



## BUSINESS & COMMUNITY SERVICES

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May 31, 2022

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To: Nancy Bush, County Operations Officer  
From: Sarah Eckman, BCS Interim Director

RE: Food Production MFR Implementation Team update – May 2022

Dear Nancy,

On behalf of the Food Production MFR Implementation Team, in addition to the review form reflecting our work to date, we are pleased to submit a few highlights via this memo.

The team has been actively collecting data and meeting with key industry partners to inform and guide our work plan. The team has also developed the framework for the Food Production Assistance grant program. Below is an update on our work to date.

### DIVISIONS

ECONOMIC DEVELOPMENT  
FOREST & AGRICULTURE  
PROPERTY DISPOSITION  
SARAH ECKMAN, ORCEMS  
INTERIM DIRECTOR

COUNTY PARKS & FORESTRY  
TOM RIGGS  
MANAGER

STONE CREEK GOLF CLUB  
GORDON TOLBERT, PGA  
OWNER, TOTAL GOLF  
MANAGEMENT

LINCC LIBRARY SERVICES  
KATHRYN KOHL  
MANAGER

OAK LODGE & GLADSTONE  
LIBRARY  
MITZI OLSON, MLIS  
MANAGER

COUNTY FAIR & EVENT  
CENTER  
BRIAN CROW  
EXECUTIVE DIRECTOR

### Food Production Assistance Grant Overview:

The Clackamas County Office of Economic Development (OED) is pleased to share the (proposed) new Food Production Assistance grant program. Using State of Oregon Lottery funds allocated to Clackamas County, this program offers the opportunity for eligible entities to apply for resources to support projects that increase food production and/or food production acres in Clackamas County.

### Program Proposal details:

- Total funds: Up to \$250,000 (portion of Lottery funds received by Clackamas County)
- Maximum awards: Up to \$10,000
- Annually recurring program, facilitated by OED.

### Who is eligible?

- Food-production related businesses (must produce or process food) or other entities that have a direct nexus to increasing food production acreage
- Businesses must:
  - Have 50 or less full-time employees
  - Be registered with the State of Oregon
- Non-profits must be a registered 501 ©(3) under IRS definitions

### Eligible Projects and Costs:

- Project proposals should make a convincing case that the project meets the intent of the grant program, **to increase food production and/or food production acres**
- Funds can be requested on a project basis, or for one-time capital expenditures
- Eligible project costs include only those needed to carry out a project

**Timing:** Notice of Funding Opportunity (NOFO) will be distributed in summer 2022. Awards are planned to be distributed on an annual basis dependent upon funding availability.

**Application Review:** Staff and representatives from stakeholder entities will make up a review committee. The committee will review all applications and score them using a pre-established scoring matrix, which will included within the NOFO.

## **Additional data points and Partner Outreach activities:**

### **Highlights from findings:**

- There are 4,297 total farms in Clackamas County
- 86% of farms are 10 acres or less in the County
- 98% of farms are Family Farms
- Farms earning a living wage in Clackamas County: 557 or 13%
  - Note: may be lower than the targeted Self Sufficiency MFR goal wage as defined by the Implementation team of: \$32.02 per hour, annual wage before taxes of \$66,276. This represents one adult and one daycare/preschool aged child.
- 1% Farm Organically

### **Partner outreach and research:**

Staff have met with partners to renew information in the Agriculture Investment Plan and are engaged with the team moving forward as we complete our analysis and identify key strategies.

- Clackamas Community College Horticulture Department (Christopher Konieczka, acting Department Chair, Horticulture)
- Clackamas Soil and Water Conservation District (Chris Lapp, GM)
- Farm Services Agency (Darca Glasgow, Clackamas County)
- Small Business Development Center (SBDC) (Diana Tourney)
- Oregon State University Extension (Leah Sundquist)
- North Willamette Research and Extension Center (NWREC) (Mike Bondi)

Of note on the partner outreach, we are excited to report that the partners we have spoken with welcome the work of the MFR team and have been extremely gracious in the sharing of resources and materials.

## **Current Recommendations to Increase Food Production and Food Production Acreage**

- Implement the Food Production Assistance Grant Program
- Support key partner agencies already doing work to advance the goal. This can be done through the partners applying for our upcoming funding opportunities
- Incorporate food production into the upcoming Economic Development work plan
- Track and recommend support for policies that support agriculture (specifically food production) in Clackamas County

Thank you for the opportunity to share this update. Please let us know if you have any questions or would like additional details.

Respectfully,

Sarah Eckman, BCS Interim Director

Cc: Food Production Implementation Team

# Economic Development

## Food Production Assistance Grant Program



### Program overview:

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- Maximum awards: Up to \$10,000
- Annually recurring program, facilitated by OED

### Who is eligible?

- Food-production related businesses (must grow, produce or process food) or other entities that have a direct nexus to increasing food production and/or food production acres
- **Businesses must:**
  - Have 50 or less full-time employees
  - Be registered with the State of Oregon
- Non-profits must be a registered 501 (c)(3) under IRS definitions

### Eligible Projects and Costs:

- Project proposals should make a convincing case that the project meets the intent of the grant program, to increase food production and/or food production acres
- Funds can be requested on a project basis, or for one-time capital expenditures
- Eligible project costs include only those needed to carry out a project

### Timing:

Notice of Funding Opportunity (NOFO) will be distributed in Summer 2022. Awards are planned to be distributed on an annual basis dependent upon funding availability.

### Application Review:

Staff and representatives from stakeholder entities will make up a review committee. The committee will review all applications and score them using a pre-established scoring matrix, which will included within the NOFO.



### Food Production Assistance Grant Program – up to \$250,000

- Dedicated funds for the Clackamas County Board of County Commissioner's Performance Clackamas Goal: By 2026, 10% increase in food production and food production acres from agricultural land in Clackamas County
- Competitive grants available to food-production related businesses (must produce or process food) or other entities that have a direct nexus to increasing food production and/or food production acres
- Annual funding cycle based upon availability
- Awardees will be required to submit a report at the end of their project



## BCC GOAL:

### Strategic Result(s)

*By 2026, 10% increase in food production and food production acres from agricultural land in Clackamas County*

### Team Members/Department (\*Chair)

<i>Department</i>	<i>Team Members</i>		
<b>Business and Community Services</b>	Sarah Eckman*	Cindy Moore	Corina Copeland
<b>County Administration</b>	Nancy Bush	Christopher Hawkins	
<b>Transportation and Development</b>	Dan Johnson	Cheryl Bell	
<b>Board Representative</b>	Kimberlee DeSantis		
<b>Assessment &amp; Taxation</b>	Bronson Rueda		
<b>MFR Partner</b>	Kathleen Rastetter (County Counsel)		

### Key Strategies

<p>Review the 2012 Clackamas County Agriculture Investment Plan:</p> <ul style="list-style-type: none"> <li>• Pinpoint relevant portions to update                             <ul style="list-style-type: none"> <li>○ Survey – focus on food producers and growers</li> </ul> </li> <li>• Determine if there are any gaps that exist in the Agriculture Investment Plan vs. this goal</li> <li>• How many acres have been converted to cannabis or hemp since the Ag Plan was created in 2012?</li> </ul>
<p>Review most recent USDA Agriculture Census data (how is it defined?)</p> <ul style="list-style-type: none"> <li>• What are the key drivers?                             <ul style="list-style-type: none"> <li>○ Change in number of food production acres</li> <li>○ Current number of acres in production</li> </ul> </li> </ul>
<p>Create definitions for the terms in the goal</p> <p>Food production: How do we define “food production”- establish current baseline (how many acres?)</p> <ul style="list-style-type: none"> <li>• The team has defined food production as: The production for commercial purposes of crops, livestock and livestock products intended for eating/consumption.</li> </ul> <p>What are the trends we are seeing?</p> <p>How does technology impact food production?</p>
<p>Research and interview Partners for Key Strategies</p>
<p>Explore ways to increase food production:</p> <ul style="list-style-type: none"> <li>• Establish the baseline for current production</li> </ul>

<ul style="list-style-type: none"> <li>• Find current growers <ul style="list-style-type: none"> <li>○ Farm deferral report/EFU zoned land</li> <li>○ Succession planning education and resources</li> </ul> </li> <li>• Recognize barriers to increasing food production <ul style="list-style-type: none"> <li>○ Determine impact of heatwaves and wildfires on crops</li> <li>○ Develop contingency plans for weather related impacts on farming</li> </ul> </li> <li>• Explore agricultural opportunities to increase profit and efficiencies</li> <li>• Promote marketing, packaging and distribution of local products <ul style="list-style-type: none"> <li>○ Develop local brand identity to promote locally produced food</li> </ul> </li> </ul>
<ul style="list-style-type: none"> <li>• Locate and promote Agri-Tourism Opportunities for local farmers</li> </ul>
<ul style="list-style-type: none"> <li>• Provide financial aid (small business grants or other resources)</li> </ul>
<p>Research ways to increase food production acreage</p> <ul style="list-style-type: none"> <li>• Support succession planning</li> <li>• Community gardens (grant program?)</li> <li>• Return fallow farm land into production</li> <li>• Co-location of food production with solar farms</li> <li>• Can crops be changed to increase production?</li> <li>• Is labor a factor?</li> <li>• Is workforce housing an issue?</li> </ul>

**Related Metrics**

By 2024, 75% of businesses working in Clackamas County report a business-friendly environment that supports stability and growth.
By 2026, 15% increase in jobs that meet the self-sufficiency standard wage in Clackamas County.
By 2023, the Climate Action Plan is adopted for our community with specific recommendations to reach the goal of being carbon neutral by 2050.

**Activities Completed to Date**

May 18 <sup>th</sup> 2021– Planning discussion in preparation for first meeting of Food Production Implementation team
July 28 <sup>th</sup> 2021 – First Food Production Implementation team meeting
August 19 <sup>th</sup> 2021– A&T ran report of active farm deferrals
September 8 <sup>th</sup> 2021– Tour North Willamette Research & Extension Center (NWREC) facility
September 16 <sup>th</sup> 2021– report submitted to Nancy Bush
April & May 2022 Latest Industry Partner interviews completed: Clackamas Soil, Water & Conservation District, Clackamas Farm Services Agency, Clackamas Community College Horticulture Department, Clackamas Small Business Development Center –Farmer, Rancher, Grower program
April 2022 Baseline data collected via 2017 USDA report: see handout (new census data will be available soon)
<p>Highlights from findings:</p> <ul style="list-style-type: none"> <li>• 86% of Farms are 10 acres or less in the County</li> <li>• <b>98%</b> of Farms are Family Farms</li> </ul>

- Farms Earning a living wage in Clackamas County: **557 or 13% (source:**
  - Note: may be lower than the targeted Self Sufficiency MFR goal wage as defined by the Implementation team of: \$32.02 per hour, annual wage before taxes of \$66,276. This represents one adult and one daycare/preschool aged child.
- **1% Farm Organically**

#### Activities Planned for FY 21/22

Activity	Q1: July-September	Q2: October-December	Q3: January-March	Q4: April-June
Food Production Implementation team meeting	July 28 <sup>th</sup> 1pm August 24 <sup>th</sup> 10am September 15 <sup>th</sup> 1pm	October 13 <sup>th</sup> 1pm November 10 <sup>th</sup> 1pm December 8 <sup>th</sup> 1pm	January 12 <sup>th</sup> 1pm February 9 <sup>th</sup> 1pm March 9 <sup>th</sup> 1pm	April 13 <sup>th</sup> 1pm May 11 <sup>th</sup> 1pm June 8 <sup>th</sup> 1pm
Tour NWREC facility – Mike Bondi outreach & discussion	September 8 <sup>th</sup> 11:00am			
A&T (Bronson) to run a report of active farm deferrals	August 19 <sup>th</sup>			
Staff support – Industry focus: In process of developing Small Grants Program – specifically for food production and acreage increase purposes <ul style="list-style-type: none"> <li>○ One time capital and/or operational expenses (determine max amount) <ul style="list-style-type: none"> <li>▪ Lottery funds and/or ARPA</li> </ul> </li> <li>○ Transition (succession) planning support</li> <li>○ Farmers Market vendors – support to increase capacity and sales</li> </ul>				Dedicate a portion of the Economic Development work plan to the Agriculture industry, and make recommendations for small grants program
Industry marketing support				Develop series of promotional videos with PGA – “Grown in Clackamas County” (continue into FY 22/23 Q1)
Farm transition support: Support connections between current farmers in transition to promote acreage to other interested parties. (i.e.: Land lease)				FY 22/23 Q1

Explore grant program on community gardens: Potential grant program on community gardens—example: <a href="#">Headwaters Incubator Farm.</a>				FY 22/23 Q1
Learn about other efficiencies that companies are implementing		Started with SBDC conversation		
Provide update to the BCC			January 12, 2022 3pm – Nancy Bush presenting to BCC	Scheduled for May 31 at 10am

**Overall Status/Progress**

<b>What's Working Well</b>	<b>Barriers/Challenges</b>
<ul style="list-style-type: none"> <li>• There is no land use (zoning) barrier to farming</li> <li>• Outreach and receptiveness of partners to this work</li> <li>• Ability to build on 2012 Ag Investment Plan work and other initiatives County has already put in place to support farmers (i.e. tax deferrals to support farms)</li> <li>• Intra-departmental connections to support the team</li> <li>• Learn about the diverse business community/property owners in the Ag space</li> <li>• Small grants program development</li> </ul>	<ul style="list-style-type: none"> <li>• Food Processing on-site can be difficult – can be cost prohibitive to purchase and install equipment and hire staff</li> <li>• Aging farm community – lack of interest in succession</li> <li>• Lack of farm land availability</li> <li>• Limited revenue opportunities</li> <li>• Small farm operators not interested in expanding capacity – hobby farms</li> <li>• Insects</li> <li>• Extreme weather – Heat dome, unseasonal freezes</li> <li>• Difficulty of small farmers to compete with larger producers using GMO's (explore further)</li> <li>• Limited tools/resources at the County to reach goal</li> <li>• Farms currently on the market are taking longer time to sell and costs per acre are increasing</li> </ul>

Goal: By 2026, 10% increase in food production and food production acres from agricultural land in Clackamas County

Food Production: The production for commercial purposes of crops, livestock and livestock products intended for eating/consumption.

#### Partners

- Small Business Development Center (SBDC) (Diana Tourney) -
- OSU Extension (Leah Sundquist)
- North Willamette Research and Extension Center (NWREC) (Surendra Dara)
- Oregon Agricultural Trust (Nellie McAdams) Mission to partner with farmers and ranchers to protect
- Clackamas Community College Horticulture Department (April Chastain)
- Clackamas Soil and Water Conservation District (Chris Lapp, GM)
- Farm Services Agency (Darca Glasgow County)

#### Questions for partners:

- What is the mission of your organization?
- Who are your primary clients/customers?
- What services do you provide?
  - Tied to food production
- What of your services are most utilized?
- What in your opinion are the challenges farmers, ranchers, growers are facing at this time?
- If the county could do one or two things to support AG what could that be?
  - Related to food production
- What in the industry is working or not working?
- Are there other partners we should reach out to?

#### What we Know

- Most farms on average do not generate enough revenue to encourage next generation of farmers
- Age of active farmers – Large concentration of farmers are over 70
- Lack of interest in succession plans – For example, adult children of farmers are at or near retirement age and lack desire to continue farming operations
- Small farm operators not interested in expanding capacity (i.e. hobby farms, limited revenue opportunities)
- Outreach and receptiveness of partners to this work
- Ability to build on 2012 Ag Investment Plan work and other initiatives County has already put in place to support farmers (i.e. tax deferrals to support farms)
- Intra-departmental connections to support the team
- 86% of Farms are 10 acres or less in the County
- **98%** of Farms are Family Farms
- Farms Earning a Living Wage in Clackamas County: **557 or 13%**
- **1%** Farm Organically



<p><b>What we can do now</b></p> <p><b>Nearterm support</b></p> <ul style="list-style-type: none"> <li>• Establish a Clackamas County Agricultural Business Resource Center (Hub)</li> <li>• Small grants program <ul style="list-style-type: none"> <li>○ One time capital and/or operational expenses (determine max amt) <ul style="list-style-type: none"> <li>▪ Lottery funds and/or ARPA</li> </ul> </li> <li>○ Succession planning support</li> <li>○ Farmer Market vendor – support to increase capacity and sales</li> </ul> </li> <li>• Agriculture Advisory Board (establish) <ul style="list-style-type: none"> <li>○ Is there something currently?</li> </ul> </li> <li>• Dedicate a portion of the Economic Development work plan to the Agriculture industry.</li> <li>• Financial support: <ul style="list-style-type: none"> <li>○ Support the SBDC Small Business Management Farm and Ranch Succession Planning Program</li> <li>○ Support NWREC</li> </ul> </li> </ul> <p><b>Long term support:</b></p> <ul style="list-style-type: none"> <li>• Look for new crop opportunities. Oregon is a mecca for growing just about anything. We have very creative farmers. We can and should be leaders in agriculture across the country and world.</li> <li>• Help identify new funding opportunities to drive research and development. Funding is always a key to fostering new and creative work. NWREC has a cadre of scientists, but funding is becoming more and more</li> </ul>	<p><b>What we want to know</b></p> <ul style="list-style-type: none"> <li>• Gather data to measure what a 10% increase may be. What is our baseline?</li> <li>• Vet definition</li> <li>• Discuss past/present surveys</li> <li>• Learn about the diverse business community/property owners in the Ag space</li> <li>• Do we have a quick fact document?</li> <li>• Should we tap into local farmers markets (<a href="http://oregonfarmersmarket.org">oregonfarmersmarket.org</a>)</li> </ul>

<p>competitive. What are local, state, and other sources to investigate? Everyone, keep your eyes and ears out.</p> <ul style="list-style-type: none"> <li>• Advocate for policies that support agriculture in the County. Could be land use laws, labor and taxation policies, and a host of other rules or regulations.</li> <li>• Prep for food town hall</li> </ul>	
<p><b>Action Items</b></p> <p>Set up meeting with:</p> <ul style="list-style-type: none"> <li>• Clackamas Community College Horticulture Department (Christopher Konieczka, acting Department Chair, Horticulture ) (completed)</li> <li>• Clackamas Soil and Water Conservation District (Chris Lapp, GM) (completed)</li> <li>• Farm Services Agency (Darca Glasgow County) (completed)</li> <li>• Small Business Development Center (SBDC) (Diana Tourney) (completed)</li> </ul>	<p><b>Policy/Legislation</b></p> <ul style="list-style-type: none"> <li>• 2018 Farm Bill -<a href="https://www.farmers.gov/working-with-us/farm-bill">https://www.farmers.gov/working-with-us/farm-bill</a></li> <li>• Explore engagement opportunities for upcoming Farm Bill legislation.</li> <li>• Clackamas County Agricultural Resolution Recognizing the Economic Impacts of Historical Weather Events on Clackamas County’s Agricultural Sector</li> <li>• 2022 Overtime for agricultural workers</li> </ul>