



UNLOCKING THE POTENTIAL OF CHARLOTTE'S FOOD SYSTEM AND FARMERS' MARKETS

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Executive Summary

*good
food
is
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business*

PREPARED FOR
The City of Charlotte

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PROJECT BACKGROUND

This report is the culmination of nearly three years of food system research and engagement initiated by the City of Charlotte. The project is a response to perceptions that Charlotte's regional food system, and in particular its farmers' markets, do not meet their potential in terms of providing strong livelihoods for farmers, advancing more equitable food access, and enhancing vibrant placemaking in the city's neighborhoods and communities.

The research and plan that make up this report were completed by a consultant team led by Karen Karp & Partners (KK&P) and Market Ventures, Inc., with local collaborators the Charlotte-Mecklenburg Food Policy Council (CMFPC), F.A.R.M.S., and Suede Onion. The consultant team began their work in September 2017. Their community-based research included interviews with over 40 stakeholders, focus groups with nearly 30 participants, and one interactive community meeting with over 100 attendees. The team also completed extensive data review and analysis, including bespoke benchmarking research that compared Charlotte to 10 U.S. metropolitan regions on a number of regional food economy indicators. The findings from these research efforts informed the development of four recommendations that will guide the City and its food system stakeholders in cultivating a robust and vibrant regional food economy and market system.

KEY FINDINGS

The Charlotte region has the ingredients of a strong regional food economy.

With over 900,000 farmed acres in its 10-county region and nearly 850,000 eaters in its anchor city of Charlotte, the region is well-situated to develop a robust and thriving regional food economy. In fact, in 2012, farms in the region sold over \$1.2 billion worth of farm product – the second highest agricultural sales of the 11-city benchmarking cohort. Based on other indicators, however, it seems the vast majority of this product is entering the commodity market rather than local or regional supply chains.

The region also has valuable natural assets that support agricultural production: generally good soils and a climate that allows year-round crop production, though access to sufficient water is a challenge in some parts of the region.

The Charlotte region underperforms in key regional food economy indicators.

Despite its extensive agricultural land and substantial farm-based economic activity, the Charlotte region significantly underperforms compared to benchmark regions in indicators of its regional food economy. Direct-to-consumer sales in the Charlotte region are just \$1.57 per capita, compared to several

DIRECT-TO-CONSUMER SALES IN BENCHMARK COMMUNITIES: SALES AND PERCENT OF TOTAL AGRICULTURE SALES

Metropolitan Area	Percent of Total Agriculture Sales	Direct-to-Consumer Sales
Hartford MSA	5.92%	\$13,174,000
Asheville MSA	3.10%	\$4,220,000
Milwaukee MSA	1.54%	\$3,858,000
New Orleans MSA	1.44%	\$1,123,000
Rochester MSA	1.16%	\$10,762,000
Grand Rapids MSA	0.75%	\$8,378,000
Minneapolis MSA	0.71%	\$15,405,000
Austin MSA	0.66%	\$1,889,000
Raleigh MSA	0.49%	\$2,004,000
Kansas City MSA	0.47%	\$3,698,000
Charlotte MSA	0.32%	\$3,884,000

DIRECT-TO-CONSUMER SALES IN BENCHMARK COMMUNITIES: SALES PER CAPITA

Metropolitan Area	Sales Per Capita
Hartford MSA	\$10.92
Rochester MSA	\$9.98
Asheville MSA	\$9.33
Grand Rapids MSA	\$8.00
Minneapolis MSA	\$4.34
Milwaukee MSA	\$2.45
Kansas City MSA	\$1.76
Charlotte MSA	\$1.57
Raleigh MSA	\$1.54
Austin MSA	\$0.92
New Orleans MSA	\$0.89

benchmark cities with direct sales in excess of \$8 per capita. And Charlotte ranks last among all 11 benchmark cities for the percentage of its total agricultural sales that occur through direct-to-consumer channels.

While local and regional food systems are not limited to fruit and vegetable supply (meat, poultry, eggs, dairy, etc. all contribute importantly to regional food supply), fruits and vegetables are usually the leading products in re-localizing food supply chains, so they can serve as another relevant indicator. The Charlotte region underperforms here as well – with just 0.93 acres of fruit or vegetable production per 1,000 residents, it ranks 9th out of 11 benchmark regions. Raleigh, which ranks 5th, has nearly 12 acres per 1,000 residents. This suggests that the Charlotte region has a fairly low level of production of crop types likely to be sold through direct and local markets, and that current supply is probably insufficient to meet growing demand.

Farmers of color and immigrant farmers play an increasingly important role in the region's farm economy.

While the total number of farms in the region has been decreasing, the number of farms operated by minority farmers



or farmers of color (specifically Black or African American, Hispanic or Latino, and Asian) has increased dramatically. These farmers, as well as immigrant farmers, will play an increasingly important role in regional food production, but the existing system of supports and resources for these farmers is insufficient to meet their needs. Immigrant farmers and farmers of color face disparities in access to land, capital, resources, and technical assistance. A better funded and better coordinated ecosystem of support for these farmers could have a significant impact in enabling their ongoing contributions to the region's food economy.

Mecklenburg County agricultural land is at risk.

The region's farmland is a vital resource, and it is at risk to increasing urbanization. From 1997 to 2012, the region lost 2.6% of its farmland, or about 25,000 acres (the U.S. lost 4% of its farmland during this period). The threat and impact of development is much more pronounced in Mecklenburg County, where farmland acreage fell by over a third during that 15-year period. The preservation of farmland in Mecklenburg County will be important if urban food production is to continue to play a role in the city's food economy. An emerging effort to create a voluntary agricultural district (VAD) in the county could help achieve that objective.

Charlotte's farmers' markets are missing an opportunity to coordinate and collaborate.

In 2017, Charlotte had 16 active farmers' markets, with seven additional markets in Mecklenburg County outside of the city limits. These markets are all run independently and represent a broad range of market operators and models, including

publicly and privately run markets and non-profit and for-profit structures. These markets do not have a framework or platform for communication or collaboration – which many stakeholders see as a missed opportunity. Joint marketing, shared resources, and strategic coordination could have a tremendous positive impact on the profile and success of the city's markets.

The Charlotte Regional Farmers Market underperforms compared to other state-run markets.

The Charlotte Regional Farmers Market (CRFM) is one of North Carolina's four state-owned and operated farmers' markets. The CRFM was built in 1985 on 22 acres, and now sees about 500,000 visitors annually – which makes it the largest farmers' market in the region, though it has far fewer visitors than North Carolina's other state-run markets, with annual attendance ranging from 1.4 to 3.5 million. Unlike the other state-run markets, the CRFM also lacks wholesale facilities and a restaurant. According to stakeholders in the community, the CRFM faces significant access and location challenges, not being well-served by existing public transit lines, and not being conveniently located near residential density. Nevertheless, as the city's largest farmers' market by far, the CRFM is an important asset.

The city's farmers' markets lack clear communications about locally and regionally produced foods.

Many farmers and other stakeholders lamented the inconsistency and lack of clarity around produce resale and definitions of 'local'

at the city's markets. Several markets, including the CRFM, allow produce resale, including non-local products (such as bananas). This lack of clarity creates confusion for uneducated shoppers, who may not realize that a tomato purchased from a reseller at a farmers' market may not have been grown locally. Other markets, such as the Matthews, Davidson, and Cotswold markets, have explicit restrictions about only selling locally grown or produced food products. While strict guidelines such as these may not be appropriate for all of the city's markets, clearer communication about which products are grown locally and sold by the growers would help consumers navigate the region's offerings, and help farmers promote the value proposition of locally grown food.

Wholesale market opportunities are lacking.

Wholesale activity is a critical lever in the growth of a regional food economy. Farms in the Charlotte region are lagging in development of wholesale market channels: just 2.7% of the region's total farms participated in wholesale direct-to-retailer sales in 2012, compared to 4.4% of farms in all of North Carolina. Among its benchmarking cohort, the Charlotte region ranked 8th out of 11 regions for this metric. Anecdotally, wholesale distributors who operate across the state observed a lack of farmers operating at wholesale scale in the Charlotte region compared to other parts of the state.

The benefits of stronger wholesale market channels are clear, however; even though per-unit prices are lower than in direct retail, the higher volumes and reduced marketing labor per unit lead to economies of scale that generate greater returns for farmers. But to successfully scale up to these opportunities, farmers need training, "onboarding," infrastructure, and technical assistance when making the transition. Farmers' markets can play a role in supporting the scaling of the region's farm businesses by fostering relationships between farmers and buyers, and even by actively facilitating wholesale activity.

The city's farmers' markets can do a better job of responding to the geography of food access and food insecurity.

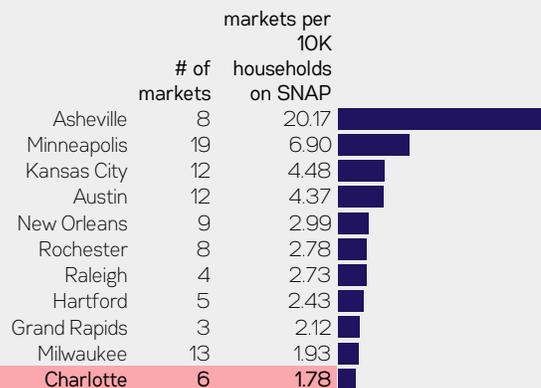
Food access is a complex phenomenon that encompasses geographic, physical, cultural, and economic aspects of how a city's residents access the food they eat. Charlotte has large swaths of the city which are deemed low income and low access (a.k.a. "food deserts") by the U.S. Department of Agriculture (USDA) – a measure that encompasses the economic and geographic dimensions of food access. The placement of the city's farmers' markets does not mitigate the geography of poor food access as effectively as it might: many of the city's markets are found in areas that already have good food access by virtue of their supermarkets and grocery stores. A more strategic approach to the placement of farmers' markets in the city could help

contribute to improved food access in the areas of the city that need it most.

Charlotte's farmers' markets severely underperform in SNAP acceptance.

The USDA's Supplemental Nutrition Assistance Program (SNAP) benefits, or food stamps, are accepted at just three farmers' markets in Mecklenburg County¹ – that's fewer than one in seven markets, compared to the U.S. average of one in three. And within the benchmarking cohort, Charlotte ranks last in number of SNAP-accepting farmers' markets per 10,000 households on SNAP. Aggressive expansion of SNAP acceptance at the city's farmers' markets, paired with active promotion and an extensive Double Bucks program (which doubles the buying power of SNAP dollars) could have a tremendous impact on the economic accessibility of farmers' markets for the city's low-income residents.

SNAP ACCEPTANCE AT FARMERS' MARKETS IN BENCHMARK COMMUNITIES (2018)



Education and marketing can help advance a culture of local eating.

A change in eating patterns is a change in culture; it does not happen easily or overnight. The development of a place-based culture of eating that celebrates a community's agricultural and culinary heritage while embracing innovation and healthful eating is a long- term and multi-dimensional project, a project in which many stakeholders and initiatives in the Charlotte region are already engaged. Education and marketing initiatives that help the region's eaters understand the benefits and pleasures of eating locally will benefit the area's farmers' markets, farmers, and broader economy.

¹ / Two additional markets are likely to accept SNAP in 2018. Atherton Market is listed by the USDA as a SNAP-authorized market, but to our understanding Atherton was not accepting SNAP in 2017.

RECOMMENDATIONS

Based on the key opportunities and needs revealed by our research, the following recommendations offer a combination of near, medium, and long-term strategies that will leverage the region's assets while bridging its gaps. These recommendations are detailed on the following pages.

The successful implementation of these recommendations will require the engagement of diverse stakeholders and organizations. Some activities may be led by the City of Charlotte, while for others, the City may play a role of convener, facilitator, or champion to support the work of other organizations. The recommendations proposed here offer opportunities for near-term wins and long-term ambitious planning, and provide a roadmap for Charlotte to pursue a future-oriented food system that better serves the needs of all its residents and celebrates a place-based culture of food.



RECOMMENDATION 1

Create a Charlotte Farmers' Market Association.

OBJECTIVE

To coordinate and strengthen the city's existing and new farmers' markets through an entity governed by farmers' market managers and sponsors and supported by paid staff.

ACTIVITIES & PRIORITIES

Leadership of the association will periodically determine the issues it wishes to address. Based on the consultant team's work, initial priorities are recommended to include:

- Marketing and promotion, which will require a city-wide brand development and customer targeting strategy that can be customized for use by individual markets
- Expansion and promotion of SNAP, Double Bucks and other food assistance programs at the city's farmers' markets
- Sharing of best practices
- Coordinated farmer applications
- Common farm inspections
- Coordination of emergency food providers to pick up surplus, end-of-day foods

ROLE OF THE CITY

Although the City of Charlotte will not have a lead role in the long-term governance of this initiative, the city's support and involvement will likely be critical to a successful launch. In particular, the city may provide:

- Partial seed funding (in partnership with local foundations and corporate sponsors)
- A commitment to sustaining the Farmers' Market Task Force (which has guided this project to date) to support the work of the association

KEY PARTICIPANTS & PARTNERS

Although the association should be led by market managers, the group will benefit from some non-market manager perspectives. Thus, the leadership could include:

- Farmers' market managers (majority of leadership)
- Representatives from sponsoring organizations
- Food system/consumer advocates
- Food professionals, such as chefs or food educators
- Representative(s) of the City's Farmers' Market Task Force

RECOMMENDATION 2

Pursue improvements to the Charlotte Regional Farmers Market.

OBJECTIVE

To leverage and maximize the impact of the Charlotte Regional Farmers Market through programming, access, and facility improvements.

ACTIVITIES & PRIORITIES

Recommended near-term activities and priorities include:

- Market research to understand more about the Market's existing customers and farmers, particularly the opportunity to expand SNAP usage.
- Launch of a centralized SNAP acceptance and Double Up Bucks program (potentially in collaboration with the recommended Charlotte Farmers' Market Association).
- Improved access and visibility.
- Clearer on-site communication and signage to highlight local producers and locally-grown seasonal products, while still supporting the businesses of resellers.
- Marketing and educational programming in collaboration with the Charlotte Farmers' Market Association.

ROLE OF THE CITY

Since the Regional Market is owned and operated by North Carolina, any improvements or initiatives must be pursued in close partnership with the State. The City can play a critical role of convener and collaborator, with activities including:

- Assisting in the convening of state and other partners to address this opportunity
- Support for the SNAP program
- Help to address access and visibility issues, especially via improved intersection at Billy Graham Parkway

KEY PARTICIPANTS & PARTNERS

Key partners for this initiative will include:

- NC Department of Agriculture and Consumer Services
- Charlotte Farmers' Market Association (Recommendation 1)
- Sponsor organizations and funders

RECOMMENDATION 3

Explore opportunities for new public markets and large-scale farmers' markets.

OBJECTIVE

To explore the feasibility and create conceptual plans for new permanent farmers' market and public market facilities at accessible locations around Charlotte.

ACTIVITIES & PRIORITIES

A public market feasibility and concept development plan typically includes:

- Goal refinement and public engagement
- Market research
- Site identification and analysis
- Merchandising and tenant mix plan
- Facility and site design
- Ownership/management options and operating policies
- Financial analysis including development and operating pro forma

ROLE OF THE CITY

The City is the appropriate entity to initiate and lead the feasibility and concept planning process, working in partnership with funders and other stakeholders. A consultant team with experience planning, developing and operating farmers' markets and public markets should conduct the feasibility study, which includes a strong community engagement component.

KEY PARTICIPANTS & PARTNERS

Key partners for this initiative will include:

- Local food advocates
- Funders
- CATS
- Neighborhood/community groups near potential sites

RECOMMENDATION 4

Maintain and increase the production of food in Charlotte's 'foodshed', especially by supporting career pathways and improved livelihoods for the region's farmers.

OBJECTIVE

To preserve farming in the Charlotte region as a viable career, way of life, and robust economic engine, and to sustain and increase the volumes of food produced in the region for its residents.

ACTIVITIES & PRIORITIES

Recommended activities include:

- Convening a regional foodshed task force and summit
- Maintaining and expanding resources and services for the region's farmers and food entrepreneurs
- Supporting expanded market opportunities for the region's farmers and food entrepreneurs
- Developing local food procurement policies for public and private institutions
- Development of a regional food branding initiative - possibly in coordination with CFMA joint marketing and branding
- Supporting educational programs and career entry pathways for farmers and food entrepreneurs

ROLE OF THE CITY

Although the city may not ultimately lead the execution of initiatives supporting this recommendation, it will play an important role in assisting in convening and coordinating partnerships. In particular, the city should assist in convening regional foodshed stakeholders (with Centralina Council of Governments), and should play a lead role in convening workforce programs and developing local food procurement guidelines for city agencies and institutions.

KEY PARTICIPANTS & PARTNERS

Important partners for this recommendation are broad and diverse, likely to include:

- Farm-oriented non-profits, like Carolina Farm Stewardship Association, Carolina Farm Trust, and Piedmont Culinary Guild
- County Cooperative Extension services
- Health organizations such as Atrium Health and Novant
- Centralina Council of Governments (CCOG) and government entities at all levels across the region
- K-12 and university educational programs
- Many others



KEY NEAR-TERM ACTIVITIES FOR THE CITY OF CHARLOTTE

For the successful execution of all activities:

- Commit city staff time to the continuation of the Farmers' Market Task Force (FMTF), who has led this work to date; broaden and supplement participation with other city agency representation as deemed appropriate.
- 1. Create a Charlotte Farmers' Market Association.**
 - Commit FMTF staff time to support the initial convenings and launch of the Charlotte Farmers' Market Association.
 - Commit \$50K in seed funding and \$30-50K annually for years 2 and 3 for the CFMA. This funding should leverage additional financial support from outside partners. Uses of these funds will include salary for an association director/coordinator, marketing initiatives; and funding and promotion of a SNAP promotion / Double Bucks campaign and program.
 - 2. Pursue improvements to the Charlotte Regional Farmers Market.**
 - Initiate conversations with the North Carolina Department of Agriculture and Consumer Services (NCDA&CS) to discuss research and strategic planning.
 - Affirm need for improved intersection at Billy Graham as planned in City Park development.
 - Through CFMA, initiate planning for SNAP/Double Bucks program.
 - 3. Explore opportunities for new public markets and large-scale farmers' markets.**
 - Identify approximately \$125K in city funding for public market feasibility and concept development.
 - 4. Maintain and increase the production of food in Charlotte's 'foodshed', especially by supporting career pathways and improved livelihoods for the region's farmers.**
 - Partner with Centralina Council of Governments, Piedmont Culinary Guild, and Rivendell Farms to initiate convening of key foodshed stakeholders for regional foodshed task force.
 - Seek \$10-25K in city funding to support the task force and first Regional Foodshed Summit; as with the city's support of the CFMA, this funding should leverage robust additional support from diverse partners and stakeholders across the region.
 - Work with County to convene City and County workforce programs.
 - Identify opportunities for increased procurement of locally grown foods by city agencies and public institutions.

PROJECT TEAM

The consultant team was led by Karen Karp & Partners (KK&P) in close partnership with Market Ventures, Inc., and with local collaborators the Charlotte-Mecklenburg Food Policy Council (CMFPC), F.A.R.M.S., and Suede Onion.

For more information about the project, including the complete report, please visit:

charlottenc.gov/HNS/CE/Pages/Farmers-Market-Study.aspx

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