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Get Real - Get Local!

**Recommendations for Policies and Programs Needed to
Support and Sustain Local Agriculture in Maine**

**Submitted to the Maine Department of Agriculture Food and Rural Resources
by the
Local Ag Development Task Force
First Lady Karen Baldacci and Charles Spies, Co-Chairs**

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Executive Summary

The final report of the Blaine House Conference on Maine's Natural Resource-Based Industries finds that agriculture as a whole is important to Maine's economy. On the supply side, Maine food producers and processors generate \$1.4 billion in sales annually. On the consumer side, Maine households spend over \$3 billion on food products and services each year. Local agriculture has potential for significant growth in Maine for several reasons. One is that Maine farmers receive less than 4% of the \$3 billion of food products and services purchased annually by Maine households. If this portion was increased to 10%, Maine farmers would receive an additional \$180 million annually – a 40% increase in farm income.

Among 74 other recommendations to support natural resource-based industries, the Blaine House conferees recommended that a Local Agriculture Development Program be supported by the Maine Department of Agriculture. The Local Ag Task Force was convened in September of 2004 by Agriculture Commissioner Robert Spear to help with this process. It was co-chaired by First Lady Karen Baldacci and Charles Spies and comprised of practitioners representing small and mid-scale agricultural operations across Maine. Judy Powell, an experienced ag-industry representative and journalist, was engaged to help collect and compile the task force findings and recommendations. The task force met 6 times between September 1st and November 19th, 2004, devoting over 400 person hours to the task.

The Commissioner assigned the task force mission as follows:

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Maine Department of Agriculture that will support and sustain local agriculture.

The task force understood that reaching agreement on a working definition of “local agriculture” was essential as a starting point in order to properly frame recommendations to the Department of Agriculture. It used the following definition which it felt best represented active practitioners in the industry:

Local agriculture is considered to be food, farm products, and services that are primarily grown, raised, harvested, processed, or offered in Maine, with the intent of maximizing product value, economic returns to Maine producers and processors, and economic viability of Maine farms.

The task force sought further background information from several recognized authorities on agriculture in Maine and the United States who discussed successful models, resources, and existing policies and programs.

Important Issues and Recommendations: Based on its research, practical experience and extensive discussions, the task force identified eight major issue areas that represent challenges to the growth and viability of local agriculture. They are briefly summarized here. However, the task force asks that you read its full report to best understand how its recommendations may best be implemented.

I. Valuing Agriculture as an Industry that Contributes to the Maine Economy:

There is a general lack of appreciation for agriculture's value to the community and local economy.

1. Make sure ag-interests are represented whenever economic development groups gather.
2. Educate policy leaders, lenders, legislative committees, business leaders, locally elected officials and the general public.
3. Develop Pine Tree Zone benefits for agriculture.

II. Developing Adequate Infrastructure: Industries of any kind are typically supported by their own unique infrastructure. Fragmentation of farms and the farm landscape in Maine is resulting in a breakdown of its local agricultural infrastructure.

1. Strongly encourage continued funding of farm vitality enhancement programs including: Farms for Maine’s Future, the Agricultural Marketing Loan Fund (“AMLF”), and the Potato Marketing Loan Fund (“PMIF”).
2. Strongly support recommendation #37 section C of the BHC-NRI conferees by recapitalizing and expanding the AMLF with the sale of bonds.
3. Expand teaching programs for vets and technicians.
4. Further enhance local ag-engineering expertise.
5. Add a segment to the annual Agricultural Trades Show on equipment dealers for small-scale agriculture, with the DAFRR taking a leadership role in technology development.

III. Educating Consumers about Locally Grown Food: There is a critical lack of consumer knowledge about the nutritional and flavor advantages of locally grown food. This hurts local growers’ ability to maximize their share of the marketing dollar.

1. Continue to support “*get real. get Maine!*” branding campaign and other “Grow Here, Process Here, Sell Here!” promotions.
2. DAFRR and growers must advocate use of nutritious locally grown foods in local institutions, especially to educate young children in their formative years.

IV. Adding Value to Local Products: Small growers and small operations require tools to counteract competitive disadvantage and pressures.

1. Expand AMLF funding for processing facilities.
2. Create Information Tools (*preferably web-based and supported by the private sector*).
3. Advocate for Maine laws that continue to allow for and protect small-scale processing.
4. Explore the feasibility of initiating new community partnerships with public resources such as schools and churches to make their kitchens available in summers, off-season, and on weekends for value-added processing.
5. Provide a how-to manual on establishing a farmers’ market.
6. Facilitate “dealing” between supermarkets and groups of farms by setting up discussion forums about bringing new products into stores and educate stores about incentives for selling locally grown.

V. Saving Viable Local Farms into the Future: Support of local agriculture requires preservation of operating farms.

1. Develop information tools that farmers can use to preserve and enhance their operations for the long term. (Specific suggestions detailed on page 16.)
2. Create an organized approach to influence governmental officials and the public at large to refocus on preserving farmland. The DAFRR must remain proactive in working with growers to take action to help preserve farmland including advocating for growers and, most important, helping growers to advocate for themselves in areas that will help sustain farm land.

VI. Improving Financing Options for Local-Ag Businesses: Access to adequate financing is important to any business. Farmers are skilled in many things but often not in basic business management.

1. Increase opportunities to utilize existing business training programs for growers by expanding availability and subsidizing training costs.
2. Continue support of the Farms for Maine's Future Program and its business planning components.
3. Support recapitalization and expansion of the AMLF Program (as noted under issues II and IV above).
4. Develop a viable subordinated debt program for growers by expanding resources for the Economic Recovery Loan Program managed by FAME and actively making growers aware of this resource.
5. Redevelop FAME loan insurance programs for entrant farmers. These programs were developed in the 1980's but little used. Review them in the context to the needs of today's growers to determine a relevant structure for supporting funding of today's entrant farmers.

VII. Managing Cost of Production: As with any business, cost of production (expenses) impact profits.

1. Support ongoing peer group networking to discuss best practices for production methods – develop forums for this where none now exist.
2. Lower capital costs for equipment and power through targeted finance programs, cooperatives, and other methods (See recommendations for AMLF Loan Program under Issues II, IV, and VI).
3. Provide technical assistance to help identify product and crop trends, cost saving best practices (e.g. switching to waste vegetable oil to heat a greenhouse), and decision-making on diversifying and switching acreage to new crops.
4. Support ongoing efforts of the Dirigo Health Insurance Program and other means of reducing health insurance cost both for labor and farm owners.
5. Develop cooperative forums for group buying of fuel, heating oils and other commodities where this tactic can result in lowered costs.

VIII. Managing Labor Costs (*Considered important enough by the LATF to break out from under (VII.) Costs of Production*): The task force members continually returned to the issue of labor while discussing all the other seven major issues identified above. The cost and availability of labor are a major concern when discussing ways to support and sustain local agriculture.

1. Develop a cost share incentive program (pay farms) to support employment of young people who are learning to work and learning work ethic on farms.
2. Include agribusiness professionals when governmental task forces and legislative committees are charged with looking at the labor climate and limiting factors regarding labor for small business and ways to attract, accommodate, and retain workers.
3. Develop informational tools to increase growers' access to programs that identify potential farm workers.
4. Encourage human resource management training programs for farm managers/owners (dovetails with Recommendation 1 under Issue VI above).
5. Explore the potential for using the Governor's Training Initiative Program.

Introduction

The final report of the Blaine House Conference on Maine's Natural Resource-Based Industries (BHC-NRI)¹, states that agriculture as a whole is important to Maine's economy. On the supply side, Maine food producers and processors generate \$1.4 billion in sales annually. On the consumer side, Maine households spend over \$3 billion on food products and services each year.

Local agriculture has opportunity for significant growth potential in Maine for several reasons. One is that Maine farmers receive less than 4% of the \$3 billion of food products and services purchased annually by Maine households. If this portion was increased to 10%, Maine farmers would receive an additional \$180 million annually – a 40% increase in farm income². With this in mind, the conferees of the BHC-NRI made recommendations for enhancing Maine Agriculture through efforts in four strategic areas: 1) Agriculture Water Development; 2) Farmland Protection and Right to Farm; 3) Local Agriculture Development; and 4) Commodity Agriculture Cost Competitiveness.

Recommendation #37 of the BHC-NRI conferees was specifically directed at the third strategic area of Local Agriculture Development as follows:

Create a Local Agriculture Development Program – The Department of Agriculture should: (a) Determine the potential for local agriculture; (b) Provide Technical Assistance in cooperation with University of Maine research and extension, to farmers regarding Maine consumer preferences for foods and services, and appropriate structure and operation of local agriculture farm systems; (c) Provide financial assistance to farmers entering into or expanding local agriculture, with a business development and implementation grants program of \$2 million annually and a revolving loan program of \$5 million funded from a bond issue... (parenthetical comment suggesting expansion of the Farms for Maine's Future Program)...; (d) Support increase in value-added processing for local markets; and (e) Promote mechanisms that establish connections between consumers and producers.

To further the work of the conferees and their recommendations relative to Local Agriculture Development, the Local Ag Task Force ("LATF") was convened in September of 2004.

¹ Barringer, Richard & Richard Davies, Conference Report for the Blaine House Conference on Maine's Natural Resource-based Industry: *Charting a New Course*. February 2004

² Kramar, Laura & Stewart Smith, The Potential of Local Agriculture: A Background Paper for the Maine Department of Agriculture's Task Force on Local Agriculture Development, August 2004.

History of Local Ag Task Force

Maine Department of Agriculture Commissioner Robert Spear selected practicing growers, food processors, and food retailers of various types from across the entire state of Maine to form the Task Force. (Appendix A –LATF Roster). The task force was comprised of practitioners representing small and mid-scale operations across Maine, including growers, retailers, food processors, and wholesalers. The Commissioner asked First Lady Karen Baldacci and Charles Spies, the former CEO of the Finance Authority of Maine, to co-chair the task force meetings. Judy Powell, an experienced ag-industry representative and journalist, was engaged to help collect and compile the LATF findings and recommendations

The Commissioner assigned the LATF’s mission as follows:

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Maine Department of Agriculture that will support and sustain local agriculture.

Members met during six meetings between September 1st and November 19th and developed the recommendations in this report. (Meeting Agenda and Minutes are included as Appendix B.)

Working Definition of Local Agriculture

The task force understood that reaching agreement on a working definition of “local agriculture” was essential as a starting point in order to properly frame recommendations to the Department of Agriculture. Barriers to growth and profit³ emerged as important issues in their discussion of the working definition as well as other specific limiting factors faced by each member/practitioner in their own operations.

The LATF understood that a focus on “local agriculture” implied limiting parameters. The Commissioner established that the task force should not address the broader needs of the overall agricultural community in Maine. While the task force recognized that distinct local-ag policies and distinct commodity production policies are often not mutually exclusive, it also understood that in order to avoid dilution of efforts, separate policy recommendations can and should be considered for each. Therefore, issues related solely to commodity production for national or international markets were not included in the assignment.

Several definitions of local agriculture are currently used in Maine. These were considered and discussed. The Department’s well-known definition used in its “*get real. get Maine!*” marketing campaign was examined, as was the definition used by Kramar and Stewart in their background paper prepared for the LATF (footnote #2). Kramar and Stewart define local agriculture as “... *food products produced, processed and consumed*

³ Where profit is defined as total revenues less all expenses, including taxes and owner’s wages.

locally....” This definition was used by BHC-NRI conferees as well. In the end, the LATF settled on the following slightly broader definition of local agriculture. They felt this definition best represented active practitioners in the industry and captures the issues they face:

***“Local agriculture is considered to be food, farm products, and services that are primarily grown, raised, harvested, processed, or offered in Maine, with the intent of maximizing product value, economic returns to Maine producers and processors, and economic viability of Maine farms.*”**

Expert Testimony

The task force agreed in its first meeting to establish a well-developed platform from which to base recommendations. A list of important issues was developed, and industry experts best suited to address these issues were identified. Speakers were chosen to share perspectives on:

- ◆ Local agriculture today - size and components around the region
- ◆ Existing successful models and resources (to avoid duplication of effort)
- ◆ Existing policies and programs and whom they support

The task force is grateful for their willingness to help. Speaker topics and titles are detailed in the task force meeting agendas (Appendix B). Speaker backgrounds and comments are summarized here:

- ◆ Department of Agriculture staff Mary Ellen Johnston, John Harker, and Deanne Herman reviewed Departmental programs. They distributed materials on marketing programs that support local, grants and loans, farmland protection, Farm for Maine’s Future, farm transfer, tech transfer and research, resource guides, census data, and historical plans.
- ◆ Dr. Stewart Smith and Laura Kramar reviewed BHC-NRI background and agricultural production and consumption trends in Maine vs. national. Dr. Smith summarized six of his own conclusions on ways to capture more of the local share of the sales dollar (see also Marketing Dollar discussion below). He developed this list from extensive research and recent review of over 200 published papers and surveys: 1). the major increase in farm income must come from marketing; 2). value is added through labeling or processing; 3). reach consumers directly via farmstands or stores; 4). improve supply through pooling to move product through the conventional food system; 5). access higher-volume markets to capture margins such as through cooperatives; and 6). track and adjust to shifting consumer preferences and focus on Maine consumers.
- ◆ Dr. Mark Lapping of the Muskie School, distributed examples of actions taken in other states to add value to agriculture and keep family farms prosperous. He discussed ongoing programs throughout New England and summarized five vital actions: 1). preserve farmland; 2). create new markets;

3). strengthen existing markets; 4). equip the next generation with basic skills; 5). promote Maine as high-quality, high-food safety, and high-visibility.

- ◆ Marge Kilkelly, Director, Northeast States' Association for Agricultural Stewardship, presented challenges and opportunities to the task force. She summarized four top issues: 1). Policy leaders must be educated about where the ag-jobs are and their economic importance; 2). The critical mass and infrastructure must be maintained, which includes the preservation of good farmland; 3). The interdependence between large-scale and small-scale agriculture must be acknowledged, which government should invest in; 4). More consumers need to be reached by consumer education, supported by government funds.

- ◆ Ray Nowak and Rob Horne from Farm Credit of Maine reviewed goals and processes used by business lenders to make prudent loans. They emphasized that lenders are in business to support projects that will increase cash flow and show return on investment, explaining that business financing is not the same as consumer lending. Farms must be able to convince the lender they can make money, like any other business. Business plans, income projections, balance sheets, and a marketing plan are key documents that lenders examine. Businesses must show adequate equity capital and not be heavily burdened with debt. Public loan guarantees and other tools can be used to help growers access credit. Farm Credit emphasized its own ongoing and active efforts to adjust its traditional commodity based programs and processes to better support emerging local agricultural opportunities.

- ◆ USDA RC&D, Mark Hews, Threshold of Maine, discussed examples of creative programs to support farmers he is involved with in York, Cumberland, and Franklin counties. He discussed the concept used for 'New Agriculture,' which is based on consumer demands, small niches, small capital investments, and regional networks of infrastructure. He described ways his organization is finding new tools to fund projects for local-ag by using traditional business finance tools such as community development block grants and business incubators.

Capturing the “Marketing Dollar”

Addressed across the board by LATF members and guest experts is the fact that farming is a business and as such requires practitioners to operate in a profitable manner. The opportunity for Maine growers to maximize profit by capturing more of the “marketing dollar” is a key and recurring theme. Defining the term “marketing dollar,” which is often used among growers, is important for the sake of clarity and consistency.

While numbers vary depending on source of information, it can be stated with assurance that on average growers receive a relatively small percentage of the total expenditures on food products produced or consumed in Maine. Kramar and Smith cite data which estimates that the Maine food system, defined as the total contribution from all Maine farms and firms to the value of food produced or consumed in Maine per year, has a value of \$3.4 billion (footnote #2). Of this total, farm production only receives 13%. In other words, significant value is added once the product has left the farm gate via processing, transportation, brokers and other levels in the supply chain that ultimately puts food into stores, restaurants, and institutions. Depending on the type of farm product, this figure may be higher or lower. But consistently a small portion of the amount paid by the consumer for food is actually retained by the farmer.

In the LATF discussions, the “marketing dollar” was loosely defined as that portion of the final consumer price that was added once raw product left the farm and was “marketed.” In the example data given above, where farm production only receives 13%, the marketing piece equals 87 cents of every dollar paid by the end consumer. As emphasized by Kramar and Smith, this represents a significant opportunity for improvement of profit to growers if some portion of that 87cents (the marketing dollar) can be captured.

Various ways to capture additional portions of the marketing dollar were discussed. The support of local agriculture, no matter how it is defined, can increase the amount of the marketing dollar returned to growers. This is accomplished by effectively eliminating intermediaries (“the middle-men”) in the supply chain and by increasing the final value paid for the product.

Two examples of elimination of intermediaries are:

- Farm sales of products direct to consumers (choose and pick, farm stands, Community Supported Agriculture (“CSA’s”) and others).
- Further processing to add value via on-site processing or local facilities shared with others.

A common example of ways to increase the final value paid by a consumer is organic production that demands a premium in today’s markets. Increased awareness by the public of the nutritional value of fresh, locally grown foods can also add value to final market prices for locally produced products.

Each of these concepts and others can be used as a strategy for increasing the market dollar for growers. A combination of strategies is likely to result in even stronger returns. For example eliminating intermediaries and selling products locally to informed consumers who place a premium on such products will likely provide an even greater portion of the market dollar to the farmer. It can be seen that as more strategies are deployed simultaneously, it is likely that the system will tend to become more and more “local” in nature. In theory today, and in reality prior to the industrial revolution, agriculture that produces its goods for local consumption within a small radius will create stronger farm profits⁴. Given today’s market forces it is unlikely a pure local-ag model

⁴ Farm Credit CEO Ray Nowak introduced his talk to the task force on October 27, 2004 by saying that Maine agriculture is looking more like it did in the 1950’s and 60’s than it did in the 80’s and 90’s, and that it seems to be heading in that direction still. Nowak

for all food production and consumption will be developed throughout Maine or anywhere. But certain components can be used to support local growers and increase the portion of the marketing dollar that they receive. The LATF recommendations are designed to support policies that can help growers better take advantage of the strategies that make sense today.

Counteracting Competitive Disadvantages

Local agriculture is often, although not only, associated with small farming operations. In a competitive environment, especially in pure commodity production, small growers are at a disadvantage. One LATF member noted that, “Small guy can’t fight big business.” This leads to the need to counteract disadvantages by adjusting products and services and ties to discussions about niche markets and adding value. Examples of sources of competitive pressure that were cited are: “Hobby farmers,” Canadian exporters with production subsidies, local energy costs, scale, improper access to market channels, unit cost of production, capital costs for machinery and equipment, some major market outlets controlled outside Maine, no incentives for large supermarket “buyers” to buy local if the back office isn’t supportive.

Local Agriculture – Critical Issues and Recommendations:

As noted earlier, the BHC-NRI conferees made 75 recommendations for programs and policies that will improve the potential for success of natural resource based industries in Maine. Recommendation #37 was specifically directed to Local Agriculture Development and is repeated here:

Create a Local Agriculture Development Program – The Department of Agriculture should: (a) Determine the potential for local agriculture; (b) Provide Technical Assistance in cooperation with University of Maine research and extension, to farmers regarding Maine consumer preferences for foods and services, and appropriate structure and operation of local agriculture farm systems; (c) Provide financial assistance to farmers entering into or expanding local agriculture, with a business development and implementation grants program of \$2 million annually and a revolving loan program of \$5 million funded from a bond issue... (parenthetical comment suggesting expansion of the Farms for Maine’s Future Program)...; (d) Support increase in value-added processing for local markets; and (e) Promote mechanisms that establish connections between consumers and producers.

explained this in terms of more localized marketing that is working effectively and is produced by small-scale and mid-scale diversified operations. Also, operators and owners mindful to not overinvest in depreciable equipment are managing that today’s enterprises.

The recommendations in this report build on those of the BHC-NRI and are based on discussions during six separate meetings comprising nearly 400 person-hours of time amongst the task force members. The LATF members used their practical experience as growers, processors and sellers of local agriculture products in Maine and the excellent research and advice provided by the eleven speakers that provided their own findings to the LATF. While many topics and needs were considered, the LATF prioritized its recommendations under eight major categories. These are the issue areas that the task force members determined to be the most important related to local agriculture in Maine⁵.

Major Issues Affecting Success of Local Agriculture in Maine:

- I. Valuing Agriculture as an Industry that Contributes to the Maine Economy**
- II. Developing Adequate Infrastructure**
- III. Educating Consumers about Locally Grown Food**
- IV. Adding Value to Local Products**
- V. Saving Viable Local Farms into the Future**
- VI. Improving Financing Options for Local Ag-businesses**
- VII. Managing Cost of Production**
- VIII. Managing Labor Costs**

The LATF makes recommendations for action under each issue. It is clear that there are overlapping themes among the issues and that a combination of strategies will be needed to resolve some of the problems identified. One crosscutting theme is the strong desire among practitioners for information resources that are published, web-based, or human. The value of communication among peers and the sharing of ideas was a constant theme as the task force discussed its recommendations. A second major theme that runs through all issue areas is the need for agriculture to be valued as a business both by the grower and the larger business community. The following recommendations are the LATF's attempt to address the problems faced in the eight issue areas and the crosscutting themes that entwine them.

I. Valuing Agriculture as an Industry that Contributes to the Maine Economy

There is a general lack of appreciation for agriculture's value to the community and local economy. There is a break in communication when valuing agriculture in Maine's business climate. In part this is because agriculture is not typically a fast-growth sector and does not attract investment from traditional markets. Most of Maine's business community typically focuses on what are perceived as higher return investment opportunities without taking into account the hard-to-measure value related to tourism, open-space, and other important factors that directly and indirectly support economic vitality in a given area.

⁵ The LATF understood that its assigned mission from the Commissioner of Agriculture came as a result of the recommendations made at the BHC-NIR conference and made its own recommendations in that context as practitioners of local agriculture in Maine.

Recommendations :

1. Make sure ag-interests are represented whenever economic development groups gather.

- a. Add individuals with agricultural expertise to local economic development groups including councils of government, growth councils, and other similar entities.
- b. Add an economic development component to the Department of Agriculture to assure representation of ag-interests with the Maine Technology Institute, the Department of Economic and Community Development, the Finance Authority of Maine, etc.

This may require taking a fresh look at DAFRR functions in a non-traditional way, possibly using an outside study as a catalyst for change.

2. Educate policy leaders, lenders, legislative committees, business leaders, locally elected officials and the general public. Inform them about the scope of Maine agriculture, its economic importance and value, its tax value, the number of families that depend on agriculture for a living, its cultural value in terms of quality of life for urban and rural, non-farm families, about the interdependence of tourism on agricultural land, products, open space for hunting and hiking, and about the threat to an irreplaceable land-base that is not retrievable once developed.

3. Develop Pine Tree Zone benefits for agriculture .

II. Developing Adequate Infrastructure

Industries of any kind are typically supported by their own unique infrastructure (knowledgeable mechanics; vendors; transportation; equipment dealers; fertilizer supply etc.). Without a critical mass of customers (farms) these components of infrastructure begin to breakdown. Fragmentation of farms and the farm landscape in Maine is resulting in a breakdown of its local ag-infrastructure. For example, livestock producers need large animal veterinarians. Small and mid-scale farms need equipment, production methods, harvest and storage geared to scale and relevant to current needs and realities.

Recommendations:

1. Strongly encourage continued funding of farm vitality enhancement programs including: Farms for Maine's Future, the Agricultural Marketing Loan Fund ("AMLF"), and the Potato Marketing Loan Fund ("PMIF").

2. Strongly support recommendation #37 section C of the BHC-NRI conferees by recapitalizing and expanding the AMLF with the sale of bonds. Then use interest earnings to:

- a. Develop Applied R&D for small-scale farming using earnings from loans and interest in the AMLF fund to support design and use of equipment and techniques.

- b. Create a “small ag-engineering specialist” (similar to the existing model used in the Potato Marketing Improvement Fund (“PMIF”)) to visit farms to advise on equipment design, costs of heating and cooling systems, facility design, food processing, etc., and to develop feasibility studies on highest and best use of specific farmland land within agriculture: e.g. malt grain for Maine, microbreweries, baby carrots, canola oil -- to determine best use.
- c. Target Agricultural Marketing Loan Funds for loans for tools and equipment to support small and mid-scale diversification via technology transfer.

3. Expand teaching programs for vets and technicians. Model a program to recruit large animal vets to Maine after similar programs managed by FAME for human health care (attracting doctors and dentists) or education (attracting teachers). Use this new program to offer scholarships, repayment of educational loans, or other benefits to attract and retain qualified large animal veterinarians.

4. Further enhance local ag-engineering expertise.

- a. Seek reciprocal agreements with teaching institutions like Penn State and Cornell for students in ag engineering.
- b. Capture more USDA grant funds for R&D in Maine.
- c. Create a chair in agriculture or ag engineering at the University of Maine.

5. Add a segment to the annual Agricultural Trades Show on equipment dealers for small-scale agriculture, with the DAFRR taking a leadership role in technology development.

III. Educating Consumers about Locally Grown Food

There is a critical lack of consumer knowledge about the nutritional and flavor advantages of locally grown food. This hurts local growers’ ability to maximize their share of the marketing dollar. Education must be used to help increase both demand and price paid for products. A “*Good Food is Local Food*” mentality needs to be promoted.

Recommendations:

1. Continue to support “get real. get Maine!” branding campaign and other “Grow Here, Process Here, Sell Here!” promotions. Enhance these with consumer information on the nutritional and other benefits of eating locally. Provide information on where locally grown food can be obtained. Allocate funds to research, develop, and support implementation of branding. Dr. Richard Brzozowski, Cumberland County Extension Professor, has outlined “The Maine Food Challenge” as one model (Appendix C, page 46).

2. DAFRR and growers must advocate to educate young children in their formative years through example. Seek change in the federal government’s “free food” school lunch program. Encourage schools to feed children locally grown food as much as possible, as unprocessed as possible. Have schools teach about the value local food as they serve it. This could be expanded to find ways to put Maine products on the menu at Maine prisons, nursing homes, hospitals, and military bases.

IV. Adding Value to Local Products

As noted above under the market dollar and competition discussions, small growers and small operations require tools to counteract competitive disadvantage and pressures. Farmers are lacking information on what is available to support their needs. The LATF felt strongly that ways to enhance value adding should be supported with focus on niche opportunities and branding. Broad support is needed for “Grow Here, Process Here, Sell Here!” concepts. For example, adding value by further processing on the farm or near the farm with farm owned assets can improve profit. Or, specialty markets such as farm stands and farmer’s markets allow higher sale prices and thus higher returns to local farmers. However growers and processors need assistance including research to assure that adequate production lead times are known, feasibility is probable, their land base is adequate, public demand is real, and production and supply channels can be properly connected. Farms need to know: what processing plants exist and their locations; what packing and storage facilities are in operation and where; what buying and collecting cooperatives or individuals might they contact to add value to product. If a farm is to be profitable, its revenues must exceed costs. Gross revenues must be maintained through adequate pricing for products sold and positive net income must be achieved by minimizing cost of production and overhead expenses.

Recommendations:

1. Expand AMLF funding for processing facilities (*tied to recommendations II.1 and II.2 above*). This program expansion could support multiple, smaller facilities that are regionally targeted. Award grant funds for feasibility studies for facility development and market identification for processing plants, storage facilities, value-added businesses, and entrepreneurial development.

2. Create Information Tools: (*preferably web-based and supported by the private sector*): that:

- a. Provide infrastructure information by creating linkages with existing facilities such as off-line processing (Canadian IQF) and processing that utilizes and adds value to products, including seconds and culls. These tools should identify and monitor infrastructure and periodically allow farmers to access information in easy-to-use electronic and written formats.
- b. Provide pricing information to farmers, reporting separately on organic and conventional products, on the full range of prices in a more representative way than is now available (e.g. farmers’ markets, stands, large and small outlets). Publish regularly and as timely as possible.

3. Advocate that that Maine laws continue to allow for and protect small-scale processing such as kitchen licenses so that food can be produced and sold to niche markets and more of the marketing dollar can be retained.

4. Explore the feasibility of initiating new community partnerships with public resources such as school and churches to make their kitchens available in summers, off-season, and on weekends for value-added processing.

5. Provide how-to manual on establishing a farmers' market. It should include such items as site selection, how to project number of vendors based on consumer demand projections, what licenses and permits are required, suggested signs and resources, pricing guidelines and references.

6. Facilitate “dealing” between supermarkets and groups of farms by setting up discussion forums on bringing new products into stores, and educate stores about incentives for selling locally grown.

V. Saving Viable Local Farms into the Future

It is obvious that support of local agriculture requires preservation of operating farms. However, farm preservation is challenged by multiple factors including: culture of young people; public awareness of open space and other benefits of farmed land; lack of public awareness of nutritional benefits of locally grown food; easy availability of imported foods; land prices; taxes; population sprawl; and others. All of these issues can increase costs of farming and cause growers to choose alternative means of income through sale of land, etc.

Recommendations:

1. Develop information tools that farmers can use to preserve and enhance their operations for the long term:

- a. Create an “information matrix” of resources for farms - especially new farms – that can be used as a step-by-step ‘mix & match’ guide to the variety of programs available and their effective use. For example it might include a progression of points when a farm might apply for a grant or loan in conjunction with Farms for the Future, and/or other programs.
- b. Develop a concise tool for farmers to understand labor laws (e.g. migrant, child), unemployment tax regulations, and workers compensation rules. Incorporate these into DECD’s “Guide to Doing Business in Maine.”
- c. Develop a concise tool for clarifying taxes and tax law related to: agricultural tax breaks; estate taxes; taxation based on use and basis of taxation on both land and buildings; impact of ag-tax breaks on farms of various size and type.

2. Create an organized approach for change. The DAFRR must remain proactive in working with growers to take action to help preserve farmland including advocating for growers. And, most important, help growers to advocate for themselves in areas that will help sustain farmland such as:

- a. Legislation that extends or develops tax incentives for small acreage (working land) and refocuses farmland preservation rules to include small tracts.
- b. Development of new laws and other means that help new farmers use farmland, to assure it continues as open land and working land.

- c. Educate and influence officials at all levels of government about the implications of lost farms and lost open land, including information for town planners to assist in examining ordinances, the impact of wider paved roads and public services (sewers, water) on farmland affordability and future use, landfill siting location and impacts.
- d. Continue successful programs that make a difference including, for example, Farms for the Future and Senior Farm Share.

A landowners' directory to list land that is available and suitable for ag use by current and new farmers, such as for rent or expansion into a new operation, is proposed (Appendix C, Pages 49-50) by Dr. Richard Brzozowski, Cumberland County Extension Educator. This tool could promote agriculture use of land thus prevent sprawl in some areas and provide farmers with open land they need to farm.

VI. Improving Financing Options for Local-Ag Businesses

Access to adequate financing is important to any business. Farmers are skilled in many things but often not in basic business management. Yet business requirements get more and more complex. It was made clear by the discussions of the LATF and presentations made to them, that sources of funding, whether public or private, require evidence of thoughtful business planning prior to approving any funding. Therefore, farmers need to take responsibility for developing business skills. At the same time, public and private programs that meet the needs of agriculture must be readily available and targeted to do the most good.

Recommendations :

- 1. Increase utilization of existing business training programs for growers by expanding availability and subsidizing training costs.**
- 2. Continue support of the Farms for Maine's Future Program and its business planning components.**
- 3. Support recapitalization and expansion of the AMLF Program** (as noted under issues II and IV above).
- 4. Develop a viable subordinated debt program for growers by expanding resources for the Economic Recovery Loan Program managed by FAME and actively making growers aware of this resource.**
- 5. Redevelop FAME loan insurance programs for entrant farmers.** These programs were developed in the 1980's but little used. Review them in the context to the needs of today's growers to determine a relevant structure for supporting funding of today's entrant farmers.

V. Managing Cost of Production

As with any business, cost of production (expenses) impact profits. To the extent costs can be reduced for either local growers or pure commodity producers, profits will be improved. Ways to impact costs that LATF members discussed included: peer group networking to discuss best practices for production methods; lower costs for capital equipment through special finance programs, cooperatives, and other methods; reduction in real estate and death taxes; and most notably labor which was broken out separately below as Issue VIII.

Recommendations:

1. **Support ongoing peer group networking to discuss best practices for production methods** – develop forums for this where none now exist.
2. **Lower capital costs for equipment and power through targeted finance programs, cooperatives, and other methods** (See recommendations for AMLF Loan Program under Issues II, IV, and VI).
3. **Provide technical assistance in helping identify product and crop trends, cost saving best practices (e.g. switching to waste vegetable oil to heat a greenhouse) and decision-making on diversifying and switching acreage to new crops** – (this dovetails with the recommendation to create a Small-ag Engineering Specialist under Issue II, Section 2.b above).
4. **Support ongoing efforts of the Dirigo Health Insurance Program and other means of reducing that cost both for labor and farm owners.**
5. **Develop cooperative forums for group buying of fuel, heating oils and other commodities where this tactic can result in lower costs.**

VIII. Managing Labor Costs *(Considered Important enough by the LATF to break out from under other Costs of Production)*

The LATF members continually returned to the issue of labor while discussing all the other seven major issues identified above. The cost and availability of labor are a major concern, making labor a keystone issue when discussing ways to support and sustain local agriculture. Labor problems include: seasonality; federal laws regarding outsourcing of migrant labor; lack of work ethic among local people in terms of keeping set schedules and staying through to the end of the season; inability to delegate authority to poorly trained seasonal workers (e.g. growers used to be able to hire teachers in the summer – now teachers seem to seek other employment); alternatively, the cost of keeping workers through the year to avoid seasonality issues; keeping farm wage rates competitive with alternative options for employment; insurance costs are prohibitive; inability to mechanize as a way to reduce headcount and improve wages.

Recommendations:

1. Develop a cost share incentive program (pay farms) to support employment of young people who are learning to work and learning work ethic on farms .

2. Include agribusiness professionals when governmental task forces and legislative committees are charged with looking at the labor climate and limiting factors regarding labor for small business and ways to attract, accommodate, and retain workers. Areas covered could include:

- a. workers comp
- b. minimum wage
- c. hours young people can work (e.g. 15 years old)
- d. applying overhead costs toward compensation.

3. Develop informational tools that let growers access programs to identify potential farm workers. Act as an advocate for agriculture by facilitating: agricultural seasonal job fairs; sharing of seasonal workers with other industries that have different seasonal needs (e.g. skiing and farming have different peak labor demands); a Job Corps specialty program for agriculture; AmeriCorps; sources of international labor.

4. Encourage human resource management training programs for farm managers/owners (dovetails with Recommendation 1 under Issue VI above). Dr. Richard Brzozowski, Cumberland County Extension, proposes a formalized team approach to providing practical and timely courses geared to real needs in an Agricultural Certificate Program. His concept (Appendix C, pages 47-48) brings resources from Extension, university system, and other agencies and institutions to develop and teach a set of courses that would be accessible to farmers.

5. Explore the potential for using the Governor's Training Initiative Program. This program, managed by the Maine Department of Labor, could perhaps be used to create highly skilled farm workers (where needed) as means of improving quality and reducing turnover.

6. Provide employee incentives for working on farms as part of a labor solution. Examples: students get credit for farm work; new community-service-type programs like AmeriCorps for farms; governmental rebates for training youth such as government reimbursement for workers comp.

Appendix A

Local Ag Development Task Force 2004 Member Roster

Name	Address	Phone/Fax	e-mail
First Lady Karen Baldacci Blaine House	1 State House Station Augusta ME 04333-0001	287-2121	e.plummer@maine.gov
Joseph Bouchard J.A. Bouchard Farms	R #2, Box 2690 Fort Kent ME 04743	834-3227/7422	
Richard Brzozowski UMCooperative Extension	P.O. Box 9300 Portland ME 04104-9300	780-4205/4382	rbrz@umext.maine.edu
Dana Edwards Graves Supermarkets	P.O. Box 692 Hampden ME 04444 cell: 745-7579	862-5444	DEdwards@hannaford.com Dedwards@tds.net
Clint Harris Harris Farm	252 Buzzell Road Dayton ME 04555		
Arnold Luce Luce's Meats	366 Embden Road North Anson ME 04958	635-2817	
Wendy Pieh Springtide Farms	P.O. Box 203 Bremen ME 04551	529-5747	wpieh@lincoln.midcoast.com
Judy Powell	149 Clark Lane Whitefield ME 04353	549-5002/4602	powell@midmaine.com
Lincoln Sennett Swan's Honey Sennett & Sennett Blueberries	332 Bessey Ridge Road Albion ME 04910	437-5845	swans@uninets.net
Ramona Snell Snell Family Farm	P.O. Box 326 Bar Mills ME 04004	929-5318	info@snellfamilyfarm.com
Charlie Spies	676 Cathance Road Topsham ME 04086	cell 837-3929	spies@suscom-maine.net
Lisa Turner Laughingstock Farm Adrian Wadsworth	79 Wardtown Road Freeport ME 04032 P.O. Box 580	865-3743	lisa@laughingstockfarm.com cell 754-4982

River Rise Farm
aewadsworth@yahoo.com

North Turner ME 04266 224-8240/8296

Peter Wallingford
Wallingford's Fruit House

1240 Perkins Ridge Road 784-7958 maineapples@adelphia.net
Auburn ME 04210

John Weston
Weston's Farm Stand

48 River Street
Fryeburg ME 04037

935-2567/4555 weston@pivot.net
(H) 935-7576; cell 441-9514

Ref: Local Task Force Roster.doc

Appendix B: Meeting Agenda and Minutes

Local Ag Development Task Force 2004 Minutes from Date: September 1, 2004

Present: First Lady Karen Baldacci, Co-Chair; Charlie Spies, Co-Chair; Joseph Bouchard, J.A. Bouchard Farms, Fort Kent; Extension Educator Richard Brzozowski, UMCE Cumberland County; Dana Edwards, Graves Supermarkets, Hampden; Arnold Luce, Luce's Meats, North Anson; Wendy Pieh, Springtide Farms, Bremen; Lincoln Sennett, Swan's Honey and Sennet & Sennet Blueberries, Albion; Lisa Turner, Laughing Stock Farm, Freeport; Adrian Wadsworth, River Rise Farm, Turner; Peter Wallingford, Wallingford's Fruit House, Auburn; John Weston, Weston's Farm Stand, Fryeburg; Judy Powell, Recorder.

Absent: Clint Harris, Harris Farm; Ramona Snell, Snell Family Farm

Guests: Commissioner Bob Spear, Maine Department of Agriculture; John Harker and Deanne Herman, Maine Department of Agriculture Market and Production Development Division

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Department of Agriculture that will support and sustain local agriculture.

**Next Meeting: Wednesday, September 15, 2004 @ 11am-3pm
With working lunch. Location: Maine Farm Bureau**

Agenda Item	Discussion/Decisions	Future Action; Person responsible
Commissioner Spear Welcomes; Explains charge & challenge	<ul style="list-style-type: none"> ➤ The Task Force is an offshoot of the Blaine House Conference on Maine's Natural Resource Based Industries. ➤ Local agriculture identified as one of the Conference's three initiatives for Baldacci administration focus. ➤ Task Force purpose is to develop recommendations for policies and programs needed to support, sustain, and bolster local agriculture. 	Report is due around December 1, 2004
First Lady Karen Baldacci suggests "Exciting opportunity to create vision"	<ul style="list-style-type: none"> ➤ The First Lady encourages members to think in terms of brainstorming together to look for possibilities of where local agriculture should be in ten years, from the start point of what we know about where it is today. ➤ The First Lady acknowledged the grassroots expertise here on the Task Force – people to guide us who know what's happening. ➤ The opportunity to create energy is tremendous. 	
Charlie Spies explains his role as Facilitator	<ul style="list-style-type: none"> ➤ Charlie's role as a co-chair: listen and help capture ideas ➤ Also: keep members focused and on track 	

<p>Charlie explains Mission</p> <p>Task Force Member Introductions</p> <p>Charlie Spies begins introductions</p> <p>Judy Powell</p> <p><i>Charlie asks members to describe “where they fit and what they see as important”</i></p> <p>Wendy Pieh, Bremen</p> <p>❖ Wendy’s Focus Interests:</p> <p>Adrian Wadsworth, Turner</p> <p>❖ Adrian’s Focus Interests:</p> <p>Dana Edwards, Hampden</p>	<p>Our Mission has three components: 1). Create working definition of local agriculture; 2). Identify limiting factors in Maine for success of local agriculture; 3). Present suggestions to DAFRR.</p> <ul style="list-style-type: none"> • His background: entomology, biology, finance • Has assisted many growers and small-scale farms during 13-years leading FAME as CEO • Reporter for the Task Force with significant experience in agricultural issues; (Not a formal Task Force member) • 11 years in marketing with Maine DAFRR • Now working in agriculture as freelancer • 10 years as Cashmere goat farmer, selling fiber as primary product with meat and pelts secondary • Eight years in Maine Legislature; House Chair of Agriculture Committee ❖ Adding Value. Raw Cashmere sells for \$30/# and processed sells at \$400/#. Producers need help getting equipment to add value. ❖ Providing farms locally to families: “everyone needs a farm to touch.” • “I’m a fair-size farmer” – 300 milking cows, 600 acres, 500-acre woodlot on Androscoggin River. Use to grow organically certified vegetables. • President of FarmFresh Connection, a 501(c)(3) that connects farmers/products & institutions • Was director of Agri-Mark, when Agri-Mark owned Hood and bought Cabot Cheese • Active in Ag Com (Agriculture Council of Maine) and in other ways, on and off, for many years ❖ Sustaining multi-generational farms ❖ Working to institutionalize the premise: a premium goes back to the local grower/farmer • Grew up gardening • 32 years in retail grocery, 30 with Hannaford • Was in State Legislature in New Hampshire • On Maine’s Dairy Task Force 	
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❖ Dana's Focus Interests:	<ul style="list-style-type: none"> ❖ Help small businesses compete against big chains ❖ Connect local growers to provide local products ❖ Serve customers with quality, freshness 	
Joe Bouchard , Fort Kent	<ul style="list-style-type: none"> • Potato and buckwheat farmer; growing buckwheat for value-added pancake mix – Authentic French Acadian Pancake called Ployes, sold via Hannaford and to specialty markets • Potato is cash crop, but farm has been downsizing potato acreage last few years; also sell at farm stand 	
❖ Joe's Focus Interests:	<ul style="list-style-type: none"> ❖ Save farms in Aroostook County ❖ Sustain family farm to pass on to next generation ❖ Get products easily accessible to consumers 	
Dick Brzozowski , Portland	<ul style="list-style-type: none"> • County Extension Agent since 1987 • Committed to family farms • Can make connections with University research and education 	
❖ Dick's Focus Interests:	<ul style="list-style-type: none"> ❖ Believes “There’s no culture without agriculture!” and that agriculture is essential to communities, regions, and states. ❖ Local food is the best food but consumers are thinking “instant food” – they are too quick minded about food choices. 	
Lisa Turner , Freeport	<ul style="list-style-type: none"> • Vegetable grower • Current President of MOFGA • Selling CSA, Farmer’s Markets, to local retailers and restaurants, and through FarmFresh Connection 	
❖ Lisa's Focus Interests:	<ul style="list-style-type: none"> ❖ Amount of capital needed to acquire land and equipment is way beyond the reach of many who wish to farm. Most MOFGA farms are small-scale and need capital. ❖ Prices need to be higher to pay farmers for handpicking and production; yet a huge consumer sector cannot afford current price levels at farmers’ markets. ❖ “We have to get to a point of reasonable pricing to make a living.” 	
Peter Wallingford , Auburn	<ul style="list-style-type: none"> • 30-acre apple orchard now. Once had 100 acres in apples. Farm downsized in the early 70’s by 1/3. • 4th generation farming family with 2 sons • Trying to find way to survive by diversifying: selling vegetables at roadside stand and “produce market” selling our own (grown) plus buying in. 	

<ul style="list-style-type: none"> ❖ Peter's Focus Interests: 	<ul style="list-style-type: none"> ❖ Foreign and domestic competition shutting out wholesale apple markets except Florida. ❖ Medical insurance costs \$17,000/year with a \$5,000 deductible ❖ "I want to still farm." 	
<p>John Weston, Fryeburg</p> <ul style="list-style-type: none"> ❖ John's Focus Interests: 	<ul style="list-style-type: none"> • 6th generation farm with 85 diversified acres: vegetables, Christmas trees, maple • Originally a dairy; Cows sold 1985 in buyout. • Sells retail at stands in Fryeburg and Conway NH • Head of 4-H Department for Fryeburg Fair • Coach for local High school ❖ Promoting health and vitality through food ❖ "Maintaining a farming lifestyle is important to me." 	
<p>Lincoln Sennett, Albion</p> <ul style="list-style-type: none"> ❖ Lincoln's Focus Interests: 	<ul style="list-style-type: none"> • 150 acres blueberries in Washington County; selling to large processors wholesale • 500 bee hives in central Maine • Owns Swan's Honey selling value-added honey products ❖ Adding value by putting (blueberries) in a container ❖ Local brand identity is lost when selling wholesale to large processors. ❖ Improving markets for Maine products 	
<p>Arnold Luce, North Anson</p> <ul style="list-style-type: none"> ❖ Arnold's Focus Interests: 	<ul style="list-style-type: none"> • In maple since 1795 with 3,000 maple taps • Owns/operates USDA slaughter plant in North Anson processing pork, beef, lamb. • Delivers meats to restaurants in Freeport to Portland as part of FarmFresh Connection • Packaging under generic and private labels ❖ Bringing locally-grown meat products to market ❖ Creating linkages – growers and markets 	

<p>First Task on the Agenda: Defining “Local Agriculture” – i.e. creating a working definition</p> <p>Components missing from both definitions</p> <p>Issues were raised.</p> <p>How can consumers know when a product is locally-grown/raised?</p> <p>Direct from farmer to consumer is one way.</p> <p>But when value is added, the direct connection may be lost.</p> <p>And, the return on processed product may be less.</p> <p>Farms need to maximize Return On Investment</p> <p>Not all farms sell “locally.” A better market can be out-of-state</p>	<p>Two definitions are considered, as a starting Point:</p> <ol style="list-style-type: none"> 1. An amended version of definition on page 1 in “Background Paper” by L. Kramer and S. Smith: <ul style="list-style-type: none"> “Local agriculture is considered to be food, farm products, and services that are produced and processed if necessary in Maine, with the intent of maximizing product quality, economic returns to Maine producers and processors, and economic viability of Maine farms. 2. “get real. get MAINE!” Marketing program definition: <ul style="list-style-type: none"> “Food or other agricultural products primarily grown, raised, harvested or processed in Maine; or products made with ingredients that are primarily grown, raised, or harvested in Maine.” <ul style="list-style-type: none"> ▪ Agritourism brings consumers and increases product sales. ▪ <i>Distinguishing</i> – i.e. being able to figure out – whether grown or raised in Maine. Consumers don’t know. ▪ Consumers are willing to pay more when they know they are supporting local agriculture/farms. ▪ There’s a limit on what consumers will pay. ▪ Maine products sold at the wholesale level, processed, and labeled for distribution by large processors are “hidden” – i.e. consumers don’t know these are Maine products, and growers may not receive a premium. ▪ Premiums are “lost” along the way, e.g. to contract buyers. Result = the farmer receives less. ▪ The more steps required to get product in the hands of the consumer = the more \$ the farmer loses. ▪ A certain net profit is required to sustain a farm -- (suggested 12%). ▪ Multi-generational farms require more to sustain. ▪ Farmers need to be able to negotiate price but they perceive they have no leverage to negotiate price. ▪ “Sustainability means having enough money to farm next year. “ ▪ Some products sell higher and better when sold at specialty markets outside of Maine. 	
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<p>Agriculture needs support in looking to the future.</p> <p>Based on discussion, a list of “focus issues” was developed.</p> <p>A List of potential speakers as technical advisors was developed.</p>	<ul style="list-style-type: none"> ▪ Internet sales and out-of-state clients are lucrative options. ▪ State of origin may not be identified for some products e.g. apples – a marketing disadvantage. <p>NEEDS...</p> <ul style="list-style-type: none"> ▪ Programs and technical assistance in helping to identify product and crop trends, for decision-making on diversifying and switching acreage to new crops ▪ Programs which support entrepreneurship ▪ Determining the balance between the upper limit consumers will pay and the bottom cost of production as guide to farmers/growers ▪ How can new farmers get established when it’s cost prohibitive to buy land and equipment and get started? How can children take up farming? ▪ Economically viable farms are better able to fend off sprawl. Their communities support them. ▪ Infrastructure to support farms <u>must</u> be there – now and in the future. <p>Focus Issues</p> <ol style="list-style-type: none"> 1. Broad technical assistance 2. Increasing local sales direct to consumers 3. Sustaining and starting family farms 4. Health Insurance 5. Increasing the in-state % of the total consumption of local foods 6. Adding value 7. New products, production techniques, and services available to farmers 8. Finding development funds 9. Sprawl 10. Cooperatives or the chance to co-operate 11. Coordination of supply among farms and models 12. Models in other states (farm stands/stores, CSA’s) <p style="text-align: center;"><u>Subject Matter Experts</u></p> <ol style="list-style-type: none"> 1. John Harker to review and clarify Maine’s existing programs and policies and whom they support (as a starting point.) 2. Stewart Smith and Mark Lapping addressing an industry overview: what is local agriculture today with hard numbers; what’s out there and working; plus problems and what needs to be strengthened. 3. Marge Kilkelly to share what other states are doing; what models and what’s working, from her vantage point of representing the 10-state region 	<p>Charlie to contact/arrange speakers.</p> <ul style="list-style-type: none"> ✓ John Harker September 15th ✓ Mark Lapping October 6th ✓ (Tentative) Stewart Smith October 6th
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<p>Future Meeting Dates Decided.</p>	<p>vantage point of representing the 10-state region for the Council of State Legislatures.</p> <ol style="list-style-type: none"> 4. Trish Riley, or representative, of Dirigo Health 5. John Piotti or Mark Hughes to discuss the flow of money into Maine: federal, RC&D funds, farm incubator program funds, etc. Is there an integration of plans and goals? 6. Ray Nowak from Farm Credit as farm finance expert <p>September 15th starting 11 AM. Location: Farm Bureau Office (622-4111 is the Farm Bureau telephone number). Lunch will be catered.</p> <p>October 6th starting 12:30 PM. Location: Blaine House Lunch will be served.</p> <p>October 27th starting 11 AM. Location: Blaine House Lunch will be served.</p> <p>November 10th starting 11 AM. Location: Blaine House Lunch will be served.</p>	<p>✓ Reserved ✓ Maine food lunch by caterer, Julie Weaver</p> <p>✓ Reserved.</p> <p>✓ Reserved</p> <p>✓ Reserved</p> <p>Judy responsible</p>
<p>Task Force Communications</p>	<p>Minutes and Agendas will be sent via e-mail to all except those who wish print copy mailed USPO (Lisa & Arnold requested print be sent.)</p> <ul style="list-style-type: none"> ◆ Anyone else wishing a faxed or mailed version please e-mail or call Judy (549-5002). 	<p>Farm Bureau is located off Route 27, off 95 exit 112B. 1½ miles north. On west side (left side going north), see Farm Bureau sign. Turn left onto Gabriel Drive. Take first drive into Farm Bureau.</p>

Local Ag Development Task Force 2004

*The Mission of the Local Ag Development Task Force
is to identify limiting factors in Maine for success of local agriculture
and provide suggested policies and programs to the Department of Agriculture
that will support and sustain local agriculture.*

AGENDA

Meeting of September 15th, 2004

Working Lunch

Meeting Location: Maine Farm Bureau, Augusta

Starting Time: 11 AM; Finish Time: 3 PM

- 11:00** **Welcome**
- 11:15** **Minutes of 9/1 Meeting**
- 11:20** **10-minute review: Last meeting, timeframes, upcoming meetings, speakers**
- 11:30** **Objectives of Today's Meeting:**
- **DAFRR Programs supporting Local Agriculture**
 - **Further discussion on Limiting Factors (Issues) constraining Local-Ag**
- 2:30** **Other Items raised by Members: Comments, suggestions, etc.**
- 2:45** **Recap and Prepare for Next Meeting**

**Local Ag Development Task Force 2004
Minutes from Date: September 15, 2004**

Task Force Members Present: First Lady Karen Baldacci, Charlie Spies, Richard Brzozowski, Dana Edwards, Arnold Luce, Wendy Pieh, Lincoln Sennett, Lisa Turner, Peter Wallingford, John Weston, Judy Powell

Absent: Joseph Bouchard, Clint Harris, Ramona Snell, Adrian Wadsworth

Guests: Commissioner Bob Spear, Maine Department of Agriculture; Mary Ellen Johnston, John Harker and Deanne Herman, Maine Department of Agriculture Market and Production Development Division

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Department of Agriculture that will support and sustain local agriculture.

Next Meeting - October 6, 2004 @ 12:30 PM – 4 PM
With working lunch. Location: The Blaine House

Agenda Item	Discussion/Decisions	Future Action
<p>Charlie welcomes everyone and restates mission. Asks for comments on 9/1 Minutes.</p> <p>Two lists distributed:</p> <p>a. List of members' description of what is important (taken from 9/1/ Minutes)</p> <p>b. <i>These clustered into 8 groupings</i></p> <p><i>Speakers introduced: Mary Ellen Johnston and John Harker, MDAFRR</i></p> <p><i>Charlie restates task</i></p>	<p>➤ Task Force purpose is to develop recommendations for the Department of Agriculture to plan and implement programs needed to support, sustain, and bolster local agriculture.</p> <p>➤ Our focus today is discussion of "limiting factors" that prevent success of local agriculture</p> <p>Goal is to "winnow" or flush out the limiting factors from these broad categories</p> <p>Presentation on Departmental programs with handouts</p> <p>Identify what Department is already doing and not doing</p>	<p>Report is due around December 1, 2004</p>

<i>Additions to List</i>	<p>I. Labor:</p> <p>A. Availability – finding people to work</p> <ul style="list-style-type: none"> ✓ Work ethic lacking: e.g. keeping a set schedule, staying through to the end of the season ✓ With seasonal workers, lacking people who can assume role of authority – used to be able to hire teachers ✓ Having to keep a worker after end of growing season just to make sure I’ll have someone trained & ready for start of next season – a costly approach <p>B. Cost of labor</p> <ul style="list-style-type: none"> ✓ Wages earned on farms are often less than what other jobs pay, and working elsewhere is often an easier work option. ✓ Workers comp, child labor, unemployment insurance are huge costs. ✓ Over-regulation - DOL rules applies across country with no local authority forcing farms to get bigger or get out ✓ Additional housing and transportation costs for foreign workers ✓ High guaranteed minimum wages or piece rate pay ✓ Small farms lack appropriate-size tools that would save time, thus impairing efficiency <p>C. Training</p> <ul style="list-style-type: none"> ✓ Training people how to pick or drive tractor – farmers have not time to train people. <p>II. Infrastructure :</p> <p>a) Special expertise not available due to not enough demand for (e.g. a vet to serve goats) at an affordable price.</p> <p>b) “Grow Here, Process Here, Sell Here” -- Need processing to utilize seconds (e.g. fresh apples) so farms can make money on product that’s not perfect. Must be quickly available before product breaks down.</p> <p>c) Need linkages as tie-in’s with off-line processing (e.g. Canadian IQF)</p> <p>III. Business analysis skills . Farmers skilled in many things but often not in business, and business requirements get more and more complex.</p> <p>Farms are businesses.</p> <p>IV. The number of farmers.</p> <ul style="list-style-type: none"> ✓ There are plenty of farmers’ markets but not enough farmers to supply the markets. ✓ Farmers can’t afford to go to new or sporadic markets where consumers don’t buy enough or steadily. ✓ Need pools to take advantage of opportunities: collect enough product 	
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<p>Comments and discussion about “lists” and issues and programs:</p> <p>Farms for the Future Program is helpful</p> <p>FarmShare Program is good but restrictions need to be loosened.</p> <p>Department implementing several very successful promotional events</p> <p>First Lady’s Television cooking show a tremendous public education success</p>	<p>Supports and assists farms in strategic planning and in developing a niche within farming. 100 farms have completed Phase I -- development of a business plan. Estate planning also included in strategic planning.</p> <p>Suggest review of program qualifiers: specifically re diversification requirements, USDA rules re processed products, and non fruits and vegetables</p> <p>Tomato Tasting, Maine Maple Sunday, Open Farm Day educate consumers about local products, farms, and product quality – good marketing</p> <p>Increasing public awareness of the unique products and great stuff that’s here in Maine. People watching and paying attention.</p>	
<p>Discussion, Suggestions, and Recommendations for New Initiatives:</p>	<p>I. Labor</p> <p>a) Develop cost share incentive program (pay farms) to “put up with” kids (parents) who are learning to work and learning work ethic on farms.</p> <p>b) Appoint a governmental task force (Maine) to look at the climate and limiting factors regarding labor for small business and ways to attract, accommodate, and retain workers: 1). workers comp, 2). minimum wage, 3). hours young people can work (e.g. 15 years old), 4). applying overhead costs toward compensation.</p> <p>c). Propose, develop new programs to identify potential farm workers: Job Corps specialty program for agriculture</p> <p>d). Propose, develop new programs to incentivize working on farms as part of a labor solution. For example: students get credit for farm work; new community-service-type programs like AmeriCorps for farms; governmental rebates for training youth such as government reimbursement for workers comp.</p> <p>II. Adding Value to Raw Product</p> <p>a) Make farming Research and Development (R&D) a priority. Increase funds for technology by transferring from Maine Technology Institute to DOA administration, to fund equipment adaptation and innovation to fit small-scale farm needs.</p> <p>b) Team to complete feasibility estimates, i.e. estimates of volumes and needs - commodity by commodity.</p>	

	<p>c) Coordination to pool product and get farmers organized around ideas</p> <p>d) Incentives to bring entrepreneurs with wherewithal to run plants and farmers to Maine</p> <p>III. Solidifying Local Niche Markets</p> <p>a). A “rapid-deployment Team” to do target analysis: identify niche markets in response to a farmer request</p> <p>IV. Saving the Farm Into the Future</p> <p>a). A “Matrix” tool farms - especially new farms - can use as step-by-step ‘mix & match’ resource guide that shows the variety of programs available and who to contact; to show a progression of at what point a farm might apply for a grant or loan in conjunction with Farms for the Future, and/or other programs.</p> <p>b). Feasibility studies on how to best use good land: e.g. malt grain for Maine microbreweries, baby carrots, canola oil: what’s the best use of good floodplain?</p> <p>c). Need strategic planning for cooperating small farms and not promoting “mega-farms.”</p> <p>d). Develop a profile of the “typical” Maine farmer – age and sex, and tell the public.</p> <p>V. Prices that Pay Farms to Keep Farming</p> <p>a). Suggest farmers are paid to complete an on-line Excel spreadsheet or use a palm pilot to report prices to the DOA for the newsletter. Also that organic prices be included and expanded.</p> <p>VI. Counteracting Competitive Disadvantages</p> <p>a). Advocate to change the governmental “free food” school lunch program so that schools feed children as local as possible and as unprocessed as possible and teach about local food.</p> <p>b). Advocate the return of Home Ec studies</p> <p>VII. Educating Consumers about Locally-Grown</p> <p>a) Brochure on protecting our food supply, with a “homeland protection” emphasis – e.g. “Do you know where your food comes from? ... Supportive of local production and keeping the land in farming. Could include country of origin labeling, information on grading and grades, food regulations and inspection. Target audience is consumers.</p> <p>b). Develop a “Are You Getting What You’ve Paid For?” Campaign.</p> <p>c). Develop a “What Quality Means to the Farmer” campaign to highlight all the things that are done and how the product is treated since picked or harvested.</p> <p>d). Develop a “Good Food. Local Food” Mentality.</p> <p>e). Pressure must be put on the big companies to force a focus on Maine-grown.</p>	
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<p>“Creative Ideas” Suggested</p> <p>Next Meeting Directions to the Blaine House.</p> <p>Future Meetings</p> <p>Directions to Blaine House from East side of Augusta...</p> <p>(Ref: #2 Local Ag Development Task Force 2004.doc)</p>	<ul style="list-style-type: none"> ◆ Contest to design new machinery and equipment ◆ Attract ag investors to Maine for quality of life, etc. ◆ Get/publish farmer demographics <p>October 6th Location: Blaine House - starting 12:30 PM. Please arrive at the front door (door facing State Street) by 12:15 PM. Door is locked, and staff will let us in.</p> <p>Lunch will be served. Speakers : Mark Lapping, Marge Kilkelly, Stewart Smith</p> <p>October 27th starting 11 AM. Location: Blaine House Lunch will be served. Speakers will be Ray Nowak and Rob Horn from Farm Credit and Mark Hews</p> <p>November 10th starting 11 AM. Location: Blaine House Lunch will be served.</p>	<p>From North or South: I-95 to exit 109 (109A from North); follow Western Ave. east to Rotary. Take first major right off rotary onto State Street. At first light, take right onto Capitol Street. The Blaine House is on right as you turn the corner of State and Capitol. Park in Garage. To get to Garage proceed to first right off Capitol. Enter on left at front door.</p> <p>From east, cross Memorial Bridge. Go ¾ around Rotary and take right (State Street). At 1st light, Governor’s Mansion is on right. Take a right into parking garage off Capitol.</p>
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Local Ag Development Task Force 2004

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Department of Agriculture that will support and sustain local agriculture.

AGENDA

Meeting of October 6th, 2004
Blaine House, Augusta (Working Lunch)

- 12:30** **Welcome**
- 12:35** **Minutes of 9/15 Meeting and Review; Speaker and Task Force Introductions**
- 12:50** **Lunch and Objectives of Today's Meeting**
- 1:20** **Stewart Smith, Professor Resource Economics & Policy Undergraduate Coordinator, Resource Economics & Policy Graduate Faculty, Ecology and Environmental Sciences, University of Maine.**
- Dr. Smith's research focuses on understanding how alternative farming systems influence the structure of the food and agricultural system and the factors that cause farmers to adopt alternative systems. He is particularly interested in the impact of sustainable agriculture systems on local communities. Dr. Smith is developing a protocol that allows local citizens to assess projects according to sustainable development principles with incorporation of their own values.*
- 1:45** **Mark Lapping, Distinguished Professor Public Policy and Management, Planning, Development & Environment, Muskie School of Public Service**
- Professor Lapping teaches Land Use Policy & Planning, Sustainable Communities, Natural Resource Economics & Planning, Intellectual Foundations of Public Policy. Prior to joining USM, Dr. Lapping was Founding Dean of the Bloustein School of Planning and Public Policy at Rutgers. He Has consulted with governments and agencies throughout North America and in several other nations, and is currently working on problems in Canada and Estonia, as well as Maine.*
- 2:10** **Marge Kilkelly, Director Northeast States' Association for Agricultural Stewardship**
- Marge Kilkelly is a founding member and now the director of the Northeast States Association for Agricultural Stewardship. NSAAS is comprised of legislators serving on Ag related committees from the 10 northeast states, Maine to Delaware, Virgin Islands, and Puerto Rico. Kilkelly grew up with pleasure horses and raised dairy goats as an adult. Serving in the Maine legislature from 1986-2002, Kilkelly chaired both the Ag, Conservation and Forestry Committee and Inland Fish and Wildlife. With a MS in Community Economic Development from New Hampshire College, she and husband Joe Murray are developing a farm plan that will include raising meat goats at their small farm in Dresden, and teaching cooking classes focused on preserving and using local foods.*
- 2:35** **Questions and Discussion**
- 3:40** **Recap and Prepare for Next Meeting**

Local Ag Development Task Force 2004
Minutes from Date: October 6, 2004

Task Force Members Present: First Lady Karen Baldacci, Charlie Spies, Richard Brzozowski, Arnold Luce, Wendy Pieh, Lisa Turner, Adrian Wadsworth, John Weston, Judy Powell

Absent: Joseph Bouchard, Dana Edwards, Clint Harris, Lincoln Sennett, Ramona Snell, Peter Wallingford

Guests : Commissioner Bob Spear, Dr. Stewart Smith and Research Assistant Laura Kramar, Dr. Mark Lapping, Marge Kilkelly, Mary Ellen Johnston, John Harker, Deanne Herman

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Department of Agriculture that will support and sustain local agriculture.

Next Meeting: October 27, 2004 @ 11:00 AM with working lunch

Location: Maine Farm Bureau, Augusta

Agenda Item	Discussion/Decisions	Future Action
<p>First Lady Karen cordially welcomes everyone to the Blaine House and lunch.</p> <p>Charlie welcomes everyone and restates mission. Asks for comments re 9/15 Minutes.</p> <p><i>Issue of changing meeting location from Blaine House to accommodate any public who might wish to comment</i></p> <p><i>First Lady introduces speakers, beginning with Marge Kilkelly:</i></p> <p><i>Dr. Mark Lapping:</i></p> <p><i>Dr. Stewart Smith:</i></p>	<p>A special thanks to the First Lady and Blaine House staff for the delicious lunch, served on <i>warmed</i> plates! (just like home?)</p> <p>➤ Task Force purpose is to develop recommendations for the Department of Agriculture to plan and implement programs needed to support, sustain, and bolster local agriculture.</p> <p>Options for location include: Farm Bureau, FAME, State Office Building hearing room</p> <p>Marge distributes handouts of her talk, copy of October 4 NSASS "News Gleanings" e-newsletter, and copy of email sent from a CT landowner seeking to sell 4 acres in Harwinton.</p> <p>Dr. Lapping distributed handouts: "Adding Value to Tennessee Agriculture" and "Farm Support Action Menu" prepared by Henderson County NC.</p> <p>Report sent in first mailing: "The Potential of Local Agriculture: A Background Paper for the DOA's Task Force on Local Agricultural Development"</p>	<p>Report is due around December 1, 2004</p> <p>Need area for hanging flip charts and room should there be visitors</p> <p>The Task Force has no budget. To obtain copies, contact Judy Perry, DOA 287-3419 or judy.H.perry@maine.gov</p> <p>Stewart will provide copy of his talk outline.</p>

Points of Discussion and Highlights mentioned by speakers, guests, and Task Force

I. Critical & Very Basic Need: Educate Policy Leaders.

Scope of Real \$ Value

- 1). Economic value/importance
- 2). Tax (income) value
- 3). Number of families/people depending on ag for living
- 4). What and where are the agricultural jobs
- 5). How is agriculture accomplished

Cultural Value's Real \$ Value Implications

- 1). Making an Investment in Maine's future will pay off:
 - ◆ Maintain natural resource heritage
 - ◆ Significance for tourism
 - ◆ Small-business Interdependence: agriculture & service-based tourism: food, vistas, recreation, cultural appeal
- 2). Agriculture enhances Maine's appeal: quality of life issues that the state should invest in (agri-retirism)
- 3). Maine consumers primarily eat "traveling food" to the disadvantage of the Maine economy and cultural heritage of Maine: how much food (%'s, values) comes from away (not Maine grown) and economic implications
- 4). Maine brand reinforces food safety; complements regulations
- 5). Farms=businesses=good risk=opportunities for successful small businesses
 - ◆ Educate commercial lending institutions, Taxation Committee, business leaders

Threats & Opportunity: Reality Checks

- 1). Breaks in *agricultural continuity* (heritage, culture, skill inventory, land base, equipment inventory, infrastructure, face of Maine) are irreplaceable and nonretrievable – *lost forever*.
- 2). Maine = fewer and fewer producing farms = Repercussions
- 3). Currently working farms must use *fractured non-contiguous parcels* that are valued highly for development. These will not be sustained as working land and will be lost.
- 4). There is a huge and historic DECD-AG-DMR "*Disconnect*" that disadvantages agriculture.

II. Maintain Critical Mass.

- 1). Legitimize small-scale (5-15 acres) farming
 - ◆ Extend tax incentives to small acreage operations
 - ◆ Refocus farmland preservation to include small
- 2). New Initiative: Public-private collaborations: Create linkages between farms and existing state/fed-funded resources: partnerships with state, local facilities (e.g. schools) as resources farmers might use (e.g. add value in kitchens summers)

	<p>3). New Incentives for ag suppliers and dealers. They're vital. Ag must not lose those still remaining.</p> <p>4). New Initiative: Towns, County Government Public Policy</p> <ul style="list-style-type: none"> ◆ Educate, influence town ordinances to save parcels/land ◆ Educate, influence re impact of wider, paved back roads ◆ Educate long-term implications of water, sewer lines on farmland value re current affordability and future use ◆ Educate re history of landfill location siting <p>5). Reinvigorate Cooperative Extension</p> <ul style="list-style-type: none"> ◆ Fund tech transfer ◆ Equip next generation with basic skills <p>6). Fund farm vitality enhancement programs: Farms for Maine's Future, Ag loan fund, production/marketing grants, PMIF-type loans</p> <ul style="list-style-type: none"> ◆ Work in conjunction with DECD, FAME, Extension, commercial lending institutions <p>7). Protect, increase acres to farm: New Policy direction: Make preserved land (under easement, preservation) available for farms to rent for production agriculture</p> <p><u>III. Information=Sales. What is lost when ag is lost?</u></p> <ol style="list-style-type: none"> 1. Continue "Buy Local" campaigns 2. Extend "Buy Local" campaigns. Reach more consumers and educate consumers about real food (fresh, wholesome, safe, local, from known source, from neighbor, within your community) 3. Allocate funds into brand development, implementation <p><u>IV. Force a sit down: confront "separate silos" issue.</u></p> <ul style="list-style-type: none"> ◆ There is a <i>Disconnect</i> between DECD-AG-DMR (Marine Resources): the promotion of business development should include agriculture. The value of agriculture's contribution is understated. Use agriculture's many friends to push issue: Sierra Club, land trusts, consumers, NRCM, etc. <p><u>V. Value-Added</u></p> <ul style="list-style-type: none"> *How to accomplish realistically *While maintaining a price middle-income consumers can afford *Under supply side constraints: a). amount of any one type of product is limited; b). producers are geographically disbursed; c). production quantity totals are not large; d). top dollars derived from direct-marketing/sales. * History of cooperatives shaky; protect personal risk 	<p>Location: Farm Bureau</p>
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<p>Next Meeting: October 27th</p> <p>Two Speakers:</p> <p>Goal: FOCUS; Begin drafting recommendations</p> <p>Only Two Meetings left - November Meeting:</p> <p>(Ref: #3 Local Ag Development Task Force 2004.doc)</p>	<p>1. Farm Credit: Ray Nowak and Rob Horne 2. RC&D: Mark Hews, agricultural economist</p> <p>Task Force to bring focus to what's been discussed.</p> <p>Directions: Farm Bureau is located off Route 27. Take 27 north off 95 exit 112B. Go 1½ miles north. On the west side (left side going north), see big Farm Bureau sign on building. Turn left onto Gabriel Drive. Take first drive into Farm Bureau. The building is clearly identified. (622-4111)</p> <p>Next meeting: November 10th - Time and Location TBA</p>	
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Local Ag Development Task Force 2004

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is to identify limiting factors in Maine for success of local agriculture
and provide suggested policies and programs to the Department of Agriculture
that will support and sustain local agriculture.**

AGENDA

Meeting of October 27th, 2004

Maine Farm Bureau, Augusta (Working Lunch)

- 11:00** **Welcome and Minutes of 10/6 Meeting**
Review and Objectives of Today's Meeting
- 11: 10** **Speaker and Task Force Introductions**
- ◆ **Farm Credit of Maine**
Raymond J. Nowak, President and CEO
Rob Horne, Manager Coastal and Interior Lending Group
 - ◆ **Threshold To Maine Resource Conservation and Development**
Mark Hews, RC&D Coordinator
- 11: 50** **Questions and Discussion**
- 12:00** **Taking Stock of What's Been Identified**
Start Drafting Recommendations
- 3:00** **Adjourn**

Local Ag Development Task Force 2004
Minutes from Date: October 27, 2004

Task Force Members Present: First Lady Karen Baldacci, Charlie Spies, Richard Brzozowski, Arnold Luce, Wendy Pieh, Lincoln Sennett, Lisa Turner, Adrian Wadsworth, Peter Wallingford, John Weston, Judy Powell

Absent: Joseph Bouchard, Dana Edwards, Clint Harris, Ramona Snell

Guests : John Harker, Deanne Herman

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Department of Agriculture that will support and sustain local agriculture.

Next Meeting: November 5, 2004 @ 12:30 PM with working lunch
Location: Maine Farm Bureau, Augusta

Agenda Item	Discussion/Decisions	Future Action
<p>First Lady Karen and Charlie welcome and introduce speakers: Ray Nowak and Rob Horne, Farm Credit; and Mark Hews, Threshold to Maine RC&D.</p> <p>Charlie distributes <u>working draft #1</u> of report. Members review and discuss draft and identify issues and additions.</p> <p>Home work assignment for next meeting is explained.</p> <p>Next Meeting: November 5th</p> <p>Goal: Continue drafting recommendations</p> <p>(Ref: #4 Local Ag Development Task Force 2004.doc</p>	<p>➤ Task Force purpose is to develop recommendations for the Department of Agriculture to plan and implement programs needed to support, sustain, and bolster local agriculture.</p> <p>Needs and recommendations made by Blaine House Conference on Maine's Natural Resource-based Industries, Task Force, and others are incorporated in <u>Draft #1</u>.</p> <p>Assignment for next meeting:</p> <ul style="list-style-type: none"> • Review document and mark it up for errors, omissions, clarifications needed, etc. • Review draft recommendations section. Add or edit additional recommendations for each limiting factor. • Under each limiting factor, choose the one recommendation you think is most important (feel free to combine or edit to develop what you think is the best recommendation). • Choose the single most important recommendation in the entire report, in your opinion, among all recommendations. <p>Directions: Farm Bureau is located off Route 27. Take 27 north off 95 exit 112B. Go 1½ miles north. On the west side (left side going north), see big Farm Bureau sign on building. Turn left onto Gabriel Drive. Take first drive into Farm Bureau. The building is clearly identified. (622-4111).</p>	<p>Report is due around December 1, 2004</p> <p>Next Meeting: November 5th</p> <p>Location: Maine Farm Bureau. Lunch will be served.</p>

Local Ag Development Task Force 2004

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AGENDA

**Meeting of November 5, 2004
Maine Farm Bureau, Augusta (Working Lunch)**

- 12:30** **Welcome and Lunch**
- Review Priority Areas**
Further Discussion of Draft Version #2 of Report
- 4:00** **Adjourn**

Local Ag Development Task Force 2004 Minutes from Date: November 5, 2004

Task Force Members Present: First Lady Karen Baldacci, Charlie Spies, Richard Brzozowski, Dana Edwards, Elaine Luce for Arnold Luce, Lincoln Sennett, Lisa Turner, Adrian Wadsworth, Peter Wallingford, John Weston, Judy Powell

Absent: Joseph Bouchard, Clint Harris, Wendy Pieh, Ramona Snell

Guests: Bob Spear, Ned Porter

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Department of Agriculture that will support and sustain local agriculture.

Next Meeting: November 19, 2004 @ 12:30 PM with working lunch
Location: Maine Farm Bureau, Augusta

Agenda Item	Discussion/Decisions	Future Action
<p>First Lady Karen and Charlie welcome and lead discussion on “working draft #2.”</p> <p>Next Meeting: November 19th</p> <p>Goal: Continue drafting recommendations</p> <p><small>Ref: #5 Local Ag Development Task Force 2004.doc</small></p>	<p>➤ Task Force purpose is to develop recommendations for the Department of Agriculture to plan and implement programs needed to support, sustain, and bolster local agriculture.</p> <p>Needs and recommendations made by Blaine House Conference on Maine’s Natural Resource-based Industries, Task Force, and others are incorporated in <i>Draft</i>.</p> <p>Assignment for next meeting:</p> <ul style="list-style-type: none"> • Review document and mark it up for errors, omissions, clarifications needed, etc. • Review draft recommendations section. Add or edit additional recommendations for each limiting factor. • Under each limiting factor, choose the one recommendation you think is most important (feel free to combine or edit to develop what you think is the best recommendation). • Choose the single most important recommendation in the entire report, in your opinion, among all recommendations. <p>Directions: Farm Bureau is located off Route 27. Take 27 north off 95 exit 112B. Go 1½ miles north. On the west side (left side going north), see big Farm Bureau sign on building. Turn left onto Gabriel Drive. Take first drive into Farm Bureau. The building is clearly identified. (622-4111).</p>	<p>Report due around December 1, 2004</p> <p>Next Meeting: November 19th <small>Start Time: 12:00</small></p> <p>Location: Maine Farm Bureau. Lunch will be served.</p>

Local Ag Development Task Force 2004

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AGENDA

Meeting of November 19, 2004

Maine Farm Bureau, Augusta (Working Lunch)

- 12:00** **Welcome and Lunch**
- Review of Priority Areas**
 Further Discussion of Draft Report (Version #3)
- 3:00** **Adjourn**

Local Ag Development Task Force 2004
Minutes from Date: November 19, 2004
Final Meeting

Task Force Members Present: Charlie Spies, Richard Brzozowski, Wendy Pieh, Lincoln Sennett, Lisa Turner, Adrian Wadsworth, Peter Wallingford, John Weston, Judy Powell

Absent: Joseph Bouchard, Dana Edwards, Clint Harris, Arnold Luce, Ramona Snell

Guest: Ned Porter

The Mission of the Local Ag Development Task Force is to identify limiting factors in Maine for success of local agriculture and provide suggested policies and programs to the Department of Agriculture that will support and sustain local agriculture.

Agenda Item	Discussion/Decisions	Future Action
<p data-bbox="261 737 545 793"><i>Discussion on "working draft edition #3"</i></p> <p data-bbox="245 863 561 953">Goal: Continue discussion re financing and Labor Issues on to end of report.</p> <p data-bbox="245 1776 553 1822">Ref: #6 Local Ag Development Task Force 2004.doc</p>	<p data-bbox="589 737 1049 764">Financing Needs : Points of Discussion:</p> <ul data-bbox="589 772 1240 1188" style="list-style-type: none"> • Ag-specific certificate training at university system & Extension: marketing, business planning, science • LFMF: change basis to a cost-share with communities willing to invest – develop a premium system • Create financing programs w/ FAME – financing for entry-level viable farmers; facilitating transfer of real estate and buildings; partial funding of insurance and longer-term direct loans for farmers entrance. Focus on FAME's economic recovery loan program. • Partnerships with commercial lending • Regenerate AMLF • Support existing programs that are working –PMIF models, ag loan funds, Farms for Maine's Future <p data-bbox="589 1224 1024 1251">Costs of Production: Needs Identified</p> <ul data-bbox="589 1260 1240 1541" style="list-style-type: none"> • Technology to reduce costs (e.g. waste oil burners) • Ag bulleting board: initiate farmers' information exchange/clearinghouse: posting notices for shared purchasing of e.g. loads of straw, grains, supplies, etc. • UMCE, FSA, S&WCS to facilitate peer group discussions: production & marketing; cooperative working together; etc. • Health insurance: That DOA find every opportunity to advocate for improving insurance for agriculture. <p data-bbox="589 1577 954 1604">Labor – the Recurring Theme :</p> <ul data-bbox="589 1612 1240 1890" style="list-style-type: none"> • A farm workers network; Identify potential pools of workers and coordinate seasonal work between farms with manufacturing, tourism's seasonal needs (e.g. ski resorts). Host seasonal job fairs w/ Dept. of Labor. • Help farmers be good labor managers: train in hire and fire, personnel management • Establish a farm mentoring program: give \$ incentive for a practicing or retired farmer to work with/provide TA to another farmer. Establish models for mentoring. 	<p data-bbox="1279 737 1500 793">Report due around December 1, 2004</p>

Appendix C
Creative Ideas Suggested by LATF Members

“The Maine Food Challenge”

Idea developed by Richard J. Brzozowski, Extension Professor, University of Maine Cooperative Extension

Project Purpose – The purpose of the Maine Food Challenge is to make consumers aware of the availability of Maine foods from season to season and to encourage the purchase and consumption of locally grown foods.

Project Description – Consumers will be asked to participate in monitoring the foods they purchase and consume through a statewide news release. A “bench mark” set of data will be identified through an easy to use home food survey for each person (or household). They will identify where they buy food with estimated percentages purchased from grocery stores, restaurants, farmers markets, farm-based stands, CSA’s, etc. A dollar amount of the individual’s (or family’s) food budget will be estimated as well. The participating households will be supplied with information on seasonal availability of foods, a directory of farmers markets, a listing of local fruit, vegetable and livestock farmers, information on using, storing and preserving Maine foods, eating healthy foods, a cook book of local food recipes, and a list of businesses that feature Maine grown products. Coordinators of the project will “check in” with participating consumers periodically through the first year (perhaps 3 or 4 times) to respond to questions and to check in on the progress of the Maine Food Challenge. At the end of the year participating consumers will again be surveyed to determine changes in their eating habits and food budgets. Success stories will be gathered from participants. Certificates will be awarded to all participants. Prizes (cash, gifts, gift certificates or Maine foods) will be given to extraordinary participants who complete the challenge. Sponsors will be sought to provide prizes.

APPENDIX C

Creative Ideas Suggested by LATF Members

DRAFT

Proposed Agricultural Certificate Program

Prepared by Dr. Richard J. Brzozowski, Extension Professor – UMCE

1-800-287-1471

rbrz@umext.maine.edu

Current Problem or Limitation

Agriculture is an important part of the economy for individual communities and for all regions of the state. Working farms provide open space, full-time and part-time jobs, economic development for communities, effective use of natural resources and the continuance of rural character of Maine which attracts thousands of tourists each season to the state. The number of farms is slowly declining in the state. Local agriculture is under pressure from development, relatively low market prices, aging farmers and the high cost of inputs (energy, imported feeds, imported fertilizers, etc.). This makes it difficult for farm families to be successful. Some of the problems that farmers face are manageable. Agriculture and natural resource-based enterprises can be profitable.

Many farmers and prospective farmers in Maine lack the skills and knowledge for different aspects of their respective agricultural operations to be successful as farmers and profitable as businessmen/women. Farmers need to be equipped with the skills and knowledge to detect and respond to problems. In order to be successful, farmers need to keep up to date with sound farming practices, business management and the latest technologies. Farmers and growers currently seek information and skills from a variety of sources both in state and out of state. Often they are unsuccessful in gaining what they seek in a convenient, timely and inexpensive way. Something more has to be done to address the problem of farm profitability.

Education is a key component for success in any field. There is no longer a two-year program in applied agriculture offered by the University of Maine or any other institution in the state. Farmers and prospective farmers do not have the time or resources to earn a bachelor's degree. Some may not feel they fit at the community colleges as courses are not geared to production agriculture. Many times, all farmers and growers really need is specific courses in which they could gain practical skills and knowledge.

In an effort to formalize instructional courses in targeted fields of study, the University of Maine Cooperative Extension is willing to partner with university departments and other agencies and institutions in developing, coordinating and offering a set of courses for farmers and growers in any part of the state to earn an agricultural certificate.

Purpose

The purpose of the certificate program is to organize efforts and resources to present practical and timely courses for topics most needed by farmers and growers in Maine. Certificates could be offered in areas of study such as applied animal science, applied plant science, farm business management, and farm product marketing. By formalizing the coursework, more resources from a variety of sources might be available to the effort.

Possible Partners

Maine Agriculture Center

Maine's Community College System

University of Maine Cooperative Extension

University of Maine Sustainable Agriculture Department

Maine Department of Agriculture, Food & Rural Resources

Maine Organic Farmers & Gardeners Association

Next Steps

Obtain feedback and advice from representatives to determine the feasibility of such a certificate program. Get advice and response from farmers and growers. If feasible, develop a plan to pilot or offer programs.

APPENDIX C
Creative Ideas Suggested by LATF Members

DRAFT DRAFT DRAFT DRAFT DRAFT
DESCRIPTION OF AGRICULTURAL LAND USE
DIRECTORY PROJECT

This idea is designed and submitted by
Richard J. Brzozowski
Extension Educator, Cumberland County
PO Box 9300
Portland, ME 04104-9300
1-800-287-1471
rbrz@umext.maine.edu

OBJECTIVE:

Landowners in Maine will use this proposed directory to list land that is available and suitable for agricultural use (pasture, hay, or crops) by current farmers or new farmers in the area. Current in Maine will use the directory to find suitable land to rent for expansion of their operation. New farmers in Maine will use the directory to find suitable land to rent to establish a new operation.

REASONS FOR THIS PROJECT:

- To promote sound agricultural use of local lands.
- To promote open space and help to slow sprawl in some areas.
- To provide opportunities for current farmers to expand their current operation without purchasing land.
- To provide opportunities for current farmers or new farmers to establish a new agricultural enterprise without purchasing land.
- To provide landowners compensation for an agreed use of their land by a local farmer(s).

METHOD AND PROCEDURE:

- Landowners would find out about this directory through statewide news releases by the University of Maine Cooperative Extension (UMCE).
- Landowners would have their land evaluated by the UMCE or the USDA Natural Resource Conservation Service (NRCS) for prospective agricultural uses.

Evaluation information to include the following:

- a) land size / acreage / aerial map
- b) soil type / classification / description
- c) suitable uses (pasture, hay land with number of cuttings designated, crop land with types of crops designated).

- d) soil test results (if any)
 - e) slope of the land
 - f) environmental concerns
 - g) pesticide-use concerns
 - h) other concerns
 - i) period of available use (projected number of months or years available)
 - j) physical location of the property
 - k) accessibility to the land (rated for sized-truck, trailer, farm tractor, or other equipment)
 - l) other
- Landowners would have their land listed on a web page or hard copy directory for farmers and prospective farmers to learn about.
 - Farmers or prospective farmers would contact the landowner for a meeting and to view the land.
 - The parties would discuss the possible use of the land with all of the particulars. They would at some time negotiate compensation for the land (monetary, percentage of crop or product; percentage of profit; taxes; etc.)
 - Sample contracts (for pasture use, hay use, or crop use) would be available if the parties were interested in using or adapting one.
 - UMCE will act as a compiler of the information and a promoter of the project. UMCE will not be liable for actions or agreements of the landowner or the farmer/grower.
 - The UMCE will provide information on pasturing; fencing; watering of livestock; hay production; soil testing and interpretation; land fertilization (organic and synthetic); liming; organic matter improvements; land and soil improvements; crop production; water quality improvements and other pertinent information as an educational service to the land-owner or the farmer/grower.