

Executive Summary

To build more resilient local food systems, *Farms Together* coordinates collaboratives of small-to-mid-scale family farmers throughout California to provide healthy, fresh, and local food to food and nutrition insecure communities. Through *Farms Together*, approved aggregation partners working directly with groups of producers, as well as individual producers, will bring finished farm boxes and bulk food deliveries to food banks and other community sites for distribution. *Farms Together* was developed by the <u>California Association of Food Banks</u> (CAFB), <u>Fresh Approach</u> (FA), and the <u>Community Alliance with Family Farmers</u> (CAFF) with initial support from the California Department of Social Services and California Department of Food and Agriculture (CDFA) via the <u>United States Department of Agriculture Local Food Purchasing Assistance Program.</u>

We believe that LFPA funding (rebranded as *Farms Together*) presents an opportunity to distribute investment around the state that will support the greater viability of local and socially disadvantaged farmers/producers and small to medium-sized agricultural producers and food aggregation businesses. By engaging the local food system at the community level, Farms Together will create a new vision of a hunger relief system where there are new linkages between local food producers, food banks, and community food distribution organizations.

We believe that sustainability in the food system comes from an environment that creates more linkages between farms and emergent/non-traditional marketplaces. This program is designed to create the greatest number of new points of connection within our food system between producers, aggregators, food banks, community organizations, and other new marketplaces for the purchase of local food.

The following document outlines the project's purpose, eligibility requirements for participating, as well as the application process.

Throughout this document, please refer to the Glossary (Section 5 below) for key term definitions.

Section 1: Program Overview

A. Program Purpose & Overview

The objectives of the Farms Together Program (Program) are to:

- Maintain and improve food and agricultural supply chain resiliency by helping build and expand economic opportunity for small, local and socially disadvantaged producers in California.
- Support state food banks and other community food distributors to procure and distribute fresh, nutritious food from farmers for food and nutrition insecure community members.
- Create a transparent application process designed for inclusion that is flexible to the needs and recommendations of local food system participants.



In practice, Farms Together will be a network of farms and local food aggregators who will be responsible for the sourcing and distribution of culturally relevant and nutritious local foods to food banks and community food distributors. Funding will pass from CAFB to aggregating vendors who in turn will purchase foods from local farms, as well as single-farm vendors who will sell their own product, at market prices.

B. Project Partners



California Association of Food Banks (CAFB) - CAFB is the state's leading anti-hunger organization. This non-profit is committed to supporting the work of 41 state food banks through advocacy and food procurement strategies. CAFB's signature Farm To Family program provides over 200 million pounds of fresh fruits and vegetables, continuing the work to nourish communities and reduce food waste.



Community Alliance with Family Farms (CAFF) - CAFF is a nonprofit based in California that builds sustainable food and farming systems through policy advocacy and on-the-ground programs that create more resilient family farms, communities and ecosystems.



Fresh Approach (FA) - The mission of FA is to create long-term change in local food systems, by connecting California communities with healthy food from California farmers and expanding knowledge about food and nutrition. Through mobile farmers' markets, food assistance programs, nutrition education, nutrition incentives, community agriculture and regional partnerships, FA achieves this vision in the Bay Area.

CAFB, CAFF, and FA each have long-standing experience implementing a version of this proposed project at a regional or state-wide level. As a collaborative effort, each organization will hold specific and unique responsibilities in the oversight and implementation of this project.

C. Funding Sources

The funding source of this project originates from the <u>USDA Local Food Purchasing Assistance</u> <u>Program</u> (LFPA), which is managed in California by the California Department of Social Services. The LFPA program is part of the "Build Back Better" initiative, authorized by the American Rescue Plan. The purpose of this program is to maintain and improve food and agricultural supply chain resiliency.



D. Application Overview

The following sections will detail the process of eligibility and bid solicitation for potential participants/vendors with *Farms Together*. **This document itself is not a solicitation for a specific contract.**

Securing a contract via *Farms Together* is a two-step process. In Step 1, applicants are screened to become Approved Vendors within the Farms Together Network. Applicants are selected as Approved Vendors based on the fulfillment of eligibility criteria outlined later in this document.

After being approved, solicitations will be made available to vendors in Step 2. Solicitations will be open, competitive, and regional, based on ability to support priority farmers and meet the needs of their distribution partners, not on lowest price.

Each solicitation listed via Farms Together will stipulate the specific terms of that contract (e.g. delivery location, price points, priority foods). Applications will be evaluated and contracts awarded based on a set of criteria that are intended to prioritize the inclusion of "Socially Disadvantaged Farms" and "Priority Farms" as defined in Section 5.

Section 2. Vendor Eligibility Criteria and Approved Vendor Application

The following section details the eligibility requirements for participation in Farms Together. These eligibility requirements were designed to fulfill the stated goals and missions of the LFPA program in directing funds to local and socially disadvantaged producers. To be approved as a vendor, the applying entity must be able to demonstrate organizational eligibility to fulfill program requirements.

- I. California Grown This project is intended to support CA farms and agricultural producers. All food should be grown, raised, and/or processed in state.*
- **II. Specialty Crops -** This project will prioritize the distribution of fresh fruits and vegetables in order to support the health and nutrition needs of end recipients.**
- **III. Seasonality and Variety -** Providing seasonal produce encourages greater knowledge and awareness of local food systems. Approved vendors will need to be able to source a variety of products that reflect the abundance of each growing season.
- IV. Quality and Cultural Relevance- A goal of this project is to provide food that is rich in nutrition and freshness. Approved vendors will be expected to provide foods of the highest quality and freshness. Vendors should be prepared to work with community food distribution partners to source the foods most relevant to the specific communities receiving the food. Products grown under Organic Certification or non-certified practices are encouraged but not scored.



A. Eligible and Non-Eligible Organizations

- a. The following organization types are eligible to participate as aggregating vendors in the program:
 - i. Informal Aggregators: Agricultural businesses (privately owned), nonprofits, cooperatives or individual agricultural producers that are not traditional distribution companies or food hubs. Examples might include farmers' markets, non-profit organizations, urban farms, or individual farms. Informal aggregators may aggregate products or facilitate centralized invoicing and aggregation at distribution sites. Informal aggregators with total annual sales/revenue of less than \$10 million are eligible to apply.
 - ii. **Food Hubs/Distributors**: businesses or nonprofits with a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products. Food hubs and distributors with total annual sales/revenue of less than \$10 million are eligible to apply.
 - iii. **Agricultural producers:** An individual or entity directly engaged in the production of agricultural products, including crops (including farming); livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture, whereby 50 percent or greater of their gross income is derived from those products. Agricultural producers with total annual sales/revenue of less than \$10 million are eligible to apply.

Note that the lead vendor (i.e. food hub, aggregating farmer or single-farm supplier must be based in California)

- b. The following organization types are **ineligible** to participate.
 - Any organization with no history of the aggregation and distribution of local and regionally produced food products.
 - ii. Food hubs and distributors with annual revenue greater than \$10 million.

B. Application Process

The first stage for participation in Farms Together is an eligibility screening process to be confirmed as an Approved Vendor. This is the step in which you submit the application on the website. Once the application reviewed and approved by administrators, approved vendors will be expected to attend an onboarding call, and will then be eligible to bid on available contracts. The purpose of this non-competitive screening is to confirm an organization's eligibility for participation as well as its readiness to fulfill contract requirements.

The questions and supporting materials required in the Approved Vendor Application are meant to evaluate an applicant on their ability to demonstrate:

- (a) an ability to at minimum, source CA grown or raised agricultural product and appropriately pack to contract specifications (e.g. mixed product boxes, palletized).
- **(b)** prioritize sourcing from small-scale farms and socially disadvantaged producers (see definitions in the Glossary, Section 5 below)
- (c) deliver food to a food bank partner or community food access organizations in your region at regular intervals determined by distribution agency;
- (d) pay farmers a fair rate on a timely schedule and maintain organized billing payment records to farms;
- (e) follow standardized invoicing and reporting procedures to the network administrators.
- **(f)** while single-farm vendors are eligible, vendors that aggregate from multiple farm sources will be given priority,
- **(g)** maintain minimum liability insurance of \$1,000,000 (one million dollars) and present documentation proving said liability insurance;
- (h) maintain food safety and traceability controls;

C. Food Safety

Approved Vendors are required to meet minimum food safety requirements to minimize risks of spreading foodborne pathogens throughout the supply chain. This program recognizes that suppliers pose differing levels of food safety risks. Therefore, this program has unique food safety requirements for the three types of entities eligible to apply as an approved vendor: Agricultural Producers, Informal Aggregators and Food Hubs/Distributors. This approach is meant to protect the end consumer from food-borne illnesses while also not being overly burdensome for the Approved Vendor.

By participating in this program, Approved Vendors agree to participate in random spot checks to verify food safety compliance. General requirements can be found below, for more specific information, as well as required documents, are provided in the "Common Application for Vendors" form.

Food Safety Requirements for Agricultural Producers: While Third-Party GAP certification is not required, Agricultural producers will be <u>required</u> to follow Good Agricultural Practices (GAPs) in the form of a Farm Food Safety Plan. The Approved Vendor application will <u>require</u> farms to attest that they follow GAPs. Agricultural Producers <u>must</u> also indicate if they have a Farm Food Safety Plan and their status under the federal Food Safety Modernization Act (FSMA) Produce Safety Rule (PSR). Agricultural Producers may be contacted by project staff if additional information is needed. Resources are provided to help prepare a food safety plan and determine FSMA PSR compliance. Resources can be found by clicking https://caff.org/food-safety-plan-resources-english/.



- Food Safety Requirements for Informal Aggregators: Informal Aggregators will be required to follow current Good Manufacturing Practices (cGMPs). The Approved Vendor application will require Informal Aggregators to attest that they follow cGMPs. Informal Aggregators will be asked to upload a current copy of their Food Safety Plan with their application. They also must indicate their status under the federal Food Safety Modernization Act (FSMA) Preventive Controls (PC) Rule. Additional questions will be asked to determine the strength of an Informal Aggregator's food safety program. Informal Aggregators may be contacted by project staff if additional information is needed. Resources are provided to help prepare a food safety plan and determine FSMA PC Rile compliance. Resources can be found by clicking https://caff.org/food-safety-resources/#foodhub.
- Food Safety Requirements for Food Hubs/Distributors: Food Hubs and Distributors will be required to follow current Good Manufacturing Practices (cGMPs). The Approved Vendor application will require Food Hubs and Distributors to attest that they follow cGMPs. Food Hubs and Distributors must also upload a current copy of their Food Safety Plan with their application and must indicate their status under the federal Food Safety Modernization Act (FSMA) Preventive Controls (PC) Rule. They must also indicate how they verify that farms they source from follow Good Agricultural Practices (GAPs). Additional questions will be asked to determine the strength of a Food Hub or Distributor's food safety program. Food Hubs and Distributors may be contacted by project staff if additional information is needed. Resources are provided to help prepare a food safety plan and determine FSMA PC Rule compliance. Resources can be found by clicking https://caff.org/food-safety-resources/#foodhub.
- Food Safety Modernization Act (FSMA): This regulation allows FDA to regulate how food is
 produced, grown, harvested and processed in order to avoid safety risks and contamination that might
 lead to serious illness. FSMA includes requirements for operations throughout the food supply chain,
 including aggregators and farmers. This program requires farms and aggregators to know and indicate
 their compliance status under the FSMA PSR (for farmers) and the FSMA PC Rule (for aggregators).
- Current Good Manufacturing Practices(cGMPs): cGMPs are a set of practices that an aggregator
 applies to their operation to minimize food safety risks and contamination to food that is stored,
 handled, and/or reboxed.
- Good Agricultural Practices (GAPs): A set of practices that a farmer applies to their operation to reduce food safety risks. GAPs practices generally fall into the following categories: 1) water, 2) employees, 3) buildings, tools, and equipment, 4) animals (wild and domestic), and 5) soil amendments.



Animal Protein (Livestock, Poultry, Dairy Products)

The vendor approval and solicitation process described in this document does not include purchasing of animal proteins. Vendors seeking to provide animal proteins can email info@farmstogether.org to receive information on distribution sites that are purchasing animal proteins through the *Farms Together* program. For purposes of this program, all animal protein needs to follow official USDA, FDA and state regulations (in the case of dairy products) and labeling requirements.

Section 3: Solicitation Application

Once approved through the screening process, agencies will be eligible to bid on available solicitations as they become open. These solicitations will be available for any eligible agency to apply and applications will be evaluated competitively. The Solicitation Application is meant to function as a tool that can compare multiple vendors against one another by their ability to fulfill the mission and goals of the project. A <u>grading rubric</u> will be used as reference in assigning contracts if there are multiple applications for an available solicitation. The rubric was designed to place value both on small vendors and larger ones, rural and urban ones.

Each solicitation will be unique in terms of contract size, distribution region, specified product preferences, and term length. The details will be included within the solicitation so that an eligible vendor can determine the appropriateness of an application.

The questions and supporting materials required in the Solicitation Application are meant to evaluate an applicant on their ability to demonstrate:

- (a) an ability to source locally California grown agricultural product from the immediate region;
- **(b)** an ability to prioritize sourcing from small-scale farms and socially disadvantaged producers (see definitions in the Glossary, Section 5 below);
- (c) an ability to provide food that is responsive to the stated needs and cultural preferences of the partner food distribution agencies.

Section 4 Contract Awards

Upon award of a solicitation, the Approved Vendor will receive a "Project Contract" or 'Purchase Order' from CAFB that stipulates the specific terms of a project as well as payment terms. The 'Project Contract' or 'Purchase Order' will stipulate specific terms and conditions, including but not limited to the following:

- (a) Payment and reimbursement terms;
- (b) Delivery information and term length;

- (c) Data sharing and reporting requirements;
- (e) Contract termination and grievance procedures.

Section 5 Glossary

51% of Ownership - In determining ownership demographics, we are applying a standard of 51% or more ownership. For example, to be declared a woman-owned farm, more than half of owners must identify as a woman.

Approved Vendor: An Approved Vendor is an organization that has applied to the network and been notified of its approval for meeting all eligibility requirements. Approved Vendors will hold a standing agreement with CAFB and be able to apply to specific contract solicitations.

Aggregation: Aggregation refers to bringing produce together from multiple sources to create a larger and more consistent supply to meet consumer demand (or demand requirements of a distributor). This requires the coordination of product sourcing from different producers to establish reliable supply chains for different end markets. (Taken from Food Aggregation, Processing, and Distribution)

Agricultural Producer: An individual or entity directly engaged in the production of agricultural products, including crops (including farming); livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture, whereby 50 percent or greater of their gross income is derived from those products. Agricultural producers with total annual sales/revenue of \$10 million or less are eligible to apply.

Beginning Agricultural Producer: a producer that has been in operation for less than 5 years.

BIPOC: Black, Indigenous, People of Color. This definition acknowledges that not all people of color face equal levels of injustice while still demonstrating solidarity within communities of color.

Indigenous - having native origins in a particular region or environment, in the context of *Farms Together* acknowledging indigenous producers that have been historically systematically disadvantaged. However, in terms of additional point allotment, Farms Together will only issue the added graded points to American Indian and Alaskan Native growers and not those originating in Latin American countries.

California Grown: This project is intended to support CA farms and agricultural producers. All food should be grown, raised, and/or processed in state. Vendors who operate near state borders may be allowed to source from other farms in bordering states on a case-by-case basis.



Community Food Distributor: Organizations such as food banks, community organizations, or mutual aid groups that provide food assistance to food insecure families. In some cases, they may also aggregate bulk foods and pack boxes.

Cooperative: organization[s] formed for the purpose of producing and marketing goods or products owned collectively by members who share in the benefits. (Taken from Cooperatives and Food Hubs)

Culturally Appropriate & Community-Desired Foods: Foods historically identified as pertinent to a specific community's/culture's unique cuisine and/or preferred by community members through soliciting feedback.

Current Good Manufacturing Practices(cGMPs): cGMPs are a set of practices that an aggregator applies to their operation to minimize food safety risks and contamination to food.

Direct-to-Consumer: Food that goes direct from source to end-user bypassing any participation by third-party handlers. This distribution strategy shortens the supply chain.

Distribution Site: Physical location where food is directly dispersed to the end user. Distribution sites can be those that distribute for free (food banks/pantries/soup kitchens/etc.)

Distributor: Third party who acts as a bridge between the farmer/ grower and the end user in the supply chain. Examples include institutions such as food banks, food hubs, and wholesalers.

Fair Rate: Compensation or the remuneration which is judged to be fair in regard to the scope of labor performed and the value of output at the prevailing market rate.

Farmer-led Aggregator: operations in which agricultural producers are the primary owners, operators and/or decision makers. Farmer-led aggregators can be *formal food hubs*, following the USDA definition of "a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products" or *informal aggregators* in which agricultural producers are working together to market their products and fulfill orders through combined regional shipments without a centrally located facility. In either case, farmers have primary decision making roles that directly affect the design and operations of the aggregator.

Food Hub/Formal Aggregator: businesses and/or nonprofits with a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products. Food hubs and distributors with total annual sales/revenue of \$10 million or less are eligible to apply.



Food Safety Modernization Act (FSMA): The act gives power to the FDA powers to regulate how food is produced, grown, harvested and processed in order to avoid safety risks and contamination that might lead to serious illness. FSMA includes a series of guidelines for aggregators and farmers indicating what best practices to follow to ensure worker safety and avoid product contamination. For more information on FSMA, click here.

Good Agricultural Practices (GAPs): Set of practices that a farmer applies to their operation to reduce food safety risks. GAPs practices generally fall into the following categories: 1) water, 2) employees, 3) buildings, tools, and equipment, 4) animals (wild and domestic), and 5) soil amendments. For more on USDA GAP program resources, click here.

Independent Distribution Partner: A distribution partner that is not part of the CA Association of Food Banks *Farms Together* statewide program, such as a local community organization (i.e. a faith group, school or nonprofit), independent food bank, or aggregator who is directly distributing boxes to local communities.

Informal Aggregator: Agricultural businesses (privately owned), nonprofits, cooperatives or individual agricultural producers that are not traditional distribution companies or food hubs. Examples might include farmers' markets, non-profit organizations, urban farms, or individual farms. Informal aggregators with total annual sales/revenue of \$10 million or less are eligible to apply. Informal aggregators can include organizations that are not physically aggregating the product, but coordinating the aggregation of that product for delivery to the distribution site.

Network Administrators: CAFB, CAFF, and FA are the coordinating agencies of the Farms Together network.

Priority Farmer: Grower who will be given stronger consideration for a solicitation based on their social attributes and history of being historically systematically disadvantaged. Farms Together seeks to create more market opportunities for agricultural producers as well as aggregating businesses who have been subject to discrimination on the basis of race, color, national origin, age, disability, and, where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. While purchasing from these producers and aggregators is not a requirement, it is a priority, and therefore they are referred to as "priority" throughout this solicitation. Specifically, we will be qualifying priority farmers for their identification as LGBTQ+, woman-owned, BIPOC owned, or veteran owned.

Processed items: The U.S. Department of Agriculture (USDA) defines a processed food as one that has undergone any changes to its natural state—that is, any raw agricultural commodity subjected to washing, cleaning, milling, cutting, chopping, heating, pasteurizing, blanching, cooking, canning, freezing, drying, dehydrating, mixing, packaging, or other procedures that alter the food from its natural state. The food may



include the addition of other ingredients such as preservatives, flavors, nutrients and other food additives or substances approved for use in food products, such as salt, sugars, and fats.

Project Contract: A project contract is the result of an Approved Vendor's successful bid on a solicitation. Following the solicitation award, the Approved Vendor will hold a project contract with CAFB and within the contract will stipulate all the requirements of their project such as delivery destination, dates of fulfillment, product quantity and variety, payment details, etc.

Quality and Cultural Relevance: A goal of this project is to provide food that is rich in nutrition and freshness. Approved vendors will be expected to provide foods of the highest quality and freshness. Vendors should be prepared to work with community food distribution partners to source the foods most relevant to the specific communities receiving the food.

Seasonality and Variety: Providing seasonal produce is an important way to encourage greater knowledge and awareness of local food systems. Approved vendors will need to be able to source a variety of products that reflect the abundance of each growing season.

Single-farm Vendors: Individual farms that are the contracted organizations participating in this project and are designated to source and deliver food to community food distributors. Single-farm Vendors do not aggregate from other farms. Must have less than \$1,000,000 in annual revenue.

Small-scale producer: a producer that has less than \$350,000 in gross annual sales per the USDA definition.

Socially Disadvantaged Farmers and Ranchers: As defined by the <u>USDA AMS</u>, The USDA defines socially disadvantaged farmers and ranchers (SDFRs) as those belonging to groups that have been subject to racial or ethnic prejudice. SDFRs include farmers who are Black or African American, American Indian or Alaska Native, Hispanic or Latino, and Asian or Pacific Islander. For some but not all USDA programs, the SDFR category also includes women, LGBTQ+, and veterans, and all are included in the definition of SDFRs in the *Farms Together* program.

Solicitation: A solicitation is the specific issuing of a project that can be bid on. The solicitation details the specifics of the project such as the quantity of food, delivery location, dates of project, types of food, and payment rates. The solicitation is the second stage of the application process that results in a Project Contract.

Specialty Crops: As defined by the <u>USDA AMS</u>, specialty crops are fruits and vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture). This project will prioritize the distribution of fresh fruits and vegetables in order to support the health and nutrition needs of end recipients. Although sourcing a variety of seasonal specialty crops will be a minimum requirement for participating in this project, individual



solicitations may request other agricultural products such as eggs, animal protein, dairy, or value-added products.

Values-based sourcing: A comprehensive approach to sourcing that considers factors beyond cost. Factors contributing to long-term opportunities may include location, vendor profile, quality control, service level, and growth potential. For example, the <u>Good Food Purchasing Program</u> builds its sourcing model on five core values.

Vendor: Farmers, food hubs, farmer-led aggregators (formal and informal), and small distributors that are the contracted organizations participating in this project and are designated to source and deliver food to community food distributors.