

An analysis prepared as part of



Outlining a Change Agenda

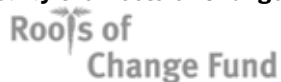
Jonathan Kaplan
National Resources Defense Council

Kari Hamerschlag
Hamerschlag Consulting

October 2005



A project of Ecotrust and affiliates
Requested by the Roots of Change Council
Funded by the Roots of Change Fund



To learn more, visit
www.VividPicture.net

Overview

This memo contains a compilation of policy and economic development initiative ideas that have potential to make California's food system more sustainable and achieve the objectives developed by the Vivid Picture Project. NRDC collected these ideas through interviews with nearly 30 opinion leaders who are now engaged in food systems issues and by reviewing the published policy platforms of other food system advocacy organizations.

Methodology

At the request of the Roots of Change Fund funders and council, NRDC compiled a wide array of possible strategies to promote environmentally sustainable farming practices, regional food systems, increased access to fresh and nutritious foods, the preservation of agriculture, improved conditions for farm labor and to achieve other Vivid Picture project objectives. We interviewed 29 food system opinion leaders and reviewed policy platforms published on the websites of other food system advocacy organizations.

NRDC developed the list of interviewees in collaboration with the Roots of Change (ROC) Fund's Vivid Picture Workgroup and Ecotrust (the list is attached as Appendix A of this document). In identifying candidates to interview, we sought to include perspectives from the fields of agriculture, environment, nutrition, and labor and designed our list to complement the perspectives and areas of expertise of the food system leaders interviewed by Ecotrust. We also attempted to include diverse perspectives and leaders working at the local, state and federal level. While we attempted to include a diverse group, we did not try to build a representative sample of current food system decision makers or of Californians in general.

We implemented an interview process that was designed to identify and test specific ideas. Interviewees were sent an invitation by email, including a letter of request, a one-page narrative describing a sustainable food system and a brief fact sheet presenting the Roots of Change Fund and its projects. Interviews were conducted by telephone by NRDC's Jonathan Kaplan or by Kari Hamerschlag, consultant to NRDC. We used a modified version of an interview guide prepared by New Territories Research and Ecotrust to help guide our interviews. In conducting the interviews, we typically invited the interviewees to consider the Vivid Picture objectives (preserving agriculture, fostering on-farm stewardship, improving farmworker conditions, etc.) and scenarios (e.g. Urban-Rural Partnership, increasing consumption of fresh foods and regional food systems, etc.) and started with open-ended questions about how such scenarios might be attained. We generally followed the interests and expertise of the interviewee, prompting periodically to address other food system objectives and scenarios. We also tested ideas from previous interviews. We specifically targeted our inquiry to identify opportunity-based strategies, as opposed to regulatory strategies. This process is qualitative by nature and was not intended to quantify support for specific ideas by different constituencies.

The ideas generated through this effort are presented below. We have tried to present them here as they were suggested, without modification.¹ We have also provided some excerpts from the interviews to give a sense of the context from which they come. A

Outlining a Change Agenda

summary outline of the ideas is enclosed in Appendix B. Because several of our interviewees asked for confidentiality, and many ideas were promoted by numerous respondents, we have not attributed quotes or ideas to specific individuals. However, where ideas are taken from the published policy platforms of other organizations or other document, we reference the contributing organization.

Many of the ideas presented here have long been championed by our colleagues in other food system advocacy organizations who are already at work to see them implemented. We thank all participants for generously contributing their time and ideas to this effort.

► Educate consumers and other key food system decision-makers

"To the extent that consumers change their view about the value of something that is local, tasty or sustainably produced, you'll see more of it. Our first challenge is to encourage consumers to put more value on the food items that we are talking about... The consumer side is far more important than the policy side."

Although the interviewees did not proactively solicit strategies to educate Californians about the food system, many respondents identified education of consumers and food system decisions-makers as a top priority. Several respondents identified the need for a massive consumer education campaign to promote organic, local, and other socially responsible foods. More must be done to help urban Californians better understand the value and proximity of agriculture. Finally, respondents identified a need to limit junk food marketing.

- Educate consumers to shop for taste, not looks. They will eat more produce if they buy what tastes good.
- Adopt local ordinances that promote outdoor advertising of healthy foods, especially fruits and vegetables, and restrict outdoor advertising of unhealthy foods and beverages (California Nutrition Network).
- Pressure TV networks to match junk food ads with marketing for nutritious foods. Publish network "scorecards" to identify the best and worst networks.
- Ban junk food advertising (e.g. billboards) within a certain distance of schools.
- Establish more farmers markets. This has been a powerful way to reconnect urban dwellers with agriculture.
- Support agriculture/food fairs where consumers can learn more about their food and farms. Look at the annual familyfarmed.org expo held in Chicago as an example.
- Launch a rewards program to celebrate model producers and their workers. Many farmers and farmworkers feel disrespected and unappreciated by the rest of society. The proposed rewards program could be integrated with the proposed certification program/organic branding to both help market the program while celebrating the best producers and workers.
- Link farms with regional tourism agencies.
- Create and educate a network of institutional food purchasers.
- Develop publicly supported consumer education campaigns based on the European experience. Consider the EU-wide information and promotion campaign over several

Outlining a Change Agenda

years to inform consumers, public institutions canteens, schools and other key actors in the food chain about the merits of organic farming, especially its environmental benefits, and to increase consumer awareness and recognition of organic products.

- Form an agriculture, food, and nutrition caucus in California Legislature so there will be more focus on these issues. This group should get regular briefings from food system experts.

► Increase access to fresh, local and regional foods while building regional food systems

"Education is important, but we also have to make it easy for people to get fresh food. We need to change their food environment."

"It would be important to focus regionally and create a critical mass in a region that could make an impact for farmers. If you could get enough of a buying mass then you can start to show a critical mass of economic value."

"You have to tie economic development and food together. Farmers markets at Hunters Point need to be linked to economic development opportunities. In the Farmers market in Harlem, for every yam, there was yam pie; it was linked to economic development—to micro food production processes. You have to look at the whole system view—and promote food access and business opportunities."

"A key strategy is to work with small stores. We want to honor these stores that are there because that's their livelihood. We need to focus on small and medium sized grocery stores especially if we want profits to stay in community ... instead of large supermarkets where profits are going out of town"

"The key lever for access to fresh food are federal programs. That's where the money is. There are 6 million children who go to school every day who should be eating fresh fruit and vegetables."

"We need a dedicated funding source that will enable more public investment in promoting fresh fruits and vegetables, health, nutrition, and physical activity."

Many respondents gravitated toward the idea that we need to support local and regional agriculture as a strategy for both improving nutrition and preserving our farm economies. Retail and institutional food service leaders report that demand for local food, while still a niche market, is a growing market opportunity. Soaring health care costs, rising awareness of obesity, and nutrition-related disease, epitomized by Governor Schwarzenegger's obesity summit, on are seen as large political opportunities to promote increased consumption of fresh foods.²

Farm-to-institution and buy-local programs can provide the bedrock for the development of strong regional food systems that will at the same time increase access to healthy food. Some in agriculture, however, caution that buy-local strategies threaten large producers that are both exporting food and importing to California, including some that are based in California, but have operations out of state. National farm organizations, representing growers in multiple states may not welcome buy-local

Outlining a Change Agenda

initiatives. Yet strategies aimed at building local, regional food economies raise many boats.

While many respondents suggested new public or private programs to promote sustainable food systems, they often struggled to identify a politically viable funding source to make it happen.

Develop new and existing retail outlets that can provide access to fresh and local/regional foods

- Create tax incentives, technical assistance, grant funds and loans to encourage convenience stores to offer fresh produce and healthy pre-prepared food, particularly in areas underserved by large grocery stores. Small businesses need training on how to source, manage and market fresh produce and freshly prepared food. See Fruitvale Pilot supported by Alameda County Health Department. Corner store conversion is an opportunity to make fresh foods more available (see Nathan's Produce in Oakland, now closed).
- Start a program for donating unwanted refrigeration systems to help small food retail outlets (e.g. corner stores) provide more fresh foods.
- Consider creating a public risk management fund to help start-up grocery store owners offset losses resulting from unsold produce. Many small stores use space inefficiently and could accommodate another refrigerator.
- Cities and counties should establish land use policies that require and encourage development of retail stores, farmers markets and other sources of healthy foods in low income neighborhoods (California Nutrition Network, Community Food and Justice Coalition). Requirements for retail construction/healthy food access should be part of any zoning requirement for new low and moderate income housing developments in the urban areas.
- Expand existing farmers markets to better accommodate business-to-business commerce. Existing markets are generally designed around the needs of individual consumers. Instead, these markets could facilitate increased sales by better accommodating the needs of smaller retail stores, restaurants and institutional buyers.
- Invest greater resources to establish and promote farmers markets. These are essential for survival of small and medium-sized farms. Promotion is very important.

Use state and local zoning authorities to require and encourage more fresh, local and regional foods.

- Pass local health-based zoning policies that would: 1) limit number of drive-through restaurants, etc.; 2) require new fast food restaurants to offer healthy, fresh and/or local alternatives and promote these alternatives through point of purchase advertising; (introduce zoning and planning policies that establish restrictions on the density and location of fast food in low income communities (California Nutrition Network); 3) require all new retail/restaurant establishments of certain size to prepare community benefit plans (especially with regard to healthy food options).
- Mandate that state funded low-income and moderate-income housing developments include mixed-use retail and access to healthy food.

Outlining a Change Agenda

- Develop a local/regional pilot to redevelop low-value land for urban agriculture. Urban agriculture could provide a significant food source, while providing urban open-space, community, jobs, etc. Seventy percent of all agriculture in Cuba is local, urban and chemical-free. Urban gardening by squatters in LA demonstrates immediate potential. Support is needed in terms of organized advocacy, funding, and planning.
- Ban new fast food restaurants or limit new locations. For example, Orinda in Contra Costa County has done this.
- Establish public transportation between supermarkets and low-income neighborhoods; require developer to participate in making this happen.

Leverage federal nutrition programs to increase access and demand for fresh food

- Increase food stamp participation rate in the state to capture \$1.5 billion we lose. (Legislation is being considered in 2005 to address this).
- Several respondents suggested using the food stamp program as a tool to increase consumption of fresh fruits and vegetables, but were mixed on recommending, education-based strategies, incentive-based strategies, such as giving increased food stamp value for fresh foods, or limiting the use of food stamps to restrict or prohibit the purchase of junk foods.
- Increase funding, infrastructure and outreach to increase the number of healthy choices available at child nutrition program sites (Community Food and Justice Coalition). This could also include links with local farmers.
- Use state funds to provide infrastructure and outreach to connect WIC recipients and seniors to farmers markets (Community Food and Justice Coalition).
- Win additional federal per meal payments for food that is local or sustainably grown.
- Fully fund the Federal Farmers Market Nutrition Program (FMNP). This program has been under funded and has never really been supported by the general fund. It has the potential to increase the viability of farmers markets in inner-city and rural communities.
- Ensure that WIC program permits the purchase of organic food.

Transform a large "conventional" food system business to become more sustainable and offer healthier food choices

- *Partner with labor, environmental groups, farmers, nutrition advocates and invite McDonalds or one more other fast food businesses to become part of a sustainable food system. McDonalds, for example, could increase healthy food choices, provide on site nutrition information and marketing of healthy food, and could source more local food. Labor organizations may be interested in joining an effort that includes improved worker conditions, both in the restaurant and on the farm, as an outcome. A recent high-profile organizing campaign by Florida farmworkers convinced Taco Bell to pay a higher wage to tomato pickers. See http://www.axisofjustice.org/features_TB.php.*

Outlining a Change Agenda

Incubate new and transformed businesses to promote fresh, local and regional foods

- Link with local economic development initiatives/funding to create food system micro-businesses, (e.g. urban-agricultural development projects) transportation services to supermarkets; micro-scale food processing, community kitchens, gardens, (e.g. see Hmong project in Sacramento that created vast urban agriculture and new access to fresh foods through farmers market).
- The California Public Employees' Retirement System (CalPERS) is a potential investor launching new food system enterprises, especially new retail outlets in inner city areas.
- Create a local stock exchange so that urban people can invest in local agriculture.
- Locally administered health plans should adopt policies that establish practice standards and incentives to healthcare providers that promote fruit and vegetable consumption, increased physical activity and participation in federal nutrition programs (California Nutrition Network).
- Request health insurance providers to provide "nutrition-efficient" health care plans that offer price discounts to employers who take action to improve nutrition (e.g. increase access to fresh foods) and fitness of employees.

Use branding strategies to promote local, regional agriculture

- Support buy-local branding efforts based on broad regions such as Central Coast, North Coast, and Central Valley. These should be tied in with social and environmental certification programs. Consider the successful familyfarmed.org program in Chicago as model that connects consumers with specific farms via the internet and other means.
- Support regional buy-local consumer education campaigns focused on building demand for buy-local among supermarkets and restaurants and encouraging supermarkets to promote and advertise locally grown products.
- Support a California wide buy-local day or week

Create incentives and infrastructure to expand institutional market opportunities for local and regional suppliers

- Create new distribution networks to facilitate the delivery of small quantities of local and regional food to large buyers. Identify the largest five institutional buyers in a given region (hospitals, universities, etc.) and fund pilots to build regional distribution and purchasing programs that can serve these and other institutions. By focusing regionally, it is possible to create critical mass and economies of scale. Build on success of the Gold Coast Growers Collaborative. Founded by the Community Alliance with Family Farms, this partnership enables small and mid-sized growers to sell directly to institutional markets. See <http://members.cox.net/jblue3/>. Support efforts of student groups, health advocates, teachers, parents and others to educate and advocate for sustainable procurement policies among hospitals, universities, schools, and government institutions.
- Put the "F" Back into the CDFA, the California Department of Food and Agriculture. Through new legislation or administrative initiative, re-focus CDFA on promoting local and regional markets for California growers, including promotion of farmers markets and other farm-direct market opportunities. With a skeleton crew, CDFA

Outlining a Change Agenda

could identify market districts, keep lists of buyers within each district, and help broker deals between farmers and buyers.

- Win a state policy requiring preferences for local purchasing for large institutions, (e.g. schools, jails, hospitals, etc.). Procurement policies that specify particular attributes, such as freshness or environmental criteria, may not be subject to challenges under interstate commerce laws.
- Assist local producers in accessing bids from the state and select cities under existing procurement preferences for small businesses.
- Establish on-line tools to make local procurement easier for institutional buyers.
- Pass city organic food purchasing resolutions and/or ordinances similar to the one passed recently in San Francisco.

Adopt new state policies and programs to promote farm-to-school programs

- Increase state support for farm-to-school programs by providing seed grants to schools to purchase local foods. Funds could be used for coordination, additional labor costs, and equipment. Schools seeking funding would have to pass a food policy and agree to buy food from local, regional, organic and/or socially responsible farms. The state should also provide reimbursement funds to school districts purchasing desirable foods on a per-meal basis. (Note: Community Food and Justice Coalition focuses on local procurement rather than sustainable.)
- Provide state funding to evaluate transportation and distribution solutions to connect farms-to-schools including seed money for two pilot distribution networks (Community Food and Justice Coalition).
- Create a state program to support training programs and educational events for institutional food buyers. Even when the policies and networks are in place, changing the mindset of school food buyers has proven to be an essential ingredient for successful farm-to-school programs.
- Adopt building requirements to ensure that new schools have adequate facilities, including a kitchen or even a garden. (This was tried recently in the legislature without success).
- Leverage DOD Fresh procurement programs to deliver more fresh foods to schools. DOD Fresh is currently not very well utilized in CA. Community Alliance with Family Farmers may be working on this already.

Dedicate revenues for funding increased access to fresh foods

- Commodity check-off programs could be a source of funding for sustainable efforts. Existing check-off programs, once approved by producers, are mandatory, paid at the wholesale level and are eventually passed on to consumers. Yet consumers have no say over how these funds are spent. Consumers might be better served if some of these funds were used to promote foods that provide greater public benefits in terms of health, environment, regional economic development, etc.
- Adopt a junk food fee at either the state or local level. NRDC has reviewed numerous potential junk food fee scenarios and is preparing a separate analysis of these options. Junk food fees on soft drinks, drive-through restaurants and fast food chains were proposed by respondents. Center for Public Health Advocacy's data indicates that fast food restaurants are an important contributor to the obesity/nutrition crisis.

Outlining a Change Agenda

While many respondents were skeptical of passing a statewide policy, local policies might be more politically viable and still transformative. For example, the City of Los Angeles could generate \$130 million per year through \$0.02 tax on 12 oz sodas.

- Pass a state or county bond to address nutrition, obesity and/or environmental challenges in the food system. Pennsylvania passed a \$100 million bond to fund food access projects in low-income communities (Food Trust).
- Eliminate tax deductions for obesity-promoting business expenses, such as advertising for junk food.

► Promote stewardship practices through state and local initiatives

"Entire communities were built on Homestead era water allocations. Now they're saying give the water to the fish and let us go bankrupt. It's about human impacts, not just taking water away."

"We have a \$32 billion industry. Why don't we have more money to pay for stewardship? How do we take some of that revenue and invest it in a way keeps the industry alive?"

"Farmers say they can't pass costs on to consumer. So what about a green cow fee type idea [fee placed on milk at the retail level to support dairy stewardship efforts]? What if enviros, farmers, and consumer groups got together and agreed on a food fee?"

"With UNILEVER, CYSCO and even Walmart saying that they are going to start sourcing from sustainable producers, we need to make sure that what they are saying is appropriate. They are all working on their own definition of sustainable. We shouldn't have Walmart telling us what is needed. We need third-party certifiers. To give consumers confidence, we need to be proactive, growers need to be proactive."

"We need more research and technical assistance to farmers who are facing regulatory demands. The big guys have consultants. The little guys have fewer regulatory obligations. The mid-size guys again need the help. Has cooperative extension washed its hands of trying to provide technical assistance to growers?"

"Extension needs to be radically changed. Extensionists need to be educated, retrained to accommodate current priorities. The old priorities are no longer relevant."

"Ultimately it would be great to get all agencies together to streamline everything together—air board, water board, pesticides all together—streamline everything, getting that kind of integrated whole system view would be a huge benefit for growers."

Respondents affiliated with both agricultural and environmental organizations expressed keen interest in trying to create incentives for promoting on-farm stewardship practices. Many were quick to point to the reauthorization of the Farm Bill to pay for needed incentives. While some proposed more transition to organic, others cautioned that even organic production systems may cause environmental impacts. With the emergence of new environmental regulations in California, many respondents thought bold new initiatives might now be politically viable.

Outlining a Change Agenda

Environmental and social certification was discussed in most interviews and was generally a popular concept. Some respondents raised concerns over possible competition with organic and the potential for proliferating eco-labels to confuse consumers (though as proposed here, the idea need not include an eco-label). A more comprehensive discussion of a strategy for certification is presented in another white paper prepared by NRDC for the Vivid Picture Project: "An Assessment of Market Viability for Third-party Certification and Eco-labels for California."

Allocate state funds, county funds or new fees to pay for on-farm conservation practices

- Increase sales tax to pay for air quality benefits from agriculture (e.g. one quarter cent across the board). To get more political support, identify up front exactly how the funds will be spent, including which commodities will benefit, which BMPs will be implemented and the expected air quality improvements.
- *Pass zoning policy that requires developers to estimate and mitigate expected air quality impacts of new development. Mitigation fees could be used to pay for improved air quality by agriculture. The California Air Resources Board will soon be considering a policy like this for new vehicle emissions*
- Increase the existing pesticide tax to pay for IPM promotion or even organic transition.

Create incentives to transition conventional acres to organic.

- Give county tax breaks for growers to convert to organic. Sioux County, Iowa just announced \$50,000/year in property tax rebates for growers making the transition. The county was convinced that a thriving organic agriculture would create new jobs and revenue through better prices and increased processing industry.
- Create organic transition zones. If the majority of an entire region converts to organic, everyone in the region benefits from a tax break or other incentive. Consider targeting these zones at the urban-agricultural edge as a strategy to protect public health and safety, reduce liabilities for growers.
- Expand support for organic and sustainable producers through better use of existing rural development and business assistance programs, especially in areas of business development, value added production, food processing and manufacturing, marketing and distribution.
- Develop organic action plan for California based on successful examples from Europe, where each country has adopted an Organic Action Plan. In Europe, the organic farming action plans normally include targets for adoption (typically 5 to 10% by 2000/05 or 10 to 20% by 2010) and a combination of specific measures including: direct support through the agri-environment/rural development programs; marketing and processing support; producer information initiatives; consumer education and infrastructure support.
- Establish a state program on organic agriculture based on German example that has created a 'Federal Programme for Organic Agriculture' aimed at creating a new information program targeting all elements of the supply chain, from the input suppliers through producers, distributors, processors and retailers to consumers. Substantial funding (€70 million in 2002/03) is directed at the key elements, including web-based information resources, research, training and demonstration

Outlining a Change Agenda

activities, with the major share of funding targeted at consumer information campaigns.

- Organize an organic check-off program to fund advertising for organic.

Re-focus the missions of state agencies to provide leadership in promoting sustainability

- Rename and refocus the Department of Pesticide Regulation to the promotion of alternative pest management practices.

Create new market-based strategies to promote sustainable farming practices

- Create a voluntary certification program to identify and reward producers that practice sound environmental and social management practices. Encourage adoption by providing new market opportunities and assistance in meeting regulatory requirements. Ensure accountability (e.g. third-party certification and enforcement). Certification was discussed in most interviews and was generally a popular concept. Some respondents raised concerns over possible competition with organic and the potential for proliferating eco-labels to confuse consumers (though as proposed here, the idea need not include an eco-label). Suggestions for implementation:
 - Reduce regulatory fees for certified growers. Existing regulatory fees are starting to add up, including those for air, water, pesticides, etc.
 - Win public funding to match industry investments in self-assessment or certification.
 - Streamline paperwork and enable the certification program to provide functional equivalencies for other paper-intensive programs, e.g. organic, NRCS programs, pesticide use reporting, and possibly regulatory reporting requirements.
 - An industry self-assessment program could also help producers improve environmental performance through education and record keeping and could be developed as a precursor to certification programs. (See the California Association of Winegrape Growers' "Code of Sustainable Winegrape Growing and the Dairy Quality Assurance Program"). "If Whole Foods would buy only from participating growers, that would make a huge difference." Growers could start with this and eventually be ready for third-party certification.
 - Create an Agriculture Stewardship Council to certify existing certification programs, provide an umbrella program, accountability, and leadership. It could be made up of business, environment, consumer and state representatives. The Council could also play a leadership role in engaging other agencies and universities to re-program as needed to support the certification program.
 - Establish procurement policies at public agencies to give preference to certified products.
- Establish workers compensation and/or health insurance reductions for producers who are farming organically or are certified as being environmentally and socially responsible.
- Agriculturalists and environmentalists should get together to explore pollutant trading systems, "fee-bates", effluent taxes, or tradable pollution credits. These could provide a more economically efficient approach and be more palatable to growers than the current regulatory system being developed by state water quality regulators.

Outlining a Change Agenda

- Brand “California Organic” as the premier product, internationally. Pacific Rim countries still lack credibility. Create or tap into commodity check-off programs to fund this effort.

Create new synergistic links between urban dwellers and agricultural producers in managing natural resource challenges

- Pipe urban treated wastewater to agricultural lands to provide future water supplies. This is happening in the North Bay now.
- Collect urban compost and give it to producers as part of the new urban-rural partnership.
- Explore the viability of having drinking water districts invest in upstream pollution prevention practices in agriculture-dominated watersheds as a cost-effective alternative to building more treatment and transport facilities.

Create other incentives to reward on-farm stewardship practices

- Reduce paperwork by integrating needs of air, water and pesticide regulators; organic certification; CSP/EQIP program application and reporting etc. Create a software product for agriculture that provides guidance in sustainable practices while integrating numerous paperwork and regulatory reporting requirements.
- Pay growers with guaranteed water for environmental performance. Anxiety about future water supplies is a top concern for growers. It may be possible to create powerful incentives at low cost in the present.
- The U.S. Department of Agriculture, or state government, should develop and deliver new insurance policies that will cover the risk assumed by a farmer when adopting conservation practices.

Invest in preparing agriculture to become our future energy provider

- Promote cellulosic energy from CA farm production. Invest in state and federal research and development allocations to promote cellulosic technologies. See NRDC’s analysis at www.nrdc.org/air/transportation/biofuels.asp.
- Adopt policies requiring flexible fuel equipment for vehicle enabling them to use high-ethanol blends. High ethanol fuels (e.g. E85) burn more cleanly than low-ethanol fuels. Increased ethanol consumption in California could eventually create new fuel markets for California growers. Flexible fuel equipment costs approximately \$150 per vehicle.
- Participate in implementing AB 1007, signed by the governor this year, which tasks state regulators to develop a statewide plan for promoting renewable energy sources.
- Provide increased funding, credit, loan guarantees, and tax incentives for methane energy production on dairy farms.
- Carry out a comprehensive study to assess energy savings and climate protection benefits of increasing in-state and local purchases of California produced food.

Refocus public research initiatives to generate the knowledge that producers need to manage environmental challenges

- Increase funding for progressive knowledge transfer programs such as the UC Sustainable Agriculture Research and Education Program, UC Small Farms Program,

Outlining a Change Agenda

UC Statewide IPM Program, USDA Sustainable Agriculture Research Education program, among others. Hold land grant university lobbyists accountable. They are often lobbying against sustainability programs (see Cornerstone Group, Washington, DC).

- Fund more research to identify new agricultural conservation practices and evaluate existing ones. Go to the legislature with a big request and a clear agenda from agriculture and environmental organizations.
- Engage legislature and Governor in holding UC accountable to change through budget process.
- Identify a research agenda in organic for UC.

Revitalize Cooperative Extension to be more accessible and relevant to current environmental and marketing challenges

- Create a new role for extension as facilitators of an urban-agricultural partnership. Cooperative Extension should increase capacity to help growers gain access to local markets, communicate effectively with encroaching urban dwellers, address environmental liabilities that urban dwellers care about and use new information tools. (See Kansas as model.)
- Demand new division/resources at UC to promote organic as economic and environmental solutions.
- Integrate business schools with UC extensions. Iowa State has integrated an Agriculture and Retail Master's Program.
- Create a new Transfer the Knowledge Coalition, including leading agricultural and environmental organizations, and raise a large pool of funds that can be used to attract UC researchers and extensionists to the task of developing and transferring relevant, accessible information to growers for reducing environmental impacts. Focus could be on transferring existing knowledge at UC that gets lost in technical publications, personal collections, and libraries.

Prioritize knowledge transfer at the University of California and other state and federal agencies

- Farm Advisors should be deployed to go visit farmers in the field and help them develop new strategies and take advantage of new marketing opportunities. Particular emphasis should be given to minority farmers. One in four farmers in Fresno County are minority.
- Cooperative Extension needs to be re-deployed with more resources to go out and visit farms on a systematic basis (e.g. identify all the mid-sized farms in severe air non-attainment areas and assist them with meeting environmental challenges).
- Focus UC on food identity preservation and traceability. Consumers, regulators and retailers will increasingly demand to know cow-to-plate tracking information. In-store scanners are on the horizon. UC should be poised to keep agriculture on the cutting edge and capture new patents for these technologies.

► **Promoting sustainable practices through federal Farm Bill policy.**

Outlining a Change Agenda

"The biggest over-arching category for the next Farm Bill is to get as many voices as possible to join together to say: ' We're beyond only having food stamps and commodity subsidies. We want farm-to-cafeteria programs, value added market grants, money for entrepreneurs, conservation programs, etc.' It's going to take the California delegation to make that happen."

"It's the least sexy, but the most important money we spend is on research and extension with a strong emphasis in on farm research. Measly investments in SAREP and other programs like it are the most important money we spend. The little bit of funding that has gone to SARE and IPM at USDA over the years has done more to transform agriculture than the big multi-billion dollar programs, like EQIP."

With the reauthorization of the Farm Bill upon us, many respondents spoke to the need to reallocate massive federal Farm Bill programs to be more equitable to California producers, better address their needs, and invest in practices that yield real public benefits in terms of improved nutrition and environmental performance. A few respondents were optimistic about the potential to make significant changes to the status quo, pointing to the potential for the farm bill have-nots in California agriculture to partner with conservation and nutrition interests in seeking a better deal for California. They also pointed to WTO pressure on the US to eliminate trade distorting subsidies.

Integrate federal Farm Bill conservation programs with state regulatory programs and environmental priorities

- Better align state and federal priorities, especially in terms of reforming the Environmental Quality Incentives Program (EQIP) so that it is targeted to assist producers with meeting state air and water quality regulations.
- Pay farmers to install 35 foot buffers along every mile of state waterway and wetland that is inside or adjacent to farmlands. The Vivid Picture team estimates this will require dedicating 300,000 acres of farmland to habitat. The Farm Bill is one obvious source of potential funding.
- Release a white paper illuminating inefficiencies and missed opportunities for California under existing conservation programs.
- Ensure that conservation programs meet California landowner needs. The rules for determining rental rates for lands enrolled in the Conservation Reserve Program (CRP) and easement value for lands enrolled in the Wetlands Reserve Program (WRP) make those programs much more effective in areas where land is cheaper and/or the agricultural value of the land represents its full fair market value, and not effective in California where land is expensive and subject to significant development pressure.

Improve existing federal Farm Bill conservation programs to provide greater performance

- Give equal weight to air quality, water conservation, wildlife and pest management goals as is currently given to soil and water quality (Environmental Defense).
- *Remove inefficiencies in farm policy that hamper good stewardship. For example, production payments drive up rental rates, which in turn increases cost of implementing Conservation Reserve Program.*

Outlining a Change Agenda

- *Provide safeguards against using EQIP to expand concentrated livestock production.*
- *Reduce paperwork for EQIP and other Farm Bill conservation programs. The existing hassle is not worth it for some growers. This could be offered as part of self-assessment or certification scheme described above.*

Increase funding allocations for federal Farm Bill conservation programs

- Increase allocations for conservation programs and reform programs to boost environmental performance. This can be done by building coalitions with specialty crop interests who currently don't receive production payments.
- Expand funding significantly for The Wildlife Habitat Incentives Program (WHIP), a voluntary program for landowners and others who want to develop and improve wildlife habitat on their land. This has been used successfully for salmon recovery in California (Environmental Defense).
- Expand the Conservation Security Program and increase availability of technical assistance under the program.
- Create a companion "greener pastures" program for dairy farmers. The dairy CSP could provide incentives for producers based on a performance-based and therefore flexible criterion that focuses on their ability to limit releases of nutrients and air emissions to the environment (Environmental Defense).
- Increase funding for research, especially to improve air and water through the 2007 Farm Bill by creating within Title VII the Resource Stewardship Applied Research Initiative. This initiative would provide mandatory funds for FY 2007 through FY 2012 to create and disseminate applied research to help farmers in non-attainment areas meet air and water pollution control requirements and water conservation goals.
- Statutory revisions across programs are needed to ensure that NRCS acquires the expertise necessary to effectively integrate IPM into its conservation program portfolio.

Make the Farm Bill more friendly to organic agriculture and organic transition

- Reform EQIP and other conservation programs to include organic; provide incentive payments to farmers transitioning to organic (good example from Minnesota); eliminate existing EQIP requirements that may actually preclude organic.
- Create organic indemnity programs, provide risk assessments for organic production and pay organic prices for organic crop losses.
- Authorize creation of acreage and production targets for policy guidance (5% acreage by 2012; 10% retail food sales by 2012).
- Expand the organic export incentive program.
- Exempt all organic producers from production orders, marketing orders, import quotas and tariffs and require marketing orders to promote proportional share of funding for organic product.
- Establish an organic agriculture service that would coordinate all USDA organic programs.

Outlining a Change Agenda

- Authorize funding for organic specific direct marketing program (in addition to farmers markets).
- Authorize and provide funding for a new organic agricultural institute or regional centers and leverage existing research and extension programs for more investment in organic extension and farm staff in each major agricultural state.
- Expand Cooperative State Research, Education, and Extension Service (CSREES) organic funds. (The current budget proposal for latter is a pathetic \$500k.)
- Revise CSP to better accommodate organic farmers. Eliminate existing disincentives to expand organic acreage production and duplicative paperwork requirements.

► Preserve farmlands in California

"We looked at what farm subsidies would have to amount to in order to pay growers not to convert their farmland to development. The price is through the roof. It just doesn't add up."

"There's no political will to draw the line in the sand. Policies are lacking. We need a map or criteria for deciding where we're going to protect the land."

"The ag community doesn't support farmland preservation because their land is worth more as development."

"The edge is a place that is most severely compromised and threatened How can we look at agriculture on these edges and make it more valuable to the cities? Ag at the edges has to be multifunctional, and invite public access, and capitalize on conservation needs."

" Ideas from the top tend to be resisted. A specific mandatory one size fist all state mandated directive won't work. A better way would be to add benchmarks and goals to general plan guidelines."

Of all the issues raised during our interviews, none proved more challenging to respondents than the question of how to slow farmland conversion and urban sprawl. Many interviewed food systems thinkers emphasized the need to look beyond conservation easements to the need to address the underlying economic, cultural and demographic challenges facing agriculture. While most expressed urgent concern for protecting farmland from sprawl, some respondents affiliated with agriculture noted that "cashing in the land" is an important retirement strategy for struggling growers.

Work locally and regionally to promote smart growth policies

- Support food-belts on the urban edge that would provide economic, environmental, educational, aesthetic, and food security benefits. A less ambitious proposal is to create urban edge agricultural parks with infrastructure that can serve multiple groups, including farmers, consumers, environmentalists, students, etc.
- Link agricultural preservation with marketing and technical support programs to improve economic viability of farming.

Outlining a Change Agenda

- Use Local Agency Formation Commissions (LAFCOs) as a key leverage point for requiring broad based-integrated land use and farmland conversion mitigation programs.
- Encourage urban infill and more efficient use of land through tax incentives and revised building codes (American Farmland Trust).
- Expand Ventura County model where cities are considering urban boundaries and no-growth areas.
- Adopt zoning rules to prohibit conversion of agricultural parcels to huge mansions (e.g., 10,000 square feet), but allow large houses (3,000-6,000 square feet) if the owner will keep some of the land in agriculture (see Marin County).
- Tier conservation easements to pay more for agricultural land that is kept in production, as opposed to land that is merely preserved as open space.
- Establish site-specific development fees assessed to large development projects on farmland. San Luis Obispo has a similar policy to mitigate development impacts to other natural resources. This approach could be expanded to collect fees to mitigate farmland losses.

Establish state policies to preserve farmland and slow sprawl

- Convene a blue-ribbon panel to elevate sprawl issues in California and develop a state plan for preserving agriculture.
- Adopt state standards that apply to local planning. Require a mandatory standard for protecting prime farmland (e.g., 75%) and a minimum average population density. Allow trading between commercial, residential, and other sectors. Allow cities and counties to trade development "credits."
- Same as above, but promulgate the standards as "guidelines" that are not mandatory, but will still bolster local planners trying to do the right thing. One respondent suggested that the lack of regulations or guidance makes it difficult for local governments to justify and defend potentially controversial preservation policies.
- All counties and the cities within them should be required to get together with LAFCO coordination and adopt unified plans that clearly designate the highest-quality farmland as "agricultural security areas." By requiring all counties to comply, more progressive counties won't be disadvantaged. The state should provide financial and technical assistance to help local governments plan, and should encourage adjoining counties to coordinate their plans to assure that regional agricultural needs are considered. Within "agricultural security areas," local governments and other public institutions should, at a minimum: avoid infrastructure investments, including new school siting; adopt minimum parcel sizes that support commercial agricultural production; prohibit subdivision of farmland, including "ranchettes," other than for agricultural purposes; encourage the purchase of conservation easements, clustering and transfer of development credits; minimize regulation of routine agricultural practices; prevent water transfers that would harm agriculture; and promote agricultural economic viability (American Farmland Trust). See Montgomery County, MD.
- The California Farmland Conservancy Program that finances the purchase of conservation easements on agricultural land should target its resources to "agricultural security areas;" its procedures should be streamlined and its funding should be increased and made more reliable (American Farmland Trust).

Outlining a Change Agenda

- Address “fiscalization of land use.” Several participants identified Prop 13 and inadequate tax revenues as a key driver for widespread planning failure at the local level. Counties are cashing in prime farm lands for short term development fees and sales tax revenue. No clear solutions were proposed.
- State law should require and help counties and cities to devise unified agricultural elements of their general plans, clearly identifying where farmland and farming are to be given long-term protection, and use these plans to guide development and public investment decisions. Legislation to this effect (AB 857) was considered and rejected by the legislature in 2003 (American Farmland Trust).
- Recruit park and opens space planners to allow agriculture to be done on public land. Identify early adapters that can start a trend.

Leverage federal farm policy to preserve farmlands

- Expand the Grassland Reserve Program and Farmland Protection Policy Act, both of which are oversubscribed.³ (American Farmland Trust/Environmental Defense)

Support new farmers entering the industry.

- Create Individual Development Accounts for starting farmers that provide a federal match on personal savings. Health and Human Services offers this to low income people currently. Funds can be used for a home downpayment, etc. We need this for beginning farmers. See California Farmlink.

► Improve quality of life, safety and welfare of California farmworkers

“Poverty among farm laborers should be the number one agenda item. Sealing the border doesn’t make sense—that just dooms outsiders to poverty. We can’t mandate higher wages or better working conditions. Instead, we need strategies to enhance their own productivity [ability to command a higher wage].”

“The good jobs for farmworkers are the ones where they are hired directly instead of through Farm labor Contractors”

“We need a lot more people interested in H., We need human resource professionals who are bilingual and we need constant education and training of employers, supervisors and farm labor contractors.”

“Farm Labor Contractors is a huge area that needs more investment of time and resources, monitoring and enforcement.”

Across the spectrum, respondents spoke to the enduring need to improve working conditions, wages, housing and employment opportunities for California farmworkers. Many expressed weary disappointment that so little has been accomplished after so much time in the glare of this pressing need.

Immigration reform is a high priority

- Growers and workers both have an interest in maintaining a legal workforce. Legal status would empower workers to police employers. “Fifty percent of the growers care about immigration reform, but they are not on the boards on the farm

Outlining a Change Agenda

organizations—there’s a hidden constituency there... Farm Bureau won’t make this a priority until there’s more enforcement.”

- Adopt work visas with opportunity for future citizenship, though this requires federal policy intervention. We need to allow legal workers to move back and forth across the border.

Implement a wide array of policy, enforcement, education, and market based initiatives to improve health, safety and welfare for farmworkers

- Implement a farm labor contractors (FLC) reform initiative. FLCs need training, oversight and better compliance.
- Create a third-party certification program for progressive FLCs and create incentives encouraging farmers to only work with certified FLCs.
- Create incentives or public-private partnerships to enable and encourage growers to provide year-round work for farmworkers.
- Levy an assessment on commodities to fund farm worker housing, following Napa wine model.
- Make sound labor conditions and policies a criterion for water allocations. Most water allocations are determined at the federal level, but there are some state contracts as well.
- Educate producers and supervisors about the importance and economic benefits associated with responsible labor practices and policies. Increase farm labor management extension/technical assistance to growers. Disseminate best practices.
- Include labor criteria in any socially responsible certification program for agriculture. Consider standards that require a high percentage of direct labor hiring and year-round employment; and profit sharing, a key risk management strategy for growers that allows them to supplement wages in good years while keeping labor costs down during bad years.
- Engage in dialogue with processors and packers to encourage producers to adhere to social standards (e.g., Cascadian Farms). Educate processors and packers about upstream demands on producers that may result in severe conditions for workers.
- Increase enforcement by agricultural commissioners to effectively deter pesticide safety violations (see below).
- Increase the minimum wage for farmworkers.
- Establish new programs (modeled after labor training program in Sonoma) to professionalize and train agricultural laborers in new skills.

► Level the playing field by enforcing pesticide safety regulations

“We can’t be soft on wrong practices. We need smarter enforcement at DPR... Paper violations should be treated differently than real violations. Serious violations jeopardize health and property. Several of the drift accidents were outright violations and those people should be held accountable.”

Outlining a Change Agenda

Many participants expressed the need for more effective enforcement to protect farmworkers and rural community members from pesticide exposure. On its face, these strategies might not appear to be win-win opportunities, but some mainstream ag leaders are speaking up for better enforcement to protect the image of the overall industry.

- Create adequate penalties that provide a real deterrent (the average penalty for safety violations is typically only a few hundred dollars).
- Create “Neighborhood Watch” programs to educate consumers, producers and workers about what sorts of safety violations to look for.

► **Recruit and train a new generation of sustainable food system leaders**

Several respondents spoke to the need to build the bench for training food system leaders, particularly in the for-profit sector.

- Philanthropic foundations can train a new cadre of activist entrepreneurs, helping them start for-profit businesses that can support a more sustainable food system. For example, given that 10 million new people are expected to arrive in California by 2030, we will need 1,000 new grocery stores to accommodate these shoppers. These stores could support local/regional/sustainable agriculture, provide high quality jobs and revenue for local communities. CALPERS is a possible investor for the real-estate component; other successful food business leaders could be approached to help with start-up funding. Idea: Train 100 new entrepreneurs and start ten new grocery chains that could grow to 1,000 stores by 2030. These businesses could also generate wealth and become future funding sources for non-profits.
- Train socially-responsible entrepreneurs in obtaining non-traditional sources of start-up capital for sustainable businesses (e.g. small equity shares to community members, conservation easements, etc). Oregon Beef is a great example.
- Create a Vivid Picture version of the Volunteers in Service to America Program (VISTA). Through such a program, students from urban and rural areas could exchange for summer food system fellowships. Students could work on projects in agriculture, land use, water, air, nutrition, etc. The best students could be selected to work with Vivid Picture “elders” to continue program implementation over time and launch new initiatives to implement the Vivid Picture.

Appendix A: Interview Participants

NRDC is indebted to the following food system leaders who agreed to be interviewed for this project:

Vanesa Bogenholm, California Certified Organic Farmers
Ashley Boren, Sustainable Conservation
Eileen Brady, Ecotrust
Carolyn Brickey, Protected Harvest
Frank Buck, California Dept of Health Services, California Nutrition Network
Susan Clark, Columbia Foundation
Alegria de la Cruz, California Rural Legal Assistance Foundation
Michael Dimock, Ag Innovations Network
Harrison Fraker, UC Berkeley, College of Environmental Design
Hank Giclas, Western Growers
Harold Goldstein, Center for Public Health Advocacy
Martha Guzman, California Rural Legal Assistance Foundation
Ken Hecht, California Food Policy Advocates
Alex Hinds, Marin Community Development Agency, County of Marin
Ferd Hoefner, Sustainable Agriculture Coalition
Lizz Hund, Rabobank
Holly King, Great Valley Center
Sibella Kraus, Sustainable Agriculture Education Center
Kathryn Phillips, Environmental Defense
Peter Riggs, Forum for Democracy and Trade
Rich Rominger, University of California Regent
Karen Ross, California Association of Winegrape Growers
Bob Scowcroft, Organic Farming Research Foundation
Dan Sumner, Agriculture Issues Center, University of California
Ed Thompson, American Farmland Trust
Mark Vallianatos, Center for Food and Justice
Don Villarejo, Consultant
Craig Watson, SYSCO

Appendix B: Change Strategies Outline

Educate consumers and other key food system decision-makers.

Increase access to fresh, local and regional foods while building regional food systems.

- Develop new and existing retail outlets that can provide access to fresh and local/regional foods.
- *Use state and local zoning authorities to require and encourage more fresh, local and regional foods.*
- *Leverage federal nutrition programs to increase access and demand for fresh food*
- *Transform a large “conventional” food system business to become more sustainable and offer healthier food choices.*
- Incubate new and transformed businesses to promote fresh, local and regional foods.
- *Use branding strategies to promote local, regional agriculture.*
- *Create incentives and infrastructure to expand institutional market opportunities for local and regional suppliers.*
- *Adopt new state policies and programs to promote farm-to-school programs.*
- Dedicate revenues for funding increased access to fresh foods.

Promote stewardship practices through state and local initiatives.

- Allocate state funds, county funds or new fees to pay for on-farm conservation practices.
- Create incentives to transition conventional acres to organic.
- Re-focus the missions of state agencies to provide leadership in promoting sustainability.
- Create new market-based strategies to promote sustainable farming practices
- Create new synergistic links between urban dwellers and agricultural producers in managing natural resource challenges.
- *Create other incentives to reward on-farm stewardship practices.*
- Invest in preparing agriculture to become our future energy provider.
- Refocus public research initiatives to generate the knowledge that producers need to manage environmental challenges.
- *Revitalize Cooperative Extension to be more accessible and relevant to current environmental and marketing challenges.*
- *Prioritize knowledge transfer at the University of California and other state and federal agencies.*

Promote sustainable practices through federal Farm Bill policy.

- Integrate federal Farm Bill conservation programs with state regulatory programs and environmental priorities.

Outlining a Change Agenda

- Improve existing federal Farm Bill conservation programs to provide greater performance.
- Increase funding allocations for federal Farm Bill conservation programs.
- Make the Farm Bill more friendly to organic agriculture and organic transition.

Preserve farmlands in California.

- Work locally and regionally to promote smart growth policies.
- Establish state policies to preserve farmland and slow sprawl.
- Leverage federal farm policy to preserve farmlands.
- Support new farmers entering the industry.

Improve quality of life, safety and welfare of California farmworkers.

- Immigration reform is a high priority.
- Implement a wide array of policy, enforcement, education, and market based initiatives to improve health, safety and welfare for farmworkers.

Level the playing field by enforcing pesticide safety regulations.

Recruit and train a new generation of sustainable food system leaders.

Endnotes

¹ The views and suggestions expressed here are often, but not always, shared by NRDC and the authors.

² Three of his strategies are closely aligned with Vivid Picture: Only healthy foods will be marketed to children ages 12 and under; Produce and other fresh, healthy food items will be affordable and available in all neighborhoods; Healthy foods and beverages will be accessible, affordable, and promoted in grocery stores; restaurants and entertainment venues

³ For more details on these programs and how to reform them, see Environmental Defense memo on 2007 Farmbill