



well as connecting specialty crop producers and processors with education and training related to food safety guidelines and production and processing best practices.

## PROJECT PURPOSE

### PROVIDE THE SPECIFIC ISSUE, PROBLEM OR NEED THAT THE PROJECT WILL ADDRESS

#### I. Issue

In rural South Central Indiana, due to gaps in the local food value chain, there is unmet consumer need and demand for healthy specialty crops grown by local farmers and healthy specialty crop products processed by local artisans. Local food value chain gaps are issues frequently faced by the specialty crop industry in Indiana and Midwestern rural communities. In the 46 Indiana nonmetro rural counties defined by the Office of Management and Budget, there are only 11 local retailers and grocery store locations according to the Indiana State Department of Agriculture's Indiana Grown map. Although specialty crop producers and processors exist in these 46 counties, they often struggle to connect with nearby consumers who could benefit from their goods, indicated by the small fraction of direct-to-consumer, wholesale, and value-added sales by producers relative to the whole of agricultural sales for a given area. As a value chain intermediary based in Orange County, Indiana, Lost River Market and Deli (Lost River) proposes this project to develop and strengthen local market channels for healthy, local specialty crops by coordinating demand and supply among local consumers, producers, and processors, as well as connecting specialty crop producers and processors with education and training related to food safety guidelines and production and processing best practices (see Exhibit D for definition of specialty crops). Lost River seeks to demonstrate a replicable model for other rural communities and regions where a small community owned retailer could act as a coordinating hub for a self-sustaining local food value chain while addressing the social needs of public health, food access, and economic prosperity.

This project is designed around the needs for three groups of beneficiaries: consumers, farmers, and artisans.

#### A. Consumers

Orange County typifies the acute consumer needs related to health and food access among many rural Indiana counties, particularly in the South Central Indiana region. In 2020, with a population of less than 20,000, the county ranked 69th out of 92 Indiana counties in terms of health factors. Among adults, the prevalence of diet-related chronic illnesses like diabetes (13%) and obesity (36%) exemplifies the consumer need for healthy food. Experiencing these health conditions can reduce quality and length of life, as people have to invest time and money into managing their symptoms while facing higher risks for other health complications. In response, the Orange County Health Coalition has prioritized "[fostering] an environment where people choose to incorporate healthy foods into their diet" as one of three goals in their community health improvement plan. Food insecurity compounds the need, as 2 of the county's 3 most populous communities, Paoli and French Lick, are defined as low income and low access by the United States Department of Agriculture (USDA). Additionally, the county has the 10th and 13th highest poverty rates in the state for all residents (14%) and children (21%), respectively. As a result, 43% of children receive free and reduced lunch. Consumers need market channels to access affordable, healthy food.

Evidence suggests there is unmet demand for healthy, local food among consumers, not only need. In 2020, Lost River assisted with a randomized clinical trial of a new produce prescription and cooking education program with 60 participants. Prior to the program, 83% of participants rated their health as "poor" or "fair," 28% ate a non-starchy vegetable less than once per week, and 25-50% experienced food insecurity depending on measure. Lost River also had 39 participants involved in a parallel program open to the community. With these tested and community supported market channels, Lost River will continue to engage new consumers. Beyond this program data, monthly Supplemental Nutrition Assistance Program (SNAP) usage illustrates potential demand for healthy, local food in the county. Although 13% of county households received a total of \$463,546 in SNAP in January 2021, it is estimated at least 98% of the funds were spent on goods that were not specialty crops grown or processed in the county. Of the county's 18 SNAP retailers, only Lost River and a local farmers' market significantly distribute local specialty crops. Shifting just 1% of monthly SNAP usage toward healthy, local food would amount to \$4,600+ cascading through the

local food value chain. This demand in the county aligns with demand in South Central Indiana, indicated by a report from Indiana University—Bloomington that names (1) selling local food where people buy food, (2) building greater access to locally grown food for the home consumer, and (3) increasing support for farmers selling local as the top three priorities for local food system development expressed by communities in the region.

## B. Farmers

Despite existent need and demand for local, healthy specialty crops, they remain unmet by supply from farmers due to barriers to demand-supply coordination through market channels, efficient and safe food transportation, and adoption of food safety and production best practices. Because the county's major specialty crop producers are Amish, who do not use modern communication or transportation technologies, demand-supply coordination requires culturally competent personal relationships by intermediaries like Lost River who have developed trust with the communities throughout years of in-person and on-farm interaction. Coordination comprises organizing demand among retail and wholesale consumers and directly communicating opportunities to farmers, even suggesting diversified planting across farms to decrease supply duplication. In 2020, Lost River's part-time value chain coordinator increased its annual purchasing of specialty crops from the Amish by \$13,000 (325%), indicating just the short term returns to an incremental investment in coordination. Additionally, food transportation must be provided by an intermediary, otherwise producers each transport food, likely without refrigerated vehicles. Until now, on a weekly basis Lost River transported food from up to 20 Amish farms using a non-refrigerated personal vehicle shared by a volunteer. A refrigerated vehicle intended to transport food and more personnel capacity would extend the "cold chain," improve efficiency, and reduce costs in aggregation and distribution for all value chain actors. Lastly, the Amish need technical assistance related to on-farm food safety and production best practices as they have limited access to traditional information channels provided through modern technology. Lost River has begun to connect Amish with Purdue Extension—Orange County for trainings, but further investment is needed to reach the broader population.

## C. Artisans

Consumer need and demand for healthy, local food could also be met by supply of specialty crop products made by local artisans, but artisans need access to shared equipment, technical assistance, and market channels to make their businesses viable. The artisan base has growth potential in, for example, local high school graduates or other residents engaging in entrepreneurship or farmers looking to diversify their revenue streams. Until 2020, a lack of availability of a certified commercial kitchen with shared equipment prohibited emerging artisans from launching and scaling if they did not have the resources to take on significant individual investment and risk. The new community kitchen in First Presbyterian Church needs to be promoted as a resource coming out of the COVID-19 pandemic. Additionally, food safety guidelines and processing best practices can be knowledge and skill barriers for those seeking to start a food venture, and consultation and training must be available to support business development. Lastly, without viable market channels for specialty crop products, artisans will not succeed. Experience suggests there is an untapped market for specialty crop products. Lost River promisingly piloted an "artisan box" in 2020, in which consumers subscribed to a weekly box of artisanal products, and Lost River hosted community meals and other events where artisanal products were used. Lastly, local restaurants, particularly those appealing to the tourists flowing into the county, attracted by the historic French Lick Resorts, present an untapped market for these artisans. Demand-supply coordination, similar to the effort among farmers, could advance artisanal businesses with respect to the local restaurant market.

## II. Lost River and External Support

As an experienced executor of grants, Lost River will lead this project, collaborating with a coalition of local partners. Since opening in Paoli in 2007, Lost River has attracted 1,207 member-owners and has active customer bases in Orange, Crawford, Lawrence, and Washington Counties. In fulfilling its mission—to serve the needs of local growers, producers, and consumers by providing goods, services, and healthy food choices at fair value—Lost River has cultivated partnerships with local and regional organizations, a sample of which are represented in the letters of support (see Exhibit B attached). In 2020, the Orange County Community Foundation directed funding to Lost River from the Lilly Endowment Inc.'s GIFT VII initiative, supporting farm-to-table community meals, a community healthy

food box and education program, certified kitchen development, and store capital improvements. Also in 2020, the Indiana University Center for Rural Engagement funded a randomized clinical trial of a produce prescription program, among other things. The cooperative model enables creative resource pooling to address social needs, which is particularly suited to rural communities where traditional sources of capital are less prevalent, substantial, and reliable. Expanding the scope of standard food retailer activities to include shaping the local food value chain, rather than accepting the gaps that exist, could show how this cooperative model is favorable for other rural communities.

### III. Implementation Strategy

Rooted in value chain coordination principles, the project objectives described below focus on establishing and strengthening local specialty crop market channels and connecting local farmers and artisans to resources that will increase their capacity for specialty crop production and processing. Value chain coordination, long supported by the USDA, is described as “a market-based approach to developing local and regional food systems that . . . includes the development of collaborative ties among businesses along the food supply chain, with the expectation that the economic position of these supply chain members improves.” Indiana University—Bloomington has fostered a movement that leverages this approach through the Indiana Value Chain Network, and Lost River will continue contributing to this statewide momentum in South Central Indiana.

The project timeline is attached (see Exhibit C).

#### A. Enhancing Specialty Crop Aggregation, Market Channels, and Distribution

This project will invest in value chain coordination professionals. A part-time Healthy Initiatives Coordinator (HIC) and a part-time Value Chain Coordinator (VCC) will conduct the bulk of this project. The HIC’s activities will include: organizing demand for local specialty crops among county restaurants, particularly those in French Lick where tourism drives the economy, building on recent experience selling to Speakeasy Pizza in Orleans, Indiana; launching two new farm stands in Paoli and French Lick where home consumers can more easily access healthy, local specialty crops; engaging new home consumers with health and food access needs in existing healthy, local food box programs; and promoting specialty crop consumption across the county through these market channels. The VCC’s activities will include: coordinating demand and supply of specialty crops for farmers and artisans; organizing food safety and production trainings; identifying local artisans who could create new value-added products with local specialty crops; onboarding artisans to the community kitchen resource; and supporting marketing of value-added products on shelves in Lost River. The VCC and other staff will use the refrigerated vehicle during growing seasons to aggregate specialty crops more efficiently and safely.

#### B. Connecting Farmers and Artisans with Education and Training

Leveraging trusted relationships, Lost River will connect Amish and other farmers with Purdue Extension—Orange County, who will deliver on-farm food safety and production technical assistance and materials (e.g., water testing kits) before each growing season to help farmers comply with food safety and production best practices. After engagements, Lost River and Purdue Extension will maintain communication with Amish to track adoption of best practices. For artisans, Lost River will promote the community kitchen as a resource and organize trainings and consultations related to food safety, processing, and marketing. On an annual basis, Purdue Extension—Lawrence County will deliver Serv Safe food safety trainings; Anna Hudelson, an experienced and certified local artisan, will deliver canning, pressure cooking, and fruit preservation classes; and Orange County Economic Development Partnership will connect local artisans with marketing and small business consultation resources. These wraparound services will support the success and sustainability of local artisans as they develop and produce specialty crop products for sale through Lost River and other market channels. This support will make their products attractive to consumers once on the shelves of Lost River and distributed through other market channels.

#### C. Impact

As the value chain intermediary between local consumers, producers, and processors, Lost River is positioned to improve the competitiveness of healthy, local specialty crops as evidenced by four of eight outcomes and their

indicators targeted by this grant. We anticipate that the mix of proposed activities will have ripple effects across the local food value chain, and improving local and regional public health, food access, and economic prosperity.

**PROVIDE A LISTING OF THE OBJECTIVES THAT THIS PROJECT HOPES TO ACHIEVE**

*Add more objectives by copying and pasting the existing listing or delete objectives that aren't necessary.*

**Objective 1:** Establish market channels between specialty crop producers and restaurant and home consumers by coordinating demand among area restaurants and matching with supply and developing farm stands in Paoli and French Lick.

**Objective 2:** Strengthen market channels for local, healthy food between specialty crop producers and clinical and home consumers by expanding nutrition prescription program; growing community cooking and nutrition education program; increasing store CSA distribution; and increasing store artisanal product sales.

**Objective 3:** Develop new specialty crop products and expand specialty crop product volume by linking artisans with specialty crop producers and processing resources.

**Objective 4:** Increase capacity and food safety compliance of producers to compound specialty crops aggregated, processed, and distributed to consumer groups.

**PROJECT BENEFICIARIES**

**Estimate the number of project beneficiaries:**.....3,200

**Does this project directly benefit socially disadvantaged farmers as defined in the RFA?** Yes  No

**Does this project directly benefit beginning farmers as defined in the RFA?** Yes  No

**STATEMENT OF ENHANCING SPECIALTY CROPS**

By checking the box to the right, I confirm that this project enhances the competitiveness of specialty crops in accordance with and defined by the Farm Bill. Further information regarding the definition of a specialty crop can be found at [www.ams.usda.gov/services/grants/scbgp](http://www.ams.usda.gov/services/grants/scbgp).

**CONTINUATION PROJECT INFORMATION**

**Does this project continue the efforts of a previously funded SCBGP project?** Yes  No

*If you have selected "yes", please address the following:*

**DESCRIBE HOW THIS PROJECT WILL DIFFER FROM AND BUILD ON THE PREVIOUS EFFORTS**

N/A

**PROVIDE A SUMMARY (3 TO 5 SENTENCES) OF THE OUTCOMES OF THE PREVIOUS EFFORTS**

N/A

**PROVIDE LESSONS LEARNED ON POTENTIAL PROJECT IMPROVEMENTS**

**What was previously learned from implementing this project, including potential improvements?**

N/A

**How are the lessons learned and improvements being incorporated into the project to make the ongoing project more effective and successful at meeting goals and outcomes?**

N/A

**DESCRIBE THE LIKELIHOOD OF THE PROJECT BECOMING SELF-SUSTAINING AND NOT INDEFINITELY DEPENDENT ON GRANT FUNDS**

The increase in sales of local specialty crops and specialty crop products due to this grant--from a baseline of \$46,920 to \$86,000 after the grant period--will cover the primary expenses need for sustainability: the purchases of local specialty crops and the part-time Healthy Initiatives Coordinator and Value Chain Coordinator (see Exhibit A attached). Lost River Market and Deli seeks to demonstrate a replicable model for other rural communities and regions where a small community owned retailer could act as a coordinating hub for a self-sustaining local food value chain while addressing the social needs of public health, food access, and economic prosperity.

**OTHER SUPPORT FROM FEDERAL OR STATE GRANT PROGRAMS**

The SCBGP will not fund duplicative projects. Did you submit this project to a Federal or State grant program other than the SCBGP for funding and/or is a Federal or State grant program other than the SCBGP funding the project currently?

Yes  No

**IF YOUR PROJECT IS RECEIVING OR WILL POTENTIALLY RECEIVE FUNDS FROM ANOTHER FEDERAL OR STATE GRANT PROGRAM**

**Identify the Federal or State grant program(s).**

N/A

**Describe how the SCBGP project differs from or supplements the other grant program(s) efforts.**

N/A

**EXTERNAL PROJECT SUPPORT**

*Describe the specialty crop stakeholders who support this project and why (other than the applicant and organizations involved in the project).*

Lost River Market and Deli has extensive external support from local and regional specialty crop stakeholders who are not directly involved in the project (see Exhibit B attached). These include Southern Indiana Community Health Care (a Federally Qualified Health Center and local nonprofit), the Orange County Health Coalition, the Orange County Community Foundation, and the Indiana University Center for Rural Engagement. These stakeholders understand that access to healthy, local specialty crops and specialty crop products is critical to advancing public health, food access, and economic prosperity in Orange County and South Central Indiana. Creating

sustainable and accessible market channels for healthy, local food will improve the prevalence of diet-related chronic illnesses among consumers, and farmers and artisans will experience gains in financial viability. These stakeholders recognize that Lost River Market and Deli has a track record of innovation in the local and regional food system. Further investment in developing the local and regional food system will accrue direct positive impacts to a broad base of beneficiaries, as well as indirect positive impacts to other rural communities who could replicate Lost River Market and Deli's emerging model in their own contexts.

## EXPECTED MEASURABLE OUTCOMES

### SELECT THE APPROPRIATE OUTCOME(S) AND INDICATOR(S)/SUB-INDICATOR(S)

You must choose at least one of the eight outcomes listed in the [SCBGP Performance Measures](#), which were approved by the Office of Management and Budget (OMB) to evaluate the performance of the SCBGP on a national level.

#### OUTCOME MEASURE(S)

Select the outcome measure(s) that are applicable for this project from the listing below.

- Outcome 1:** Enhance the competitiveness of specialty crops through increased sales (required for marketing projects)
- Outcome 2:** Enhance the competitiveness of specialty crops through increased consumption
- Outcome 3:** Enhance the competitiveness of specialty crops through increased access
- Outcome 4:** Enhance the competitiveness of specialty crops through greater capacity of sustainable practices of specialty crop production resulting in increased yield, reduced inputs, increased efficiency, increased economic return, and/or conservation of resources
- Outcome 5:** Enhance the competitiveness of specialty crops through more sustainable, diverse, and resilient specialty crop systems
- Outcome 6:** Enhance the competitiveness of specialty crops through increasing the number of viable technologies to improve food safety
- Outcome 7:** Enhance the competitiveness of specialty crops through increased understanding of the ecology of threats to food safety from microbial and chemical sources
- Outcome 8:** Enhance the competitiveness of specialty crops through enhancing or improving the economy as a result of specialty crop development

#### OUTCOME INDICATOR(S)

Provide at least one indicator listed in the [SCBGP Performance Measures](#) and the related quantifiable result. If you have multiple outcomes and/or indicators, repeat this for each outcome/indicator.

**FOR EXAMPLE:**  
**Outcome 2, Indicator 1.a.**  
Of the 150 total number of children and youth reached, 132 will gain knowledge about eating more specialty crops.

Outcome 1, Indicator 1  
Sales increased from \$46,920 to \$76,220 and by 62 percent as a result of marketing and/or promotion activities.

Outcome 2, Indicator 1  
Of the 150 children and youth reached: 100 will gain knowledge about eating more specialty crops, 100 reported an intention to eat more specialty crops, 100 reported eating more specialty crops.

Outcome 2, Indicator 2  
Of the 510 adults reached: 340 will gain knowledge about eating more specialty crops, 340 reported an intention to eat more specialty crops, 340 reported eating more specialty crops.

Outcome 2, Indicator 4

20 new specialty crops and/or specialty crop products introduced to consumers.

Outcome 3, Indicator 1

Of the 3,150 consumers or wholesale buyers reached: 250 gained knowledge on how to access/produce/prepare/preserve specialty crops, 250 reported an intention to access/produce/prepare/preserve specialty crops, 250 reported supplementing their diets with specialty crops that they produced/preserved/obtained/prepared.

Outcome 3, Indicator 2

Of the 50 individuals (culinary professionals, institutional kitchens, specialty crop entrepreneurs such as kitchen incubators/shared-use kitchens, etc.) reached: 40 gained knowledge on how to access/produce/prepare/preserve specialty crops, 20 reported an intention to access/produce/prepare/preserve specialty crops, 20 reported supplementing their diets with specialty crops that they produced/prepared/preserved/obtained.

Outcome 3, Indicator 3 d, f, i

Number of existing delivery systems/access points reached that expanded and/or improved offerings of specialty crops.

1 grocery stores

1 food hubs that process, aggregate, distribute, or store specialty crops

2 other systems/access points, not noted

Outcome 3, Indicator 4.e, i

Number of new delivery systems/access points offering specialty crops.

1 wholesale markets

1 other systems/access points, not noted.

Outcome 8, Indicator 1

5 new rural careers created

Outcome 8, Indicator 3

15 new jobs maintained/created

Outcome 8, Indicator 4

5 small businesses maintained/created

Outcome 8, Indicator 6

1 new beginning farmers who went into specialty crop production

Outcome 8, Indicator 7

1 socially disadvantaged farmers who went into specialty crop production

## MISCELLANEOUS OUTCOME MEASURE

*In the unlikely event that the outcomes and indicators above the selected outcomes are not relevant to your project, you must develop a project-specific outcome(s) and indicator(s) which will be subject to approval by AMS.*

## DATA COLLECTION TO REPORT ON OUTCOMES AND INDICATORS

*Explain how you will collect the required data to report on the outcome and indicator in the space below.*

Outcome 1

Indicator 1: Lost River will track transactions from consumers by item and market channel using its existing point of sale system. Lost River evaluates its sale performance daily, monthly, and annually with staff and board members.

**Outcome 2**

Indicators 1 and 2: Participant demographic information in the food box programs will be tracked at the point of program onboarding with existing processes and administrative forms. Indicator 4: New specialty crops and specialty crop products will be tracked in Lost River's existing inventory database using its existing inventory process. Indicators 1 and 2: Lost River staff will monitor results during each food box program period, which typically spans six weeks. Reporting will occur annually. Indicator 4: Inventory is managed daily, and progress will be monitored and reported on a quarterly and annual basis using existing processes.

**Outcome 3**

Indicators 1, 3, and 4: Lost River will track transactions from consumers by market channel, product, and vendor using its existing point of sale system. Technology from this grant will allow tracking at locations separate from the store. Indicator 2: Artisan information will be collected by survey during processing trainings. Indicators 1, 3, and 4: Lost River evaluates its sale performance daily, monthly, and annually with staff and board members. Indicator 2: Surveys from artisans will be monitored after each training.

**Outcome 8**

Indicators 1, 3, 4, 6, and 7: By working closely with growers and artisans and relying on previous inventory data, Lost River will identify how many farmers and artisans were beginning their ventures and how many were able to stay in business as a result of the grant and determine if they are classified as beginning or socially disadvantaged. Indicators 1, 3, 4, 6, and 7: This information will be monitored on a quarterly and annual basis during reviews of financials and inventory with staff and board members.

**BUDGET NARRATIVE**

*All expenses described in this Budget Narrative must be associated with expenses that will be covered by the SCBGP. If any matching funds will be used and a description of their use is required by the State department of agriculture, the expenses to be covered with matching funds must be described separately. Applicants should review the Request for Applications section 4.7 Funding Restrictions prior to developing their budget narrative.*

<b>Budget Summary</b>	
<b>Expense Category</b>	<b>Funds Requested</b>
<b>Personnel</b>	\$112,283.00
<b>Fringe Benefits</b>	\$21,335.00
<b>Travel</b>	\$1,053.00
<b>Equipment</b>	\$18,000.00
<b>Supplies</b>	\$4,860.00
<b>Contractual</b>	\$9,520.00
<b>Other</b>	\$3,000.00
<b>Direct Costs Subtotal</b>	\$170,051.00
<b>Indirect Costs</b>	\$5,101.53
<b>Total Budget</b>	<b>\$175,152.53</b>

**PERSONNEL**

*List the organization's employees whose time and effort can be specifically identified and easily and accurately traced to project activities that enhance the competitiveness of specialty crops. See the Request for Applications section 4.7.2 Allowable and Unallowable Costs and Activities, Salaries and Wages, and Presenting Direct and Indirect Costs Consistently under section 4.7.1 for further guidance.*

#	Name/Title	Level of Effort (# of hours OR % FTE)	Funds Requested
1	Brandon Query Bey, Healthy Initiatives Coordinator	50%	\$49,920.00
2	To Be Determined, Farm Stand Coordinator	690 hours	\$7,245.00
3	Pat Hall, Value Chain Coordinator	50%	\$49,920.00
4	To Be Determined, Community Kitchen Coordinator	495 hours	\$5,198.00

<b>Personnel Subtotal</b>	<b>\$112,283.00</b>
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## PERSONNEL JUSTIFICATION

For each individual listed in the above table, describe the activities to be completed by name/title including approximately when activities will occur. Add more personnel by copying and pasting the existing listing or deleting personnel that aren't necessary.

**Personnel 1:** They will organize demand for healthy, local specialty crops and their products among consumers; establish and expand market channels for greater access to specialty crops and their products; promote specialty crop consumption; and help manage the grant.

**Personnel 2:** For 23 weeks of the year, they will generally support direct farm stand operations; setting up and tearing down; processing transactions; engaging with consumers; and promoting healthy, local specialty crops and specialty crop products.

**Personnel 3:** They will coordinate demand and supply of specialty crops among farmers and specialty crop products among artisans; organize food safety and production trainings with contractors; and engage farmers and artisans in specialty crop and product development.

**Personnel 4:** For 33 weeks of the year, they will generally support direct community kitchen operations; overseeing and maintaining the kitchen space and equipment; scheduling artisans to use the kitchen; and managing product logistics between the store and kitchen.

## FRINGE BENEFITS

Provide the fringe benefit rates for each of the project's salaried employees described in the Personnel section that will be paid with SCBGP funds.

#	Name/Title	Fringe Benefit Rate	Funds Requested
1	Brandon Query Bey, Healthy Initiatives Coordinator	19%	\$9,485.00
2	To Be Determined, Farm Stand Coordinator	19%	\$1,377.00
3	Pat Hall, Value Chain Coordinator	19%	\$9,485.00
4	To Be Determined, Community Kitchen Coordinator	19%	\$988.00

<b>Fringe Subtotal</b>	<b>\$21,335.00</b>
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## TRAVEL

Explain the purpose for each Trip Request. Please note that travel costs are limited to those allowed by formal organizational policy; in the case of air travel, project participants must use the lowest reasonable commercial airfares. For recipient organizations that have no formal travel policy and for-profit recipients, allowable travel costs may not exceed those established by the Federal Travel Regulation, issued by GSA, including the maximum per diem and subsistence rates prescribed in those regulations. This information is available at <http://www.gsa.gov>. See the Request for Applications section 4.7.2 Allowable and Unallowable Costs and Activities, Travel, and Foreign Travel for further guidance.

#	Trip Destination	Type of Expense (airfare, car rental, hotel, meals, mileage, etc.)	Unit of Measure (days, nights, miles)	# of Units	Cost per Unit	# of Travelers Claiming the Expense	Funds Requested
1	South Central Indiana	Mileage	Miles	1,500	\$0.39	1	\$585.00
2	Goshen, Indiana	Mileage	Miles	600	\$0.39	1	\$234.00
3	Fort Wayne, Indiana	Mileage	Miles	600	\$0.39	1	\$234.00
4							
5							
6							
7							

<b>Travel Subtotal</b>	<b>\$1,053.00</b>
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### TRAVEL JUSTIFICATION

For each trip listed in the above table describe the purpose of this trip and how it will achieve the objectives and outcomes of the project. Be sure to include approximately when the trip will occur. Add more trips by copying and pasting the existing listing or delete trips that aren't necessary.

**Trip 1 (Approximate Date of Travel 05/2022):** Lost River employees will use their personal vehicles and distribute specialty crops to market channels in Orange, Lawrence, and Crawford Counties. Trips will average 25 miles/week for 20 weeks/year and improve efficiency and reduce distribution costs.

**Trip 2 (Approximate Date of Travel 03/2022):** A day trip to visit peer community kitchen operators in Goshen, Indiana will allow Lost River staff to learn best practices for managing community kitchens and engaging and supporting local artisans in developing and producing specialty crop products.

**Trip 3 (Approximate Date of Travel 03/2022):** A day trip to visit peer community kitchen operators in Fort Wayne, Indiana will allow Lost River staff to learn best practices for managing community kitchens and engaging and supporting local artisans in developing and producing specialty crop products.

### CONFORMING WITH YOUR TRAVEL POLICY

By checking the box to the right, I confirm that my organization's established travel policies will be adhered to when completing the above-mentioned trips in accordance with [2 CFR 200.474](#) or [48 CFR subpart 31.2](#) as applicable.

### EQUIPMENT

Describe any special purpose equipment to be purchased or rented under the grant. "Special purpose equipment" is tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000 per unit and is used only for research, medical, scientific, or other technical activities. See the Request for Applications section 4.7.2 Allowable and Unallowable Costs and Activities, Equipment - Special Purpose for further guidance

Rental of "general purpose equipment" must also be described in this section. Purchase of general purpose equipment is not allowable under this grant. See Request for Applications section 4.7.2 Allowable and Unallowable Costs and Activities, Equipment - General Purpose for definition, and Rental or Lease Costs of Buildings, Vehicles, Land and Equipment.

#	Item Description/	Rental or Purchase	Acquire When?	Funds Requested
1	Vehicle lease	Rental	5/2022	\$18,000.00

#	Item Description/	Rental or Purchase	Acquire When?	Funds Requested
2				
3				
4				

<b>Equipment Subtotal</b>	<b>\$18,000.00</b>
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## EQUIPMENT JUSTIFICATION

For each Equipment item listed in the above table describe how this equipment will be used to achieve the objectives and outcomes of the project. Add more equipment by copying and pasting the existing listing or delete equipment that isn't necessary.

**Equipment 1:** Personnel will use the vehicle to aggregate and distribute local specialty crops, overcoming the transportation and food safety barriers faced by Amish farmers, in particular, and achieving efficiency and reduced costs of aggregation and distribution.

**Equipment 2:**

**Equipment 3:**

**Add other Equipment as necessary**

## SUPPLIES

List the materials, supplies, and fabricated parts costing less than \$5,000 per unit and describe how they will support the purpose and goal of the proposal and enhance the competitiveness of specialty crops. See Request for Applications section 4.7.2 Allowable and Unallowable Costs and Activities, Supplies and Materials, Including Costs of Computing Devices for further information.

Item Description	Per-Unit Cost	# of Units/Pieces Purchased	Acquire When?	Funds Requested
Mobile purchasing system (laptop, wand, USB, Square, phone, Verizon service)	\$930.00	2	1/2022	\$1,860.00
Banners for farm stands	\$150.00	3	3/2022	\$450.00
Printing of "Harvest of the Month" materials	\$1.00	500	3/2022	\$500.00
Food demonstrations	\$100.00	6	3/2022	\$600.00
Brochures for Community Kitchen	\$400.00	1	3/2022	\$400.00
Social media promotion of store CSA with specialty crops	\$66.66	3	3/2022	\$200.00
Banners of farmers and artisans	\$50.00	8	3/2022	\$400.00
Radio ads for farm stands	\$100.00	3	3/2022	\$300.00
Social media promotion of fruit days	\$50.00	3	3/2022	\$150.00

<b>Supplies Subtotal</b>	<b>\$4,860.00</b>
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## SUPPLIES JUSTIFICATION

Describe the purpose of each supply listed in the table above purchased and how it is necessary for the completion of the project's objective(s) and outcome(s).

Mobile Purchasing System: Mobile purchasing systems are required to process transactions at distribution points apart from the brick-and-mortar retailer. The technology will integrate with the existing point of sale system that tracks transaction and inventory data.

Banners for farm stands: Marketing material to promote the purchasing and consumption of local specialty crops by home consumers at farm stands.

Printing of "Harvest of the Month" materials: "Harvest of the Month" materials distributed through our Community Nutrition Box programming bringing awareness to what produce is in season when in Orange County, IN.

Food demonstrations: Two demonstrations will be held each year either at the Community Kitchen or the Orange County Homegrown Farmers Market. These funds would go towards fliers and ingredients for the outreach events.

Brochures for Community Kitchen: Funds will be allocated to creating a detailed Community Kitchen Brochure, a Community Kitchen Brand and paid advertising on social media.

Social media promotion of store CSA with specialty crops: Each year we will promote the CSA across South Central Indiana via Facebook ads.

Banners of farmers and artisans: We will print banners of eight of our local farmers/Artisan makers to hang at the co-op and set-up at local events and farm to table dinners.

Radio ads for farm stands: Each year we will run ads on our local radio station promoting the new, local produce farm stands in Paoli and French Lick.

Social media promotion of fruit days: Throughout the year, Lost River hosts a variety of fruit days including peach day and strawberry. These funds would be used for paid advertising on Facebook and Instagram.

**CONTRACTUAL/CONSULTANT**

*Contractual/consultant costs are the expenses associated with purchasing goods and/or procuring services performed by an individual or organization other than the applicant in the form of a procurement relationship. If there is more than one contractor or consultant, each must be described separately. (Repeat this section for each contract/consultant.)*

**ITEMIZED CONTRACTOR(S)/CONSULTANT(S)**

*Provide a list of contractors/consultants, detailing out the name, hourly/flat rate, and overall cost of the services performed. Please note that any statutory limitations on indirect costs also apply to contractors and consultants.*

#	Name/Organization	Hourly Rate/Flat Rate	Funds Requested
1	Purdue Extension-Orange County	\$790.00	\$2,370.00
2	Purdue Extension-Lawrence County	\$1,250.00	\$3,750.00
3	Anna Hudelson	\$400.00	\$1,200.00
4	Orange County Economic Development Partnership (OCEDP)	\$1,000.00	\$1,000.00
5	First Presbyterian Church	\$400.00	\$1,200.00

<b>Contractual/Consultant Subtotal</b>	<b>\$9,520.00</b>
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## CONTRACTUAL JUSTIFICATION

Provide for each of your real or anticipated contractors listed above a description of the project activities each will accomplish to meet the objectives and outcomes of the project. Each section should also include a justification for why contractual/consultant services are to be used to meet the anticipated outcomes and objectives. Include timelines for each activity. If contractor employee and consultant hourly rates of pay exceed the salary of a GS-15 step 10 Federal employee in your area, provide a justification for the expenses. This limit does not include fringe benefits, travel, indirect costs, or other expenses. See Request for Applications section 4.7.2 Allowable and Unallowable Costs and Activities, Contractual and Consultant Costs for acceptable justifications.

**Contractor/Consultant 1:** Purdue Extension—Orange County will deliver food safety and production technical assistance to local farmers. The estimated \$790/year flat rate covers training labor, materials, and equipment. A quote will be requested during procurement.

**Contractor/Consultant 2:** Purdue Extension—Lawrence County will deliver ServSafe food safety trainings for local artisans annually. The estimated \$1,250/year flat rate covers training labor, materials, and equipment. A quote will be requested during procurement.

**Contractor/Consultant 3:** Anna Hudelson, a local artisan, will deliver canning, pressure cooking, and fruit preservation classes for local artisans. The estimated \$400/year flat rate covers training labor. A quote will be requested during procurement.

**Contractor/Consultant 4:** OCEDP will connect local artisans annually with technical assistance from Cook Center for Entrepreneurship and the Small Business Development Center. The estimated \$1,000 flat rate covers materials and promotion. A quote will requested in procurement.

**Contractor/Consultant 5:** First Presbyterian Church will provide space in the community kitchen each year for the trainings for local artisans described above. The estimated \$400/year flat rate covers the facility fee. A quote will be requested during procurement.

## CONFORMING WITH YOUR PROCUREMENT STANDARDS

By checking the box to the right, I confirm that my organization followed the same policies and procedures used for procurements from non-federal sources, which reflect applicable State and local laws and regulations and conform to the Federal laws and standards identified in [2 CFR Part 200.317 through.326](#), as applicable. If the contractor(s)/consultant(s) are not already selected, my organization will follow the same requirements.

## OTHER

Include any expenses not covered in any of the previous budget categories. Be sure to break down costs into cost/unit. Expenses in this section include, but are not limited to, meetings and conferences, communications, rental expenses, advertisements, publication costs, and data collection.

If you budget meal costs for reasons other than meals associated with travel per diem, provide an adequate justification to support that these costs are not entertainment costs. See Request for Applications section 4.7.2 Allowable and Unallowable Costs and Activities, Meals for further guidance.

Item Description	Per-Unit Cost	Number of Units	Acquire When?	Funds Requested
Stipends for participants in producer trainings	\$100.00	30	1/2022	\$3,000.00

<b>Other Subtotal</b>	<b>\$3,000.00</b>
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## OTHER JUSTIFICATION

*Describe the purpose of each item listed in the table above purchased and how it is necessary for the completion of the project's objective(s) and outcome(s).*

The stipends will support producers, such as Amish farmers, in participating in production and food safety trainings. The stipend amount also would allow producers to purchase the handwashing stations recommended by the trainings.

## INDIRECT COSTS

*The indirect cost rate must not exceed 8 percent of any project's budget. Indirect costs are any costs that are incurred for common or joint objectives that therefore, cannot be readily identified with an individual project, program, or organizational activity. They generally include facilities operation and maintenance costs, depreciation, and administrative expenses. See Request for Applications section 4.7.1 Limit on Administrative Costs and Presenting Direct and Indirect Costs Consistently for further guidance.*

<b>Indirect Cost Rate</b>	<b>Funds Requested</b>
3%	\$5,101.53

<b>Indirect Subtotal</b>	<b>\$5,101.53</b>
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## PROGRAM INCOME

*Program income is gross income—earned by a recipient or subrecipient under a grant—directly generated by the grant-supported activity, or earned only because of the grant agreement during the grant period of performance. Program income includes, but is not limited to, income from fees for services performed; the sale of commodities or items fabricated under an award (this includes items sold at cost if the cost of producing the item was funded in whole or partially with grant funds); registration fees for conferences, etc.*

<b>Source/Nature of Program Income</b>	<b>Description of how you will reinvest the program income into the project to enhance the competitiveness of specialty crops</b>	<b>Estimated Income</b>
Sales of local specialty crops and specialty crop products	The majority of program income will be reinvested in direct purchases of specialty crops from local farmers and purchases of specialty crop products from local artisans. Program income remaining will be reinvested in personnel, equipment, and supplies supporting specialty crop and specialty crop product aggregation, marketing, and distribution, and promotion of specialty crops and specialty crop products.	\$62,000.00

<b>Program Income Total</b>	<b>\$62,000.00</b>
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## Exhibit A: Projections for Financial Sustainability

	2021	2022	2023	2024	2025
<b>Income</b>					
In-store local specialty crops	10,000	12,000	13,100	14,641	16,105
Restaurants	1,200	2,500	3,000	4,000	5,000
Farm stands	4,000	8,000	9,000	11,000	12,945
CSA	20,720	22,792	25,071	27,578	30,450
Produce Prescription	1,500	2,800	3,200	4,100	5,000
Community Box	1,500	1,500	1,500	1,500	1,500
Artisan Box	5,000	6,600	7,766	8,900	10,000
In-store artisanal products	3,000	3,500	4,000	4,500	5,000
<i>Total Income</i>	46,920	59,692	66,637	76,219	86,000
<b>Expenses</b>					
Local specialty crop purchases	26,275	32,867	36,645	41,198	45,782
Healthy Initiatives Coordinator	20,000	20,000	20,000	20,000	20,000
Value Chain Coordinator	20,000	20,000	20,000	20,000	20,000
<i>Total Expenses</i>	66,275	72,867	76,645	81,198	85,782
<b>Net Income</b>					
<i>Net Income</i>	(19,355)	(13,175)	(10,008)	(4,979)	218

## **Exhibit B: Letters of Support**



Quality Healthcare, Close to Home

March 24, 2021

Indiana State Department of Agriculture  
1 North Capitol Avenue  
Indianapolis, Indiana 46204

Dear Proposal Review Committee:

I am writing on behalf of Southern Indiana Community Health Care (SICHHC) to express support for Lost River Market and Deli's application to the Specialty Crop Block Grant Program. The prevalence of diet-related chronic illnesses like diabetes (13%) and obesity (36%) exemplifies the consumer need for healthy food in the county. By increasing the access points and supply of local, healthy food, the Lost River Local project will cultivate an environment where it is easier for our patients to make healthy dietary choices.

SICHHC is a nonprofit Federally Qualified Community Health Center (FQHC), serving Orange and Crawford Counties. SICHHC has been a longtime supporter and partner of Lost River Market and Deli. In 2020, we collaborated with Lost River and Indiana University on a random clinical trial for a produce prescription program, involving 60 of our patients who experience diet-related chronic illnesses, primarily diabetes. Our collaboration has led to patients receiving healthy, local food with evidence-based cooking and nutrition education on a weekly basis. Preliminary data suggest this program succeeded in improving the healthy eating habits of our patients.

SICHHC intends to build on this foundation of collaboration, actively partnering on this project by:

- Referring new patients to the produce prescription program and promoting the community box program to other patients.
- Contributing funds or partnering to source funds for the purchase of healthy, local food for the produce prescription program, providing boxes of healthy, local food for our patients.

We are excited to partner with Lost River on this effort to strengthen to food system and public health, and for their continued leadership in Orange County and the South-Central Indiana region.

Sincerely,

Katarina Koch  
Fund Development Manager



# ORANGE COUNTY COMMUNITY FOUNDATION, INC.

1075 N Sandy Hook Rd, Suite #2 Paoli, IN 47454 (812) 723-4150

A MEMBER OF THE INDIANA PHILANTHROPY ALLIANCE

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## STAFF

Imojean Dedrick  
*Executive Director*

Cathy Hardin  
*Manager of Finance & Administration*

Destany Pingle  
*Program Associate*

March 15, 2021

Indiana State Department of Agriculture  
1 North Capitol Avenue  
Indianapolis, Indiana 46204

Dear Proposal Review Committee:

On behalf of the Orange County Community Foundation, I am writing to express our support for Lost River Market and Deli's application to the Specialty Crop Block Grant Program. The Lost River Local project seeks to build on the tremendous local food system's assets in Orange County with Lost River at their core, connecting local growers with new market channels, developing new local food products, and supporting local grower and artisan capacity. Beyond local growers and artisans, this project will benefit county residents who face barriers to accessing local, healthy food and food insecurities.

Already, the Orange County Community Foundation has been pleased to collaborate with Lost River on the implementation of a grant made possible by Lilly Endowment, Inc. beginning in 2019. We recognized that local food was a foundational pillar to the health and economic well-being of the county. This led us to invest in the establishment of a certified commercial kitchen while partnering with Lost River Market and Deli, and the Paoli First Presbyterian Church for their kitchen, the launch of county-wide farm-to-table dinners, and other local food programming. We wish to see the impact of these initial efforts continue to expand.

The Orange County Community Foundation plans to be an active partner in this project by,

- \*Contributing \$40,000.00 to fund the promotion and support of local growers and processors in our community for the rest of 2021,
- \*Promoting the community kitchen as a resource for local artisans interested in starting or scaling their food ventures,
- \*Supporting on-going initiatives already in place and new ones yet to come.

We are excited to partner with Lost River Market and Deli in this effort, and applaud their continued leadership in Orange County and the South Central Indiana region. We ask that you give this opportunity your full consideration

Sincerely,

Imojean Dedrick  
Executive Director



A Member of



Champion. Support. Connect.

*Building a better community....together.*

March 17, 2021

Indiana State Department of Agriculture  
1 North Capitol Avenue  
Indianapolis, IN 46204

Dear Proposal Review Committee:

It is with great pleasure that I write this support letter for Lost River Market & Deli. On behalf of Orange County Economic Development Partnership, I would like to express our support for their application to the Specialty Crop Block Grant Program. The Lost River Local project will propel the transformation of Orange County's food system, connecting local growers with new market channels, developing new local food products, and supporting local grower and artisan capacity.

Prior to the pandemic, Orange County was home to a thriving tourism economy and an annual food expenditure of \$60 million – a small percentage of which went toward local food. Despite the pandemic, Lost River has demonstrated resilience, maintaining and even expanding market channels for local farmers and artisans through their CSA, produce prescription program, and artisan box programs. This activity is a testament to the power of the local food system, and we would like to invest in its sustainability.

We see opportunity to grow the local food economy and plan to be an active partner alongside Lost River in the project by:

- Assisting with the coordination of educational opportunities. We have direct access to programs offered through regional partnerships and connections.
- Provide entrepreneurial assistance and guidance to local artisans interested in starting or scaling their food businesses.

We are excited to partner with Lost River on this effort, and for their continued leadership in Orange County and the South Central Indiana region.

Please feel free to contact me with any questions.

Sincerely,



Kristal Painter  
Executive Director



505. S Maple Street  
French Lick Indiana 47432



812-936-3388



info@ocedp.com  
ocedp.com/info



facebook.com/ocedp



## First Presbyterian Church Of Paoli

PO Box 87  
Paoli, In 47454

March 17, 2021

Indiana State Department of Agriculture  
1 North Capitol Avenue  
Indianapolis, Indiana 46204

Rev Bob Turner  
Moderator  
Jim Hudelson  
Clerk of Session  
Members of Session  
Judy Boyer  
Dr Judith Burton  
Larry Hollan  
Jim Hudelson  
Joe Kimmel  
Louis Strange

Dear Proposal Review Committee:

I am writing on behalf of First Presbyterian Church to express support for Lost River Market and Deli's application to the Specialty Crop Block Grant Program. The Lost River Local project will strengthen Orange County's health and well-being, connecting local growers with new market channels, developing new local food products, and supporting local grower and artisan capacity. Beyond local growers and artisans, this project will benefit local consumers who face barriers to accessing local, healthy food.

First Presbyterian Church has collaborated with Lost River by developing a certified community kitchen in 2020. The kitchen is intended to support local artisans in creating value-added products for their new and existing local food ventures. Because our facilities are next door to each other, our organizations have the potential to reduce barriers for artisans in accessing aggregated and unprocessed local food at Lost River, processing equipment in our church, and selling opportunities on shelves at Lost River.

First Presbyterian Church plans to be an active partner in this project by:

- Continuing to host the certified community kitchen site for this project.
- Promoting the community kitchen as a resource for local artisans.

We are excited to partner with Lost River on this effort, and for their continued leadership in Orange County and the South Central Indiana region.

Sincerely,

Jim Hudelson  
Clerk of Session

Community Kitchen Coordinator  
4475 N County road 100 W  
Paoli, IN 47454

March 19, 2021

Indiana State Department of Agriculture  
1 North Capitol Avenue  
Indianapolis, Indiana 46204

Dear Proposal Review Committee:

I am writing as a local food artisan and chef based in Orange County to express support for Lost River Market and Deli's application to the Specialty Crop Block Grant Program. The Lost River Local project will create opportunities for local artisans, like me, to develop new local food products while building capacity for compliance with processing and food safety best practices.

I mainly work on two projects that Lost River Market provides this community. One is Farm to Table, which is a way to showcase local foods, and talent to the people of the community. The other is Artisan boxes program, which provides the community a food box series that they can sign up to participate. Both of these programs need professional kitchens to prepare and cook the food. I, as kitchen coordinator, make sure the kitchen is scheduled out to those who need it. I also work with Debbie Turner to equip the kitchen with items for the chefs using it. For instance, we have a food processor, but when feeding 100 people for Farm to Table, we realized a bigger food processor would be needed. This paves the way for local chefs who might want to do catering events outside of the Lost River Market.

Artisan Boxes are a new project in 2020. We have three chefs who are in charge of the weekly items consisting of soups, breads, and preservatives. I am mainly in charge of the preservatives. I take the summer fruit and vegetables and preserve them, so that in mid-winter you can open a jar of Tomato Basil Jam and taste the summer tomatoes! This project I am particularly proud of, and I am using the kitchen to test and taste new recipes all summer long.

Since projects like the Artisan Boxes and Farm to Table were developed after we had the Community Kitchen space, future possibilities are endless and I look forward for what this community creates!

I am excited to continuing working with Lost River on this effort, and I hope other local artisans have the chance to develop their food ventures with investment from this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Anna Hudelson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Anna Hudelson



## Exhibit D: Specialty Crops

The goal during the grant duration is to increase the production, distribution, and consumption of local specialty crops. Lost River defines specialty crops as primary and secondary (see Table 1). Primary specialty crops are conventionally grown and will be distributed through new and existing market channels supported by the grant. Secondary specialty crops are not grown as frequently. The market channels supported by the grant will help increase demand for secondary specialty crops, and the grant will support vendors grow these specialty crops by coordinating planting, extending seasons, experimenting with new products, and developing new producers. For example, Morning Harvest, a hydroponic grower, experimented this past winter and developed three new greens to sell at Lost River—a package of assorted greens and two different leaf lettuces. In addition, Lost River has found several vendors providing just spring and fall products such as greens, radishes, turnips, kale and chard and will purchase more of these to fill all market channels. Another method of increasing production, distribution, and consumption of mostly core products is the development of value-added products using the Community Kitchen. Manufactured seasonal jams as well as pickled and fermented products, for example, will increase the usage and demand of local specialty crops.

**Table 1. Definition of Primary and Secondary Specialty Crops**

Primary	Secondary
<ul style="list-style-type: none"> <li>● Tomatoes</li> <li>● Potatoes</li> <li>● Onions</li> <li>● Peppers</li> <li>● Beans</li> <li>● Garlic</li> <li>● Cabbage</li> <li>● Zucchini</li> <li>● Lettuce and spinach</li> <li>● Cucumbers</li> <li>● Sweet corn</li> </ul>	<ul style="list-style-type: none"> <li>● Squash</li> <li>● Sweet potatoes</li> <li>● Radishes</li> <li>● Turnips</li> <li>● Beets</li> <li>● Carrots</li> <li>● Asparagus</li> <li>● Broccoli</li> <li>● Cauliflower</li> <li>● Spring and fall greens like bok choy, chard, collards, and mustard</li> <li>● All local fruits like apples, blackberries, blueberries, cherries, grapes, melons, raspberries, and strawberries</li> </ul>

## **Exhibit E: Fringe Justification**

For all personnel, the 19% fringe rate covers:

- Federal and state payroll withholding taxes
- Unemployment tax
- Employee discount for Lost River purchases