers trying to find affordable land to locate their business in Ann Arbor Township. And lastly, there is a positive synergy between the Washtenaw Food Hub and Tilian Farm Development Center with both being in Ann Arbor Township and located just about a mile from each other. The potential for future collaboration and reciprocal program support is a great win for both enterprises.

In summary, for any group of passionate people that would undertake a project such as this, we would recommend that "rules of engagement" be established for participants, stakeholders, and advisors. A broad group of stakeholders can bring many positive things to the table, but without clear goals and expectations, a process for conducting business and solid leadership to keep it all on track, that group can become dysfunctional, causing more harm than good. Also, keep all lines of communication open and flowing, and communicate often with stakeholders and the supporting community. By building a solid base of support, the groundwork will be laid for a successful, sustainable program and/or venture.