



Yolo County - American Rescue Plan - Funding Request

This form is to be used by the Board of Supervisors and Department Heads (or their designee) to submit projects or proposals to be considered for funding utilizing the American Rescue Plan Stimulus funding. These submissions will be evaluated against the guidelines approved by the Board previously, federal rules related to this grant funding, and then be brought back for consideration before the Board of Supervisors.

1. Proposer (Department or District Name)

[New Season Community Development Corporation](#)

2. Date of Submission

June 16, 2021

3. Project/Proposal Title

Yolo Food Hub

4. What is your Funding Proposal? (Please describe)

[New Season Community Development Corporation](#) would like to develop a regional food hub in Esparto, California, in partnership with [Yolo Food Bank](#), [Fiery Ginger Farm/SPORK Food Hub](#), and [Capay Valley Farm Shop](#). The food hub will consist in new and expanded existing facilities for aggregating, processing, storing and distributing farm produce grown in Yolo County and surrounding areas **and recovered food, as defined by California Senate Bill SB 1383**. The need for a food hub in the region has long been recognized,¹ but COVID 19 has made addressing this need extremely urgent.² The project will provide pandemic relief for local farmers,³ **“promote healthy childhood environments” by offering fresh and nutritious foods to Yolo County regional school children,**⁴ improve regional food security,⁵ increase employment and

¹ See ‘Sacramento Region Food Hub,’ Sacramento Area Council of Governments, <https://www.sacog.org/post/sacramento-region-food-hub>

² See Addendum to Yolo Food Hub Survey Response (8/13/21).

³ Ibid.

⁴ See Section 3, p. 5 of ‘Uses of Funding’ in ‘FACT SHEET: The Coronavirus State and Local Fiscal Recovery Funds Will Deliver \$350 Billion for State, Local, Territorial, and Tribal Governments to Respond to the COVID-19 Emergency and Bring Back Jobs,’ published by the U.S. Treasury Department, May 10, 2021: <https://home.treasury.gov/system/files/136/SLFRP-Fact-Sheet-FINAL1-508A.pdf>. Fiery Ginger Farm/SPORK Food Hub joined the Yolo Food Hub team as a partner in June 2021. Fiery Ginger currently provides fresh product to two of Yolo County’s five school districts (Washington Unified and Davis Joint Unified), and three school districts in adjacent

job training opportunities,⁶ and stabilize food markets, among other pandemic relief benefits. Yolo Food Bank’s supplies, in particular, will be secured and expanded through the proposed food hub; without this intervention, a ‘food cliff’ will occur when the USDA stops mediating the pandemic’s effects on food chains.⁷

There are many reasons why Esparto is the best location for the proposed food hub. It serves as a gateway, both geographically and symbolically, between vibrant communities of small- and mid-sized farmers in the Capay and West Sacramento valleys. Esparto is also the site of an already flourishing (if smaller) food hub, operated by Capay Valley Farm Shop. And, as a majority-Latinx town in one of the least food-secure, unincorporated parts of Yolo County,⁸ its residents remain among the worst-impacted demographic in the pandemic.⁹ In addition to directly benefiting local residents (as discussed below), a primary objective of this project will be to engage a diverse and inclusive leadership team.

Because incorporated towns will be receiving monies directly from the federal government, Esparto – as an unincorporated place – might otherwise be at a disadvantage in the allocation of ARP funds. Yet the town’s location – in the heart of the county’s organic farming area, directly fronting on state highway 16 and within easy access of interstates 5 and 505 – is ideal for a food hub.¹⁰

Two adjacent properties are currently available at the north end of Esparto’s downtown area. One is the 2.1-acre parcel where the historic Esparto train

counties (Western Placer Unified, Robla, and Natomas Unified). See <https://www.fierygingerfarm.com/partners>. The Nutrition Directors of all five of these school districts have signed a letter of support in favor of the Yolo Food Hub (attached). We plan to extend this farm-to-school service to all school districts in Yolo County within two years of operation.

⁵ See Table 2, Yolo Food Bank Pandemic Response Data.

⁶ See Table 3, Yolo Food Hub New Jobs Creation/Retention Worksheet (attached).

⁷ “‘Food Cliff’ Abated, Food Bank CEOs Plan for Still-Tough 2021’ in *Food Bank News*, posted January 12, 2021. <https://foodbanknews.org/food-cliff-abated-food-bank-ceos-plan-for-still-tough-2021/> Accessed August 11, 2021.

⁸ ‘2019: American Community Survey 5-Year Estimates Data Profiles,’ posted on United States Census Bureau website:

<https://data.census.gov/cedsci/table?q=esparto%20ca&tid=ACSDP5Y2019.DP05>

Accessed August 11, 2021. Re. “one of the least food-secure, unincorporated parts of Yolo County,” see attached Addendum, Section 2.

⁹ ‘Risk for COVID-19 Infection, Hospitalization and Death By Race/Ethnicity,’ posted on Centers for Disease Control and Prevention website, updated July 16, 2021:

<https://www.cdc.gov/coronavirus/2019-ncov/covid-data/investigations-discovery/hospitalization-death-by-race-ethnicity.html> Accessed August 11, 2021.

¹⁰ See SACOG’s ‘West of 505’ initiative, which focuses on West Yolo County: https://www.sacog.org/sites/main/files/file-attachments/yolo_case_study_executive_summary.pdf?1480711320

station is located. This landmark building consists in approximately 6,000 square feet of commercial and industrial space and could serve as the public face of this transformational project, with plans for a commercial-quality incubator kitchen, job training for youth and food-related start-ups, cafe and retail produce sales, food processing areas and public exhibition spaces.¹¹ The depot property also houses the Capay Valley Farm Shop, in a separate 4,000 square foot facility. The second property (3.83 acres), lies immediately west of the historic depot property. This is where new cold storage and light processing facilities would be located. Both parcels will require site improvements and public parking areas, in addition to the proposed new structures.

New Season has a long history of purchasing, developing and improving commercial properties in Esparto.¹² Yolo Food Bank has, for half a century, served the County's most vulnerable sectors, procuring and distributing over ten million pounds of food annually. **Fiery Ginger Farm recently received a California Department of Food and Agriculture grant to launch SPORK Food Hub, which connects small farms to regional school districts.** Capay Valley Farm Shop is a thriving community-owned social enterprise already housed on site, with significant expertise in marketing and distributing food grown by small and mid-size farms in Yolo County. Together, our team has decades of the specific kinds of experience that will ensure the Yolo Food Hub's success. What is more, the level of public and private investments already made in this location, combined with synergies between partner missions, has the potential to transform the region.

5. Please provide a Brief Description of the nexus to COVID-19 or its economic impacts?

[Note: See Addendum for additional information regarding the food hub's nexus to COVID-19.]

The COVID-19 pandemic had made abundantly clear that regional FOOD SECURITY is a public health issue. Schools, hospitals, prisons and food pantries – not to mention individual households – need flexible, reliable sources of healthy food, especially when conventional supply lines break down. Yolo Food Bank saw demand for food provisions more than quadruple in the pandemic,¹³ exposing deep-seated weaknesses in the existing food system and putting a finer point on the need for food storage and processing facilities to stabilize the flow of goods. Even as vaccination rates suggest economic recovery, most economists anticipate elevated levels of joblessness and food insecurity to persist in the next five years. Yolo Food Bank expects to double its current (pandemic-amplified) capacity by 2026.

¹¹ For more information about the historic Esparto Train Station, visit <https://mnemictrain.com/>

¹² See 'Our Community Projects' on <https://www.newseasoncdc.com/community-projects>

¹³ See Table 2, Yolo Food Bank – Impacts of Pandemic On Need For Food (attached).

Yolo Food Hub will provide Community Food Security (CFS) as we recover from the pandemic, strengthening local and regional food chains and mitigating the **pandemic's** effects of market disruptions for local consumers. It will promote resiliency among Yolo County farmers by allowing them to more easily manage and extend market channels during the recovery, and mitigate food waste.

In the face of **current and** future COVID variants, infection surges and shelter directives, Yolo County should strive for *abundance*, not shortages, and *flexibility*, not systemic breakdown. These principles underpin the proposed food hub.

6. Project Category:

[Note: See Addendum for additional information regarding the food hub's eligibility for ARP funding.]

- ° Pre-Existing Gap (Existed prior to Pandemic but Exacerbated by it): See 1. Above.
- ° Recovering from the Pandemic (Disaster Recovery): This project directly addresses the “negative economic impacts caused by the public health emergency, including economic harms to workers, households, small businesses, impacted industries, and the public sector,” in accordance with federal ARP funding guidelines.¹⁴ Its eligibility for ARP funding with respect to the public health emergency and households is further detailed in the attached Addendum. Yolo Food Hub's eligibility as a mitigator of the pandemic's negative economic impacts on workers, small- and medium-sized farmers, and the local food industry as a whole are addressed in our response to Question 7. below.

7. How does this project/proposal support the Board of Supervisors' 2020-2025 Strategic Plan Strategies and Outcomes?

The Project advances the following 2020-2025 Strategic Plan Goals:

- ° Flourishing Agriculture: Yolo Food Hub will support smaller farms and ranchers in preparing, packaging and selling products, which will in turn increase their profitability, sustainability and growth. Increased storage capacity allows for longer growing seasons, which benefits consumers as much as farmers. Additionally, all farmers in the area struggle with distribution of excess or 'seconds' which often go to waste. The Yolo Food Hub will facilitate the distribution of these products through the Yolo Food Bank.
- ° Sustainable Environment: The farms already participating in Capay Valley Farm Shop use sustainable farming practices, applying agro-ecology techniques (such as rotating crops) and agro-forestry practices, planting cover crops, reducing or eliminating tillage, integrating pest management (IPM),

¹⁴ See 'Uses of Funding' in 'FACT SHEET: The Coronavirus State and Local Fiscal Recovery Funds Will Deliver \$350 Billion for State, Local, Territorial, and Tribal Governments to Respond to the COVID-19 Emergency and Bring Back Jobs, published by the U.S. Treasury Department, May 10, 2021: <https://home.treasury.gov/system/files/136/SLFRP-Fact-Sheet-FINAL1-508A.pdf>

strategically deploying livestock in crop development, and thinking holistically in terms of systems and landscapes. Not only do these practices result in more healthful foods, they have also been shown to create better yields and profitability for small farmers, reduce the need for herbicides, improve soil health, reduce erosion, create wildlife habitat and support EPA initiatives.

In addition, COVID-19 created inefficiencies in affordable food supplies. In order to meet the growing demand for food, many farmers worked independently with Yolo Food Bank. In the absence of a centralized aggregating facility, duplication and gaps in food provisions were inevitable. The Yolo Food Hub will address these ongoing issues in collaboration with Yolo Food Bank, while building up a network to address public health needs as they evolve on a long-term basis.

Beyond supporting sustainable farming and food delivery practices, Yolo Food Hub will operate a zero waste/full efficiency facility from Day 1. It will be designed to receive, process and distribute not only fresh produce, but also food rescued from within the Sacramento Valley region. In this way, Yolo Food Hub will help build county-wide capacity to meet the food recovery requirements of California Senate Bill SB 1383 before 2025.¹⁵

° **Robust Economy:** Small- and medium-sized farmers were disproportionately impacted by the COVID-19 pandemic, as evidenced by data collected directly from farmers in the Capay Valley Farm Shop network. During the first five months of the pandemic, revenues plummeted by 68% - 92% among the smallest farm operations (0-2 employees), as compared with the corresponding time period in preceding years. Among medium-sized farms (50-100 employees), revenues fell by as much as 61% in the initial months. At the lowest moment of the pandemic crisis, many Farm Shop producers were obliged to cut their profit margins by half. In short order, Capay Valley Farm Shop lost fully 95% of its accounts (only two of their 40 pre-pandemic accounts survive today). As a result, food delivery services had to be cut by half.¹⁶ Thousands of pounds of food went to waste or to donation.¹⁷ Some small farmers couldn't sell their produce at farmers markets because there weren't enough laborers available to work their fields and orchards.¹⁸ In the end, overall sales of non-staple farm produce fell by around 30% across all 44 CVFS participating farms in 2020, compared with 2019.¹⁹ The fact that these

¹⁵ "The county – and each city, regional agency, and special district that provides solid waste collection services within the county – must plan for adequate capacity for edible food recovery... Regulations require food recovery capacity planning to at least: ... Identify available existing capacity at food recovery organizations and services that could take the surplus food from food donors in the county." CalRecycle website: <https://calrecycle.ca.gov/organics/sicp/foodrecovery/capacityplanning#:~:text=SB%201383%20requires%20that%20by,20%20percent%20food%20recovery%20rate> Accessed August 12, 2021.

¹⁶ All preceding data provided by Capay Valley Farm Shop.

¹⁷ Farmer survey responses collected by Capay Valley Farm Shop.

¹⁸ Ibid.

¹⁹ Source: Capay Valley Farm Shop.

revenues didn't decline further was due only to the diligent work of Farm Shop staff to find new, more flexible market channels during the crisis.²⁰

Yolo Food Hub will provide pandemic relief to farmers while also advancing the Board of Supervisors' 2020-2025 Strategic Plan Strategies and Outcomes for a "robust economy" in Yolo County. The food hub will promote best practices for enhancing small and mid-size farm product offerings. By providing preparation, packaging, storage and refrigeration services, the hub will enable farmers to recover from the pandemic's harmful effects on their businesses by increasing profitability and more fully developing their business models toward additional revenue streams. The food hub will utilize a robust Customer Relationship Management (CRM) platform to track services and build a network for farmers and ranchers to share information, employment and collaborative opportunities, as well as critical market entry and access.

Over the next five years, in addition to ensuring the retention of the hundreds of full-time farm jobs (not to mention the 6-8 staff members that Capay Valley Farm Shop already employs), the expanded regional food hub will add approximately 35 new local jobs, according to SACOG projections.²¹ By bolstering farm productivity and profitability, it will also support the creation of at least 240 new full-time positions on farms (based on average worker/production ratios among prospective participating farms).²² Employment opportunities will doubtless expand through the food hub's effect on local and food-connected institutions and businesses, as well.

Indeed, *everyone* will benefit from the proposed food hub: the roughly 30,000 children attending Yolo County's local school districts who will have access to fresh, healthy foods in their cafeterias;²³ the 60,000+/- residents of cities like Davis, Woodland and West Sacramento who use the Yolo Food Bank now;²⁴ the nearly 80 non-profit groups already among the Food Bank's customers, and all of the extended communities they serve; countless rural residents living in and around under-resourced, unincorporated communities like Esparto; farmers and farm workers; businesses in the vicinity of the proposed regional hub – as well as those connected, directly or indirectly, with the food that will flow through it. **This is a project whose positive, measurable effects will be**

²⁰ Ibid.

²¹ See Table 3, Yolo Food Hub New Jobs Creation Worksheet (attached)

²² Ibid.

²³ Approximately half of the children enrolled in Yolo County Schools were eligible for free or reduced-price meals just prior to the pandemic. See Ed-Data / Educational Data Partnership <https://www.ed-data.org/county/yolo/> Accessed August 11, 2021. Since relevant County data were last collected (in the 2019-2020 school year), a rise in unemployment since COVID-19 has undoubtedly increased the number of eligible children.

²⁴ See Table 2, Yolo Food Bank – Impacts of Pandemic On Need For Food (attached).

recognized throughout the county – in rural areas as much as in cities, and in individual households as much as in institutions.²⁵

° **Safe Communities:** Young adults face challenges securing post-graduation employment. This is often due to transportation issues, combined with lack of direction and community support. The Yolo Food Hub will provide career technical education (CTE) opportunities to local youth during the most vulnerable stage of their integration into society.²⁶

8. Project Type:

One-Time

9. Project Scope:

County-wide impact, with additional benefits to farmers in the greater Sacramento Valley as well as to Northern California, the Sacramento Region, and consumers in the Bay Area.

10. Estimated Cost (\$)

Taking advantage of the significant private and public capital already invested in the Esparto location, the total cost to make this project transformational going forward is approximately \$8.3 million. In broad strokes, this number includes \$2.4 million for land acquisition, \$1 million for design and planning expenses, and \$2.4 million for construction and project management costs. It also includes a \$2.6 million budget for market analysis, operations planning, start-up processing equipment and supplies.²⁷

Of the roughly \$8.3 million needed to realize the project, New Season CDC is requesting that Yolo County apportion \$5,652,818 from its ARP budget, of which \$3,209,993 would come from the first tranche (2021) and \$2,442,825 from the second (2022). This initial investment will be critical for our ability to secure the balance of the food hub's start-up costs through non-ARP sources. [See response to 16. below].

[Note: New Season Community Development Corporation (a 501(c)(3) Non-Profit Tax Exempt Organization) will hold title to Yolo Food Hub real property. New Season acknowledges that in the event of a sale or transfer of any real property acquired through federal funding, the sale proceeds must be returned to the federal government.]

²⁵ Yolo Food Hub will collect and report monthly data regarding number of households served, volume of product delivered, geographic distribution of product sources and recipients, and cost savings to farmers and consumers.

²⁶ Esparto Unified School District will integrate the Yolo Food Hub's job training program into their existing CTE program for High School students:
<https://www.eusdk12.org/district/educational-services>.

²⁷ See Table 1, Yolo Food Hub Phasing and Budget Details (attached).

Ongoing operational expenses and additional equipment will be covered by the food hub's revenues, scaling up in increments through strategic market expansion.²⁸

11. When can the project be started?

Land acquisition, facility planning and design can begin immediately upon funding. Facility construction could begin within one year of funding. The Yolo Food Hub could begin operating within another year (i.e. within two years of funding).

12. When would this project/proposal be completed after starting?

Approximately two years from the first tranche of funding (assuming the second tranche arrives within one year of the first one).

13. What will any on-going obligations be after the American Rescue Plan (ARP) Funds conclude and how would these be addressed?

With overhead costs reduced by ARP-funded facilities, the food hub should quickly become financially self-sufficient. Operation expenses will be offset by produce sales.²⁹ Any support deemed necessary after the ARP funds are spent will be addressed through alternative funding resources (see 16. below). New Season has been highly successful in procuring grants and awards during its long history of developing commercial properties in the Esparto area. Likewise, Yolo Food Bank and Capay Valley Farm Shop have strong track records securing integrated capital to support their growth.

14. Describe what long-term or on-going benefits the project/proposal will provide?

° Food resiliency for all: The pre-pandemic food system was designed to benefit primarily larger farmers on the supply end, and higher income residents on the consumer end.³⁰ The proposed food hub will establish a more diverse and equitable food system – one that allows small and mid-size producers to sell fresher, more nutritious food more affordably to schools, institutions and agencies, and to swiftly and efficiently donate **fresh and rescued produce oversupplies to lower-income and precariously-employed consumers.**

° Supporting and sustaining farmers: With few land options and high start up costs, the U.S. is facing a shortage of new farmers. The Yolo Food Hub will benefit new and

²⁸ See 'Sacramento Regional Food Hub Feasibility Analysis / Sacramento Valley Food Hub Business Plan,' prepared by Applied Development Economics, Inc. in partnership with Foodpro International, Inc., The Hatamiya Group, and DH Consulting, August 2014.

https://www.sacog.org/sites/main/files/file-attachments/food_hub_business_plan.pdf?1475257010

²⁹ Ibid.

³⁰ USDA Press Release No. 0125.21, posted on UDA website:

<https://www.usda.gov/media/press-releases/2021/06/08/usda-invest-more-4-billion-strengthen-food-system> Accessed August 11, 2021.

historically-disadvantaged farmers in particular by reducing their overhead costs and production risks. It will increase their profitability by cutting out inefficiencies and expenses associated with middle men, and provide access and entry to new and existing markets.

° Reducing global warming and local pollution: A smaller, more efficient food **recovery and** delivery system will reduce carbon emissions. The food hub will benefit organic farmers and sustainable food production, both of which mitigate the negative effects of climate change directly.

° Promoting agri-tourism and food system appreciation/awareness: With a public-facing outreach center at the historic Esparto depot, visitors will learn about the region's farming history and pioneering eco- and organic farming strategies. In keeping with the promotional policies of the Southern Pacific Railroad Company, the land surrounding the depot could be utilized for ag-positive educational events, a farmers market, and/or for demonstrations of best practices in horticulture and bioscience. As the gateway between the Capay Valley's and the West Sacramento Valley's farming communities, the site could include a Visitor's Center to orient tourists toward participating farm-to-fork locations in the area.

° Encouraging innovation in local food culture: The proposal includes a commercial-quality incubator kitchen for food-related start-ups and special events, job training for youth, cafe and retail produce sales to showcase locally-grown products, food processing areas for value-adding, public exhibition and outdoor event spaces.

15. Are there options to partner with other agencies or organizations on this proposal?

Yes, New Season CDC will partner in this project with Yolo Food Bank, **Fiery Ginger Farm/SPORK Food Hub** and Capay Valley Farm Shop. Yocha Dehe Wintun Nation Farm & Ranch, Capay Valley's largest food producer (counterpart to Cache Creek Casino, the county's largest consumer), has also expressed strong support for the project, **as have** R.I.S.E., Inc. (West Yolo's rural community primary social service provider), Kitchen Table Advisors (a nonprofit committed to supporting socially-disadvantaged farmers), and First 5 Yolo (supporting Yolo County healthy children and families).

In order to best leverage the County's ARP budget, New Season **has already begun building partnerships and alliances** with: the Center for Land Based Learning, dedicated to educating and supporting new/future farmers; the Yolo Community Foundation, to optimize the food hub's involvement with other local non-profits and youth community engagement opportunities; and the Esparto High School Culinary program, for local job training. **In addition, we will continue to seek partnerships** with, among others, Meals on Wheels, to expand the reach of locally-grown nutritious foods to those especially at risk of infection, and Esparto Broadband, a small business dedicated to providing high

speed internet service to rural customers in the area – because supporting regional internet connectivity will greatly facilitate the food hub’s operations.

16. Are there other funding sources available (other than ARP funding) to address this need? If so, please describe.

Yes. See attached Addendum + Table 4, Yolo Food Hub Alternative Funding Resources.

Please note that although additional funding is expected to become available through these and other sources, the project’s success will hinge on the County’s willingness to go big, to go *transformational*, by enabling New Season Community Development Corporation to acquire the food hub site immediately and expand on its existing facilities in the coming year.

Addendum to Yolo Food Hub Survey Response (8/13/21)

After participating in workshops convened by Yolo County staff to assess community funding priorities, and after talking with County staff members about the Yolo Food Hub's proposal, we would like to further clarify three aspects of our original survey response. The first point of clarification identifies the specific harmful effect of COVID-19 (i.e. food insecurity) to which the food hub responds. The second point demonstrates the project's eligibility for ARP funding with reference to federal guidelines. The third point offers more information about the project's phasing in relation to alternative funding resources, and considers the possibility of a partial/reduced ARP award from the County.

Please note that we are available to respond swiftly to any additional concerns County staff may have.

1. Yolo Food Hub's Nexus to COVID (and Supporting Data).

There is no public health without food.

Safe, reliable, nutritious food supplies remain a prerequisite to Yolo County residents' abilities to shelter in place when necessary, to weather the impacts of COVID-19 on job losses and changes in work structure, and to resist and recover from infection. Food – even before housing, childcare and healthcare – is fundamental to survival.

Yolo Food Bank data clearly demonstrate a direct connection between COVID-19's various harmful effects and this basic, household-level need for stable and affordable food supplies. The nexus between COVID-19 and food insecurity is evident in the large monthly surges of need experienced by Food Bank customers as the pandemic set in:

Governor Newsom's Shelter-In-Place Executive Order took effect on March 19, 2020. Although the directive emphasized a need to maintain "access to such necessities as food," in reality supply chains broke down almost immediately. In addition, millions of people lost jobs, wages and savings and were unable to continue purchasing food in grocery stores. The families of children who would previously have had access to meal programs through schools were left to fend for themselves. By the end of March 2020, the number of households served by Yolo Food Bank had increased by 170%. The next month saw a threefold increase in demand over pre-pandemic levels. By May of 2020, it became a fourfold increase (over May 2019); by June, a five-fold increase; and by August the Food Bank was serving nearly *six times* as many households as it had in August of the preceding year.³¹

This increased need for affordable food supplies persists today, as Yoloans struggle to recover jobs and remain vigilant against variants like Delta. In each month of 2021 (to date), Yolo

³¹ See Table 2, Yolo Food Bank – Impacts of Pandemic On Need For Food (attached).

Food Bank has continued to deliver food at between three and five times its pre-pandemic levels, with the highest number of households served ever (26,010) recorded in June of this year. This milestone in the most recent month for which data are available represents a 5.23-fold increase over the corresponding time period in 2019. In terms of total volume of food procured and exchanged, Yolo Food Bank data show that demand remains consistently at least three times higher than in pre-COVID times. Because Yolo Food Hub will function as the Yolo Food Bank's primary aggregation, processing and distribution facility in West Yolo County, its nexus to the public health crisis wrought by COVID-19 couldn't be clearer.

The necessity of locating the food hub in West Yolo County is also supported by the data provided in Table 2. As is evident in the table's 'Towns Served' section, the four distribution zones with the greatest increase in need for food (i.e. the *most food insecure* places in Yolo County) are located in West Yolo's rural small towns and unincorporated zones: the areas in and surrounding Winters, Knights Landing, Guinda and Esparto. The second-highest tier of increase in need (in fifth, sixth and seventh place, respectively) is occurring in larger, incorporated areas: West Sacramento, Davis and Woodland. These data show that the need for food security exists in *all* parts of Yolo County. Indeed, the numbers indicating only modest increases in food insecurity (i.e. in the rural third tier – Zamora, Clarksburg, Yolo, Dunnigan and Madison) may be explained by the fact that residents in these areas (many of them farmworkers) were *already* experiencing high levels of food insecurity prior to COVID.

2. Yolo Food Hub's Eligibility for ARP Funding.

The International City/County Management Association (ICMA), an agency working "to provide members with updates on how local governments can access resources to help their communities respond to, and recover from, the impacts of the COVID-19 pandemic," issued an 'American Rescue Plan Fact Sheet' on June 22, 2021. The fact sheet offers the following succinct summary of federal ARP funding guidelines:

Allowable [ARP] expenses include interventions for... public health, ...community and economic development, and infrastructure.

Encouraged expenditures include addressing racial disparities, inequities, and disproportionate harm.³²

As outlined and supported in Section 1 above (re. Nexus to COVID), Yolo Food Hub is, *precisely*, an "intervention for public health." Yolo Food Hub also promotes "healthy childhood environments" (another rubric identified in federal funding guidelines) by offering healthy foods to schools.³³ In addition, the food hub will provide significant and measureable

³² Ibid.

³³ 'FACT SHEET: The Coronavirus State and Local Fiscal Recovery Funds Will Deliver \$350 Billion for State, Local, Territorial, and Tribal Governments to Respond to the COVID-19 Emergency and Bring Back Jobs, published by the U.S. Treasury Department, May 10, 2021: <https://home.treasury.gov/system/files/136/SLFRP-Fact-Sheet-FINAL1-508A.pdf>

“community and economic development, and infrastructure,” as described – and supported – in our revised Survey Responses above. Because Yolo Food Hub mitigates COVID-19’s harmful health effects in these specific ways, ARP funding of the project is *allowable*, under the federal guidelines.³⁴

As noted in our Survey Responses, Yolo Food Hub will be located in Esparto, CA. Demographically, Esparto is majority Latinx; it is home to many farmworkers and descendants of farmworkers. This community was broadly and disproportionately harmed by COVID-19, as documented by the Centers for Disease Control and Prevention.³⁵ Esparto is, furthermore, an unincorporated town in West Yolo County – situated between Winters, Guinda and Knights Landing. Since the onset of the pandemic – and not coincidentally – these rural parts of Yolo have suffered disproportionate increases in food insecurity, as evidenced in the Yolo Food Bank distribution data (cited above – see attached Table 4). Food insecurity in this region is, in other words, a structural and/or geographic inequity that COVID-19 has made exponentially worse. Clearly, the pandemic has demonstrably and disproportionately harmed residents in and immediately surrounding the proposed food hub location. For this reason, ARP funding of the Yolo Food Hub project is not only *allowable*, but also *encouraged* under the federal guidelines.³⁶

3. Alternative Funding and/or Partial ARP Funding.

We believe ARP funding will be crucial – not only to the operational success of the Yolo Food Hub project, but also to the existence of *any* regional food hub with transformational aspirations. Without at least enough of a grant to acquire a site for the facility, there is little likelihood the project will secure funding from other sources going forward. This is partly a function of timing. Although it has long been recognized that Yolo County needs a food hub like the one proposed,³⁷ the COVID-19 pandemic has brought the relationship between food security and public health/economic recovery to the foreground. If we lose the opportunity to address this obvious need now, public awareness of the nexus between food security and public health will soon dissipate, leaving Yolo County disastrously ill-prepared to contend with future variants and/or new pandemic crises.

³⁴ Ibid.

³⁵ ‘Risk for COVID-19 Infection, Hospitalization and Death By Race/Ethnicity,’ posted on Centers for Disease Control and Prevention website, updated July 16, 2021:

<https://www.cdc.gov/coronavirus/2019-ncov/covid-data/investigations-discovery/hospitalization-death-by-race-ethnicity.html> Accessed August 11, 2021.

³⁶ See also ‘FACT SHEET: The Coronavirus State and Local Fiscal Recovery Funds Will Deliver \$350 Billion for State, Local, Territorial, and Tribal Governments to Respond to the COVID-19 Emergency and Bring Back Jobs, published by the U.S. Treasury Department, May 10, 2021: <https://home.treasury.gov/system/files/136/SLFRP-Fact-Sheet-FINAL1-508A.pdf>

³⁷ See ‘Sacramento Region Food Hub,’ Sacramento Area Council of Governments, <https://www.sacog.org/post/sacramento-region-food-hub>

Another timing-related funding consideration has to do with the phasing of the project.³⁸ Most of the financing resources that exist outside of ARP monies won't receive applications again until 2022-2023, by which time the food hub's nexus to the public health issue of food security might be overlooked (if the COVID crisis has subsided by then).³⁹

The most appropriate alternative pandemic relief/recovery funding option in the near term will come through the U.S. Economic Development Administration's 'Build Back Better' initiative. However, the application process for this initiative is only beginning, and is not scheduled to conclude for another nine months. Awards decisions may not be finalized before September of 2022. The actual funding timeline for approved Build Back Better projects has not yet been determined.⁴⁰

The need for a food hub in West Yolo County exists urgently, as a COVID-fueled public health mitigation measure. The best way to address it will be to ensure stability in local food supplies *now*, and to strengthen Yolo County's food resilience going forward (vis. future variants or pandemics) by funding the land acquisition and facility construction costs of Yolo Food Hub. Having the funding in place for these most basic components of the project (i.e. through an already *partial* ARP funding request of \$5,652,818, in two annual tranches) will all but assure secondary financing opportunities for the project's market development, equipment purchasing, and start-up/operational needs.

If the County cannot fund our already partial request, a grant in the amount of \$2,918,175 will enable New Season Community Development Corporation to acquire the land and begin planning and designing the facility. Construction financing may then be sought – with fingers crossed – from sources like the EDA's 'Build Back Better' initiative. Yolo County administrators could, in this scenario, condition a site-acquisition grant on Yolo Food Hub's receipt of the balance from other funding sources. However, doing so may introduce sequencing complications vis. ARP funding and spending deadlines.

A third option would be for Yolo County administrators to grant a still lower amount to the project (an amount of its own determination). In this scenario, the Yolo Food Hub team would do everything possible to either scale down the project or find an even less expensive location in which to proceed. This approach may result in an overall less transformational project, however, with a reduced ability to mitigate the negative effects of the pandemic (as outlined above). It may also, as previously mentioned, create conflicts between funding sources in terms of awarding and spending deadlines. Nevertheless, we would of course do everything in our power to realize a pared-down Yolo Food Hub to its fullest capacity, in proportion to any funding we are able to receive.

³⁸ See Table 1, Yolo Food Hub Phasing and Budget Details (attached).

³⁹ See Table 4, Yolo Food Hub Alternative Funding Resources (attached).

⁴⁰ See <https://eda.gov/arpa/build-back-better/faq/> Accessed August 13, 2021.

Table 1, Yolo Food Hub Phasing and Budget Details

Cost Investment Category	2021	2022	2023	2024	2025	Subtotal
Real Estate Site Cost [1]	\$2,400,000					
Design, Engineering (15%)	\$317,250					
Permits and Testing (9.5%)	\$200,925					
Construction (\$100/sf for new facilities + \$500K allowance to improve existing)		\$2,115,000				
Project Management (5%)		\$105,750				
Contingency (10%)	\$291,818	\$222,075				
Capital Investments (Yolo County ARP Funds)	\$3,209,993	\$2,442,825	\$0	\$0	\$0	\$5,652,818
Market Analysis/Operations Planning [2]	\$187,500	\$100,000	\$75,000	\$75,000	\$75,000	
Produce Handling / Storage Equipment [3]		\$245,672			\$200,000	
Processing & Other Equipment [3]			\$712,829	\$100,000	\$100,000	
Refrigeration & Freezing [3]				\$793,667		
Operations and Equipment Costs (Non-ARP Funds)	\$187,500	\$345,672	\$787,829	\$968,667	\$375,000	\$2,664,668
TOTALS	\$3,397,493	\$2,788,497	\$787,829	\$968,667	\$375,000	\$8,317,486

Notes:

[1] Current market values of depot property and the parcel west of it (to be confirmed by appraisal).

[2] \$150,000 USDA Local Food Promotion Program planning grant applied for (requires 25% matching contribution).

[3] based on 2014 SACOG cost projections (see 'Food Hub Business Plan,' Table C-2) multiplied by compounded actual California construction cost CPI increases through 2020 (+ 32%) and the following construction cost increase projections, going forward: 5% for 2021 and 3% annual CPI increases thereafter.

Table 2, Yolo Food Bank -- Impacts of Pandemic On Need For Food

Towns Served	Calendar Year 2019		Calendar Year 2020	% incr. > prev. year	Calendar Year-to-Date 2021	YTD change fr. 2019
Winters	187,902		764,553	407%	440,666	235%
Knights Landing	58,140		191,438	329%	141,193	243%
Guinda	23,487		71,556	305%	34,372	146%
Esparto	187,902		537,030	286%	372,804	198%
West Sacramento	1,095,925		2,944,992	269%	2,190,384	200%
Davis	641,439		1,656,253	258%	1,050,524	164%
Woodland	2,102,640		4,972,677	236%	3,110,757	148%
Zamora	58,140		96,704	166%	26,009	45%
Clarksburg	20,427		23,328	114%	18,148	89%
Yolo	58,140		62,261	107%	79,982	138%
Dunnigan	58,140		59,750	103%	74,647	128%
Madison	70,463		56,689	80%	46,334	66%
Totals	4,562,745		11,437,231	251%	7,585,820	166%

Data prior to 2020 was not collected down to the physical location of where the product ended up, but rather grouped by region for rural areas (West of 505, i5 North, Davis, Woodland, and WestSac/Clarksburg)

Table 3, Yolo Food Hub Job Creation/Retention Worksheet

NEW Yolo Food Hub Jobs

Year	2020	2021	2022	2023	2024	2025	2026	2027
Year				1	2	3	4	5
Tonnage				312	2059	4076	5830	7787
NEW facility jobs, per SACOG - Tables C-3							22	35
NEW Food Hub Staff Jobs, per CVFS staffing ratio				10	64	127	182	243
NEW jobs on Yolo Food Hub participating farms								
[using CVFS farmworker ratio, incl. small farms]				863	5693	11270	16120	21531
[using Full Belly farmworker ratio:]				10	63	125	179	239
[using Durst Organics farmworker ratio:]				9	62	122	174	233

Table 4, Yolo Food Hub Alternative Funding Resources

Source	Program	Type	Amounts	Timing	Notes	Planning	Construction	Land	Equipment	Marketing	Working Capital	Training
CDFA	Specialty Crop Block Grant	Grant	TBD	2022-23	Special stimulus proposals due August 8th	x				x		x
KTA Advisors Major Donors	Ecosystem Building	Grant/Gift	\$100-500K	2022	Raised \$75K grant for CVFS				x	x	x	x
State of CA	Community Economic Resilience Runds	Grants	TBD	2021-2022	SACOG overlay managed by Valley Vision; need more info							
US Dept of Commerce	EDA Build Back Better	Grant	\$4-5M	2021-2022	Sacramento Region Food & Ag Cluster managed by UC Office of the President; gap financing; requires 20% non-federal match	x	x	x	x			
USDA AMS	LFPP Planning	Grant	\$175K	2021-2022	Valley Vision submitted; pending	x				x		x
USDA AMS	LFPP Implementation	Grant	\$500-750K	2022-23	Apply in 2022; 10-25% match required				x	x	x	x
USDA NIFA	Community Food Projects	Grant	<\$400K	2022-23	Apply in 2022; requires dollar-for-dollar match	x	x			x	x	
USDA Rural Development	Community Facilities	Grant/Loan	TBD	2022-23	Target rural towns, grants tied to household income limits	x	x		x			
USDA Rural Development	RBDG	Grant	\$10-500K	2022-23	No match required; target rural areas	x	x	x	x		x	x
USDA Rural Development	REAP	Grant	\$20-250K	2022-23	Specifically for small business renewable energy projects in rural areas; 25% of total project costs				x			
Various Foundations		Grant	TBD		11th Hour, Cienega Capital, RSF Social Finance, Clarence E. Heller, and more				x	x	x	x
Yocha Dehe Wintun Nation	Doyuti T'uhkama	Grant	~ \$0.5-1.5M	2022-23	Capital infrastructure projects				x		x	
Yocha Dehe Wintun Nation	Community Fund	Grant	<\$100K	2021-22	Typically project operating costs					x	x	x
Yolo County	ARP	Grant	\$5.6M	2021-23	Core funding	x	x	x	x			

New Season Community Development Corporation



To: Yolo County Board of Supervisors

RE: American Rescue Plan Funding

We the undersigned represent a broad cross-section of the local farm and food community who support New Season Community Development Corporation's proposal to the Yolo County Board of Supervisors for American Rescue Plan funding. This proposal sets the stage for the construction of the Yolo Food Hub, a food aggregation facility and a small-scale processing center in the rural town of Esparto. The objective of this proposal is two-fold:

- 1) To establish a facility for the storage and distribution of agricultural products from Yolo County farms; and
- 2) To construct and outfit a small-scale processing center for agricultural products providing a value-added option for vegetables, fruits, nuts, grains, and oils produced on local farms.

Our experience with the Covid 19 pandemic beginning in 2020 and continuing even today has demonstrated the frailty of the food distribution system in this county and across the nation. It has taught us to not take our food supply for granted. We urge the County to put in place transformational projects that can provide enhanced local food security.

Yolo Food Hub will bolster food security County-wide by providing farms and small producers much needed storage for their farm products at required temperatures.

-Yolo Food Hub will provide cold storage for agricultural products with zones ranging from room temperature to freezing for produce, dry goods, grain, nuts, distilled and fermented beverages, dried fruits and vegetables, flowers and value added goods such as wines, oils and eggs.

-Yolo Food Hub will offer critical infrastructure for a thriving and resilient local agricultural economy. This project will increase employment opportunities and support local economy by providing agricultural producers with the resources and tools they need to increase crop sales within regional markets.

In addition to controlled temperature storage, the Yolo Food Hub will:

- include loading and unloading capabilities for incoming and outgoing trucks, docking service, and a UPS and FedEx shipping point.
- meet food safety and organic certification requirements for storage and handling.

- offer packaging and shipping materials – i.e. corrugated boxes, rubber bands, bottles, egg cartons, pallets, etc.
- provide farmers, businesses, and consumers with assistance in wholesale and retail sales, farm product sales, and distribution to schools, food banks, and institutions. Yolo Food Hub can assist with value added product pricing and sales, and an internet and retail sales service option.

The Processing Center will include space and equipment for:

- small-scale farm processing, washing, cutting, dicing, cubing and other similar operations that would prepare farm produce for entry into the food service and restaurant sector as value added products.
- freezing, dehydration, juicing, pickling, fermentation, and packaging.
- a fully outfitted commercial kitchen for food based start-ups, product/recipe development, catering and promotional events.
- training for entrepreneurial and value added business development, allowing farmers and food companies to move ideas from concept to actuality.

American Rescue Plan (ARP) funding would all but ensure Yolo Food Hub's eligibility for additional USDA 'Build Back Better' funds, which are not yet available.

ARP funds will allow New Season and its partners to purchase requisite real estate and to finance facility construction. These crucial first steps will enable Yolo Food Hub to subsequently leverage USDA and other funding resources to pay for the equipment and supplies needed to outfit the facilities and the startup costs associated with operation.

New Season CDC, Capay Valley Farm Shop and Yolo Food Bank are partners in this endeavor. We invite additional partnership with Center for Land Based Learning, County of Yolo, UCD and others as the project moves forward.

We the undersigned support and encourage the Yolo County Board of Supervisors to support the Yolo Food Hub with requested ARP funding.

Signed by Yolo Food Hub Supporters

Tico Zendejas-
- Director, Rise Incorporated

Tony Turkovich

David Scheuring

Kathy McIntosh Smith
Cindy Brock
Elizabeth Koeppen
- Countryside Community Church

Bill and Shirley Hailey

Larry and Lynn Rolston

Juan Barajas

Monica Martin
Maggie Mason
- Durst Organic Growers

Thomas Nelson
- Director, Kitchen Table Advisors

Tracy Harding,
- General Manager, Capay Valley Farm
Shop

Laurie Hayes
Lynn Hayes
Oliver Hayes
- Hungry Hollow Farm

Erica Lee
- Coordinator of Student Nutrition and
Wellness, Robla School District

Vince Caguin
- Directory Food Service, Natomas Unified
School District

Karri Pina
- Director of Nutrition Services,
Washington Unified School District

Christina Lawson
- Director of Nutrition Services, Western
Placer Unified

Mark Powell
- Director of Nutrition Services, Davis
Joint Unified School District

Jim Etters
- Director of Land Management, Yocha
Dehe Farm and Ranch
- Seka Hills

Mary Kimball,
- CEO, Center for Land Based Learning

Freeman Barsotti

Thaddeous Barsotti
- Farm Fresh to You
- Capay Organic
- Che Brothers LLC

Trish Kelly
- Managing Director, Valley Vision

Kevin Winn
- TSL Seed Co.

Christine Goennier
Rebecca Spiva
- Esparto Unified School District

Fritz and Anne Durst
- Tule Farms

Sherri Wood
- Patchwork Farm

Nicholas Ferlatte

Brian and Sue Collentine
- Yolo Farmstand

Judith Redmond
- Full belly Farm

Alicia Baddorf
- Sales Manager, Capay Valley Farm shop

Edye Kuyper
- Communicare Food Programs

Brian Boyce
Julia Thomas
- Rinky Dink Ranch

Jim and Clare Haag
- Haag Farm

Joanna Normoyle
Abbie Davies
- Guru Ram Das Orchards

Jim and Korina Knight
- Polestar Farm

Brian Paddock
- Capay Hills Orchard

Carine and Robert Hines
- Sun Tracker Farm

April Word