



**Joint Meeting of the Agricultural Commission  
And Peter Fitzpatrick Collaborative  
Remote Meeting Minutes  
March 29, 2022**

Attending: The Fitz Collaborative: Noah Tremblay, Steve Temple, Craig Hanson, Jessica (last name unknown).

The Agricultural Commission: Brittany Overshiner, Lucy McKain, Sherrill Rosoff  
Absent: David Sears

Guests: Holly Fowler (Northbound Ventures), Eric Piper, Tony Beattie (Select Board), Jenny Gingras (Town Planner), Amanda Huntington.

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Meeting Came to Order at 7:05 PM.

Brittany Overshiner motioned, Lucy McKain seconded approval of 2/22/22 minutes. Passed unanimously.

**Northbound Ventures Presentation:**

Holly Fowler of Northbound Ventures presented preliminary market analysis data.

The farmer survey had two components: interest in a food hub and using the commercial kitchen for value-added. The shared kitchen user survey targeted more of the folks interested in using the kitchen. We've officially closed the surveys but they are still open as its not unusual for folks to complete a survey belatedly.

There are 28 unique responses to the farmer survey. Composition of respondents: 79% sole proprietors and LLC's; size of farming operations - vast majority have fewer than 10 acres; average is 13 acres, and the mean is 3 acres. There has been emphasis on small and medium size farmers and that's reflected in the survey numbers. There are 16 responses for the kitchen user survey. The profile is different; there's a diversity of users with 30% incorporated. The kitchen is a business incubator so it's being seen as an asset that helps bring people's ideas to life so it's good to have a pipeline of people at different stages.

**Food hub:** The critical question in the survey is respondent's interest in increasing production. 32% said no, 32% said yes; 14% unsure; 29% yes but have to figure out how to expand production. The survey asked about what percent of their current or future production they would be interested in selling into the food hub. On sales side, the breakdown was 24% might dip their

toes in the water (1-10%), 12% (up to 20%), 20% ( up to 30%) 8% (up to 50%) and 16% would be able to commit 50 - 100% of their produce to a food hub. This is really preliminary data.

Steve Temple (ST): Are you going to judge the maturity level of the business as this speaks to the risk of participation?

HF: Yes, but I won't say that years of business is an indicator of future success, but we did ask questions about years in business and revenue, and about services, and you'll be able to see correlations. Again this data is very preliminary

ST: we have Shon working on a variety of business plans so you have to assess the risk of implementing a business plan.

HF: agreed.

Sherrill Rosoff (SR): is this the kind of usual distribution - are these Engagement Processes all different?

HF: Yes, they are all different but she will provide us with some benchmarking data (secondary research) as to how we might be able to gauge what else is happening out there in the world knowing you are unique.

HF:

## Food Hub: Products

- Asparagus
- Apples
- Beets
- Carrots
- Cucumbers
- Herbs
- Kale
- Lettuce
- Microgreens
- Mushrooms
- Onions
- Potatoes
- Radish
- Raspberries
- Spinach
- Tomatoes
- Summer squash
- Zucchini
- Pork
- Flowers
- Cheese
- Cider
- Dried Herbs
- Honey
- Jams/jellies
- Maple syrup
- Pesto
- Salsas
- Teas

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There is really a nice variety of things that people want to sell in the Food Hub. Variety of vegetables, fruits, flowers, animal protein (pork and cheese), cider, dried herbs, etc. and some who say they'll fill in any gaps and will grow what is needed. Flip side to variety is whether you can get to critical volume. We've also had a lot of talk especially from The Fitz Collaborative about who the target audience might be. There may have been some early assumptions about what a food hub might look like ranging from an indoor year round farmers market to a wholesale traditional food hub. We're trying to take away the guess work and be responsive to what would be most useful to the Ag producers.

# Food Hub: Markets

| Market  | Would like to develop |
|---|-----------------------|
| Public K-12 Schools                                   | 13                    |
| Private K-12 Schools                                  | 13                    |
| College or University                                 | 13                    |
| Small independent grocers or co-ops                   | 13                    |
| Hospitals/Healthcare Facilities                       | 12                    |
| Corporate Dining                                      | 12                    |
| Online or virtual market platform (customer picks-up) | 11                    |
| Other farm stand (farmer to farmer)                   | 10                    |
| Online or virtual market platform (farm delivers)     | 10                    |
| Restaurants   | 8                     |
| Community supported agriculture (CSA) program         | 7                     |
| Regional Food Hub, Processor, Aggregator              | 7                     |
| Farmers market(s)                                     | 6                     |
| Large grocery chains                                  | 6                     |
| Own farm stand / on farm retail                       | 5                     |
| Food service management company                       | 4                     |
| Regional of Local Food Distributor                    | 1                     |
| National Food Distributor (e.g. Sysco, US Foods)      | 0                     |

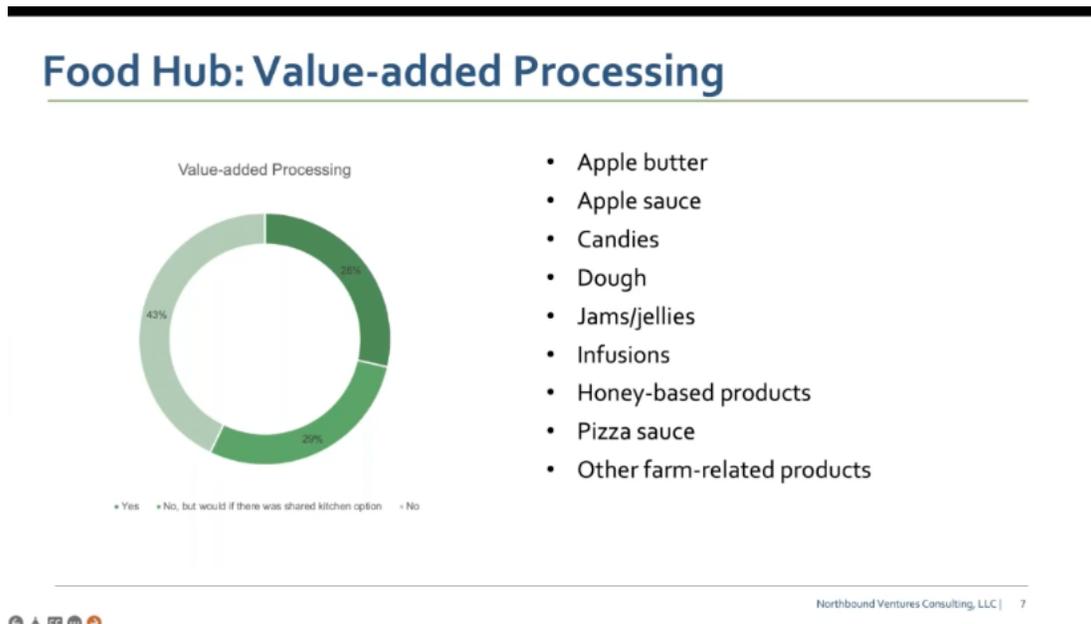


HF: We asked questions about where Farmers were currently operating, which markets they were interested in developing and which they were not interested in, in order to know what we could be helping them to achieve? Preliminary results: Most are institutions (wholesale clients) and something they could attain together rather than separately. Buried in there are small independent grocers, and below that, with the exception of restaurants - food service management companies and regional or local food distributors. So, broadly, the target here is the wholesale selling into institutional markets or small grocers. These are the indicators that the group will want to discuss to get to what the operating model of the food hub would look like.

Craig Hanson (CH): these are the end points for the food being aggregated, correct?

HF: yes - these are the institutions that the producers would like to access through the food hub.

ST: they want to develop these because they're not in them?

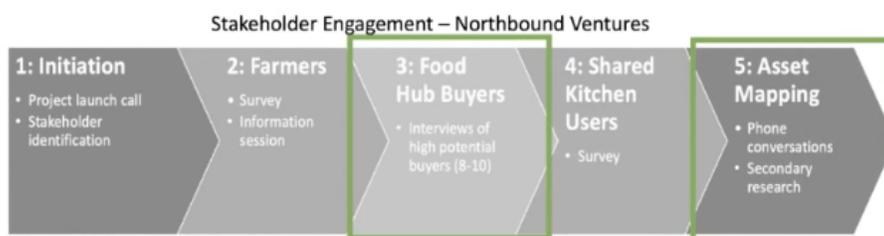


HF: Yes. Now, when it comes to value added processing in a shared kitchen, the farmer responses were an almost 40/60 split where 40% say no but the rest say they would if they had access to a kitchen and here is a list of what they would be interested in checking out. There's nothing here that suggests hugely complicated equipment that they would use in the kitchen. I put together a list of equipment that they would need as another deliverable yesterday. There's nothing here that's out of the ordinary.

HF: The shared kitchen users comments are critical as these are an indicator of their readiness to go. She found them very compelling. A number are established so they know what they need and already have sales. Now that she knows better what producers want, she will hone in on the demand side - Buyers - over the next couple of weeks, and also asset mapping. Sherrill and I have already met with New Hampshire food hubs which have existing clientele and need more product. This is a potential channel to develop together where Pepperell would be a node in a larger system. We've also had a conversation with Local Food Works which is an initiative of Central Mass Grown, but it's not clear about potential collaboration with this group. They don't have an organizational form yet in terms of what they will be doing - just looking at some operational models. So we haven't worked out how data might be shared or if, or how, future collaboration might be done. So, our final report will raise awareness about how we could be

part of other emerging food hubs so we don't miss any opportunity to be part of something larger than

## Next Steps



Business Planning – Worcester Regional Food Hub & Kitchen



Ives.

ST: Impressive amount of progress and very happy to see that. A lot has been accomplished and really happy to see how much response you've gotten.

HF: Sherrill has pounded the pavement, but also The Fitz Collaborative successfully reached out to potential community users. So we jumped from 6 to 16 and the quality of responses significantly improved. I'm happy with the number of responses we've gotten.

BO: I'm really glad to see that the data is coming in. Looking forward to more detail, like which third of the farmers could increase by 100%. I'm curious about the business model itself and how it will be able to get to scale. I know the margins for farmers are really slim and so I'm curious to hear about the progress on the business planning side and what the ideas are there...

HF: I'm definitely happy to do another presentation; please submit questions to her and can work them into her analysis if its not on her radar.

But you all need to talk about the decision making process of the business plan and the food hub and commercial kitchen.

SR: Can you help us segue into that conversation, about some models that are out there?

HF: There are two things here that are not the same thing at all: the food hub and the commercial kitchen. First, the idea of Food Hubs are traditionally an agricultural producer center. Three Rivers Alliance was born of four farmers who saw a vision about how they could all grow together. They've maintained the health of their own businesses, managed to work together, - and work with some 40 other farmers to access markets that previously weren't accessible to them. There are other entities that might not be considered a food hub but a direct to consumer model - like Farmers to You in Vermont. That's like a business, sourcing from different farmers.

If the food hub lives at the Fitzpatrick, what is the role of the Ag producers who would typically be part of the decision making body? The Ag Commission has been talking about these pieces of the operating model. Typically the steps are: conduct a market analysis, draft an operating model, talk about that operating model and what will work best, then do the financial modeling, and then you hone in on the business plan. She's doing the market/demand side and Shon is

doing the business plan and she's guessing that it will incorporate operational and financial models.

But what we lose here at least regarding the food hub portion - where do those who have a stake in the food hub get to weigh in on the operating model and/or the financial model as part of the business plan for the Fitz Collaborative?

How does the decision making live within the Fitz Collaborative's work with Shon Rainford?

BO: She wants to make sure that the Food Hub doesn't become competition for her business because she's already invested in retail channels. She has no idea what direction the business plan for the Fitz Collaborative is going in - what are the values of the business?

NT: Asking for the Fitz to respond to that concern?

BO: Yes, have you thought about that?

NT: I'll respond on behalf of the Fitz, the stakeholders are the people of the community - will it work? Yeah, we want it to work - and I believe the Fitz Collaborative would agree with the Ag Commission that our local farmers are a priority. Hope that settles your concern.

ST: We've had an interim review with Shon and have encouraged him to develop multiple business models so there's been no effort to focus on a single business model that we haven't told you - there are good reasons to have several models. In some cases one business model would be best for a start-up, and later on another model for a more mature business. Haven't yet gotten more details from Shon, but will look at the risks, etc.

HF: I have a follow-up question. How is the Fitz weighting their attention on the commercial kitchen and the food hub? The food hub is a different beast than a commercial kitchen - how are you focusing or weighting your attention - for both, or primarily the kitchen?

ST: Yes, both. We haven't pushed Shon in one direction or another - we purposefully have not injected any bias - we really want to have the broadest landscape as we can so this collective group can see what's on the table.

CH: We've provided some broad guidance; our mission is around providing services to the community, preserving the building, getting use of the facility back, and we want to make a commercial kitchen/food hub combination that is viable. That's the guidance we've given Shon.

HF: There's some potential, based on what she's seen happen in other places, that consumers will always want to have a more convenient option to access local food - and that might manifest in a business plan that calls that (a retail market) to be based at the Fitz. What works best for consumers might not work best for producers. The answer is not always to add a farmers market and we've heard a declaration from Shon that that might be an option at the Fitz. So you might have to contend that there may be a divergence among stakeholders. I've seen it happen elsewhere where the farmers say "that won't be good for us".

CH: That's good feedback; even Brittany's comments about competition. We don't want the local farmer community to get pushed out down the road, so it would be good to have some checks and balances in place so we don't fall into territory we don't want to head down.

NT: The Ag Commission seems very worried about the model being chosen, but nothing has been chosen. So maybe we put some energy into clarifying what the concerns are - what are the things that are drivers for success for you and what are the things that don't matter so much? Availability of the kitchen when you need it maybe a big deal, but the actual price of paying for the kitchen is not a big deal, as an example. It would be good to know those things. We can take those models and the information from the Ag Commission and marry them together. If you have worries we should bake it into the models we're offered.

HF: I'll take it out of the realm of worry and concern; it really doesn't have to do with the kitchen, but the food hub structure. I think the question on the table is how will stakeholders of the food hub be engaged in the discussion and decision making process about the eventual operating model and business plan of the food hub.

NT: I'm more interested in clarifying the structure of the operation - not as familiar with the use of those terms with the operation of the food hub?

BO: When I view the Worcester Food Hub I see that it aggregates local food but if Shon recreates that model the Fitz Food Hub would be selling aggregated food shares and that competes with my business.

NT: That's a valid point so we need a healthy mechanism to communicate in real time so there's an ability to course correct as we go along; no. 1 priority is to get the kitchen up and running and then no. 2 is to service the community.

SR: as a follow up to your comment about getting the kitchen up and running I attempted to do that last night with a request for ARPA money. We were able to create a proposal to the Select Board within a couple days turnaround to get that deliverable to them. We shared our proposal with you and Craig; the proposal wasn't discussed until the tail end of the Select Board meeting. It didn't go well.

We had Shon and Holly create this equipment list; we were asking ARPA for \$234,000, half of which would go the next step to MassDevelopment for money for the kitchen fit-out. When Craig was awarded the seed money, we were invited back to fit-out the collaborative workspace. So my concern is the contract with the town and how the Fitz sees this investment to fit out the kitchen so that it becomes a maker space? We're here because the Master Plan asks for collaboration between us, and the whole issue with AROD and so forth is because the town wants to save the Fitz. I'm concerned that the reality on the ground may be quite different: do you have some concerns about sustaining the building on your own, do you have concerns about the funding for launching these kinds of enterprises? I've been assuming that this is part of your non-profit world and that you are committed to going after funding to keep sustaining it. I see some real challenges.

CH: A lot to unpack there. In terms of the lease agreement with the town, the only restriction is zoning. The town budget continues to fund a small portion of some of the baseline utilities and that will go to zero in a few years. The Town is counting on us because we're covering expenses on their behalf at this point. We have hit all our financial milestones with the town, including during Covid; we're just starting to rebound from that on the programming side of things. We've compensated with some leases; we think we're doing very well. We'll have summer camp this summer. So from that perspective, I'm not worried at all; we're continuing to grow and see increased community usage and tenants who want to expand their use of the building. The concern for me is zoning; may have to re-negotiate with the town about having them pick-up some of the costs the Fitz Collaborative has been picking up if AROD doesn't pass. Without AROD passing, we can't open a commercial kitchen or food hub; we could do

cooking classes, dinner theater that sort of thing. We set out on this mission of revitalizing the building and its not a flip the switch type of thing.

SR: so you would sustain it as a non-profit?

CH: Absolutely. Had the town made it's process known regarding ARPA we would have put something in before this.

NT: the Fitz has to be successful because the alternative for the town is too expensive. We're in it too deep already; how we pay for it (kitchen and hub) is how we get funding for it. Hopefully we can get the money and certainly appreciate your energy to try and get this up and running. I appreciate what the Ag Commission has been doing because we're all in this together.

SR: What is your take on MUOD?

CH: I just asked Jenny (Gingras) for some clarifications on that so I'm not able to answer. At the end of the day we have a series of uses that we want to get done..., and however that gets done is okay with me.

Tony Beattie (TB): do you see the kitchen and food hub as an important financial asset to your success?

CH: I think it's important in that there would be real estate being used. The kitchen is being heated, so the short answer is yes, and the kitchen is part of the infrastructure that's costing us money, but it's not going to make us an extra \$100,000. The kitchen has to be self-sustaining, first of all, that's our first milestone. We must cover 100% of that portion of the building, and if there are revenues beyond that, I would hope we'd reinvest in the kitchen and then other common parts of the building that might need repairs or renovations. I don't think it would be good to take money from the kitchen to make improvements to the gym, though.

TB: From my understanding it takes years for food hubs and kitchens to become self-sustaining so the kitchen and food hub will require grant money for a long time. Public support is the Collaborative's greatest strength. I just wanted to comment because I've watched this process from the start. In this case you have four different players at the table: Fitz, town, Ag Commission and the farmers so you're taking on a complicated task here. I recommend you break it down into parts that are most do-able and I would recommend concentrating on the kitchen. The longevity of the Fitz Collaborative is a worry...

HF: So it sounds like its full steam ahead for the commercial kitchen and both Shon and I know what you need to get funding and you'll have some really strong pieces when it comes to the kitchen. But the food hub is a completely different beast. As an outside observer, I think the Ag Commission needs to spend more time thinking about its priorities and values regarding the food hub. Separate the kitchen from the hub as the two groups may not be on the same page just yet. The AG Commission needs to assess the potential buyers for the hub and we should focus on our expectations of the food hub model to communicate that back to Craig, Noah and their team.

Amanda: Who is submitting this grant? Ag Commission?, Town? Fitz? -

CH: MassDevelopment would be in the name of the Collaborative; we relied heavily on Sherrill to fill that out so it was a collaborative effort but I think it would have to be in the name of the Collaborative because we're a non-profit.

Amanda Huntington: So within that application process (for the seed money), was it outlined what the definition of the food hub was?

SR: It was the standard definition of a food hub per the USDA. After we got the seed money, the Ag Commission went to the Planning because the Board had money to implement the Master Plan. So we came to this through the Master Plan. We had heard about Holly Fowler through Coastal Food Shed and Tony Beattie, so we were figuring out how to present a food hub to the town. We succeeded in that; Holly has signed a contract with the town. So the money we placed on the table came through the town. I don't know if the Fitz wants to go back to MassDevelopment; I tried to secure matching grant money through the ARPA process.

Amanda Huntington: The business plan will bring together everyone's ideals about the kitchen and hub. Is there an end date?

CH: We have to submit their our final report and expenses by the end of June; wanted to get ahead of their deadline?

SR: The deadline for submitting for MassDevelopment is early July and our assumption is that Shon needs the market analysis data to do his operational and business plan. We were thinking we had to the end of April to finish the marketing analysis. And that Shon would have the month of May and part of June to write the operational and business plan but that there was a hard deadline by the end of June.

NT: I can put together a timeline that we can all agree on - Lucy and Sherrill can send Noah about the big pieces of what needs

SR: The Ag Commission would like to have a joint meeting with The Fitz Collaborative to review Holly's final report and we'd like to see how all of this comes out once Shon has submitted plans to The Fitz Collaborative.

Lucy: I like Tony's point about moving forward with the kitchen first. So we should take a good look at Holly's data and figure out how we work together.

HF: I agree with Lucy; we can revisit the SOW and timeline but it'll basically be a couple of weeks to clean the data. I think it would be a huge mistake to rush the business plan for the food hub; I think the commercial kitchen has been the priority anyway. The food hub will take more discussions after the market analysis is done.

ST: Would it be possible for us to get a look at the market analysis results before the meeting so we can digest it?

HF: Sure.

NT: Holly if you could send me the key dates for the timeline so that everyone's on the same page. Of course we're going to get a thorough interdisciplinary business model - will reflect everyone's objectives - so how the review process will go and the objectives -

LM: We can get together a list of clear objectives...

TB: My thinking is that by breaking the project down into smaller steps and having farmers working in the kitchen might help inform what a food hub might look like. If you get a successful kitchen going, it will attract others to a food hub.

NT: I agree - whatever we can do to push it forward as a resource.

SR: Holly, as part of the asset mapping, will you also provide some suggestions about funding sources? I'm concerned that we will have developed a lot of momentum through this process and then will come to a dead stop. Craig, I remember when we were talking with Jenny (Gingras) when we were reviewing the Stakeholder Engagement proposals, we were talking about when you were thinking about starting up the kitchen. You suggested 2023. What's your sense now? How do you see this rolling out?

HF: I'm happy to recommend federal, state and other funding sources. These sources are less ready to invest in capacity which will be the more costly (people to run it) but they are interested in funding shiny objects - the equipment. You need to think more about money for capacity: branding, selling, driving the business.

CH: It's still our plan for 2023. The issue becomes funding to get things started because we don't have the funds to do a \$100,000 matching grant as an example, but would like to get things going. Zoning and the longevity of our lease renewal is coming up in the not too distant future so that has to be negotiated and secured. Without the zoning and without the business, not comfortable to put a date out there...Holly may come back with a funding source that might launch it - or a path to pursue - that might help with pinpointing an opening day.

TB: Craig, you've pointed out all the hurdles but it helps to have a date in mind to focus the effort to achieve the opening day. Give us your optimistic and pessimistic dates?

CH: Pessimistic would be never; optimistic might be a year from now (or two) if all the stars are aligned.

Jenny Gingras: No questions it's really a great project and I know that a lot of residents are really excited about it so to her it's a no brainer. Zoning article is important.

Discussion ensued about AROD passing; alternative is MUOD.

Brittany: I support the Fitz's efforts and I see the commercial kitchen as a real asset to the community.

Motion to adjourn; Brittany moves to adjourn, Lucy seconded. Motion passed. Meeting adjourned at 9 PM.