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September 16, 2009

County Commissioners,

On Tuesday, September 22, Eric Myers and I will be making a presentation in your afternoon session to address the future of the Lane County Events Center and to introduce other community members who support our vision for a regional agricultural and community resource center at the site. The specific purpose of this presentation is a request for the County's support to (1) determine the feasibility of a year-round farmers' market and minimum processing food distribution warehouse at the Lane County Events Center, (2) develop a business plan for operation of these facilities, and (3) prepare an implementation strategy for these facilities, including a conceptual site plan.

Eric and I have spoken to you many times over the last eighteen months about our idea to convert the Lane County Events Center into a regional agricultural and community resource center that would include an agricultural services office building in addition to the farmers' market and food warehouse. During the summer of 2008, Lane County Community Economic Development Coordinator Michael McKenzie-Bahr assisted us by hiring an intern to do some preliminary research on year-round farmers' markets' business models and rough cost estimates for building a market and agricultural office building at the Events Center site. In April of 2009, you graciously gave us a letter of support for a USDA grant application that would fund a preliminary master plan as well as a portion of a feasibility study for this project. (We hope to receive notice on the grant by the end of September.)

As you are all well aware, Willamette Valley agriculture is going through some especially difficult times right now. There has been a huge downturn in the grass seed industry and this has hit the south end of the valley hard. Though it would be difficult to predict exactly what the future holds for the grass seed market, it is fair to say that the grass seed industry in Oregon may never recover to the level it once enjoyed—and that many farmers in Lane County are looking for a new business model, a model that is very likely to include the production of wheat and other food crops. Our vision for the Lane County Events Center applies directly to this new model and should be considered part of a long-term economic development program designed to promote food production in the Willamette Valley, rebuild food system infrastructure, create jobs in the food production, processing, and sales sectors, and provide a measure of enhanced food security for the region.

It is clear that the county budget is under considerable strain, and that any effort to upgrade the Lane County Events Center in this economic climate must involve money and energy from others sources, such as federal grants or partnerships with like-minded private businesses or public organizations. Part of the work Eric and I have done in the last year and a half has been just that, seeking out potential partners.

Three of our potential partners will make brief statements during our presentation on the 22<sup>nd</sup>. Karl Morgenstern, EWEB's Drinking Water Source Protection Coordinator, will speak on behalf of EWEB's support of sustainable agriculture and markets for locally grown food. Lynne Fessenden, Executive Director of the Willamette Farm and Food Coalition, will speak about the results of the Oregon Solutions' Lane County Food Distribution Project, as well as ongoing public discussions regarding a year-round farmers' market in Eugene. Bob Parker, Director of the University of Oregon's Community Planning Workshop, will address what is involved in conducting a market analysis and feasibility study for the project, including the costs and when it could conceivably be completed. Morgenstern, Fessenden and Parker have all contributed written statements to this information packet.

Additional potential partners include: OSU/Lane County Extension Service, the Lane County Farmers Market, Solarc Engineering and Architecture, and the Oregon Partnership for Disaster Resilience. Representatives from these organizations have been asked to attend the meeting on September 22.

It should be noted that for quite some time the City of Eugene has been interested in a year-round farmers' market for the downtown area. In an effort to resolve any conflict of interest between the city and county, Eric and I met with Mayor Piercy and Commissioners Sorenson and Handy, City Manager John Ruiz, and Bob Parker in July to discuss the possibility of a partnership between the county and the city. The meeting was extremely positive and led to the suggestion that resources for a site-neutral market analysis and business plan could be pursued as a joint effort by the city, the county, and the University of Oregon. That meeting ended with Commissioner Sorenson asking that we make a presentation to the entire board of County Commissioners—thus prompting our presentation on September 22.

While a year-round farmers' market and food distribution warehouse have been identified as community needs, and both could conceivably be run at a profit and provide income streams to the Lane County Events Center site, we believe it prudent to verify the economic feasibility and potential of these proposed projects as a first step toward implementation. We request that the county consider partnering with the city of Eugene and the University of Oregon to pool resources and staff time to help us conduct a feasibility study, develop a business plan, and create an implementation strategy for both a year-round farmers' market and a food distribution warehouse. While our efforts have clearly focused on the Lane County Events Center site, we believe this project answers a larger community need and should the Events Center site not be available, other locations should be pursued. Thus we propose conducting a site-neutral feasibility study and implementation plan at this point in time. Please give this request serious consideration.

Thank you for giving us this opportunity to speak with you.

Sincerely,  
Dan Armstrong  
Eric Myers



## FEASIBILITY ANALYSIS FOR ESTABLISHING A YEAR ROUND FARMER'S MARKET IN LANE COUNTY

The objectives of this project are to (1) determine the feasibility of a year-round farmers market, food storage, and processing facility; (2) evaluate potential sites for the facilities (including the Lane Events Center); (3) develop a business plan for operation of the facility; and (4) prepare an implementation strategy for the facilities, including a conceptual site plan to host the facilities at the Lane County Events Center.

The University of Oregon is a potential partner in this project. The Community Service Center, partnering with the Center for Sustainable Business Practices and the Sustainable Cities Initiative could provide technical assistance to the County and various project partners. Our programs have a dual mission of providing technical assistance to organizations throughout Oregon and providing educational experiences to University of Oregon students.

### PROJECT APPROACH

This project has a variety of elements what can be roughly divided into three phases: (1) market and feasibility analysis; (2) site evaluation and design; and (3) implementation strategies. The discussion that follows addresses the first phase: market and feasibility analysis.

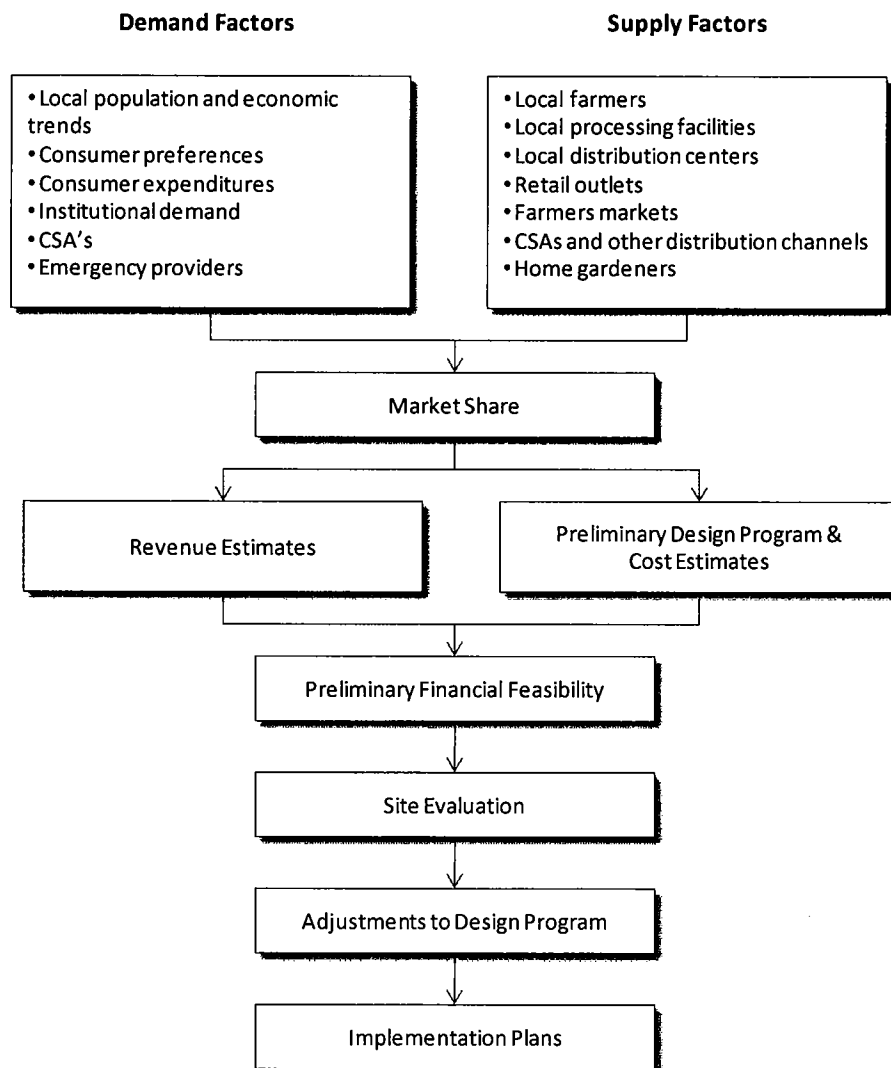
Market and feasibility analyses must consider both *demand* factors and *supply* factors that affect the use and financial viability of the proposed facility. CPW suggests a work program that addresses these relationships as well as providing basic information on the facility's design. A typical market and feasibility assessment will evaluate the following factors:

- **Demand Indicators** — Demand indicators include information about socioeconomic characteristics of the market area, consumer expenditures, and other local data. Secondary data sources are frequently supplemented with household surveys, interviews, or focus group meetings.
- **Facility Inventory**— This can be considered the supply analysis. The intent is to identify other local farmers market, food processing and storage facilities.
- **Analysis of Comparable Facilities** — The analysis of comparables can be thought of as “case study” research. The performance of similar facilities is very informative in modeling the performance of the proposed facility.
- **Conceptual Design Program** — The conceptual design program outlines the type, size, and characteristics of buildings needed to support the project. The design program can include specific sites, but it is not essential to have a specific site. This step is important in evaluating the facility's performance, as well as facility costs.
- **Financial Feasibility Assessment**— The last step is to conduct a preliminary feasibility analysis. The assessment is based on the facility *as proposed*. It should include construction, operating,

and maintenance cost estimates as well as use and revenue forecasts. Feasibility assessments often present a *break-even* analysis.

Figure 1 shows a conceptual diagram of CPW's suggested research methodology. The reader should note the relationship between supply and demand factors in determining the market share that the proposed facility would capture. The figure primarily addresses the market analysis portion; the study should also include implementation strategies that evaluate potential retail and wholesale strategies as well as strategies around developing agricultural infrastructure and local producers.

**Figure 1. The Market and Feasibility Analysis Process**



For more information, contact:

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## EWEB's Healthy Farms Clean Water Program

June 2009

The Eugene Water & Electric Board (EWEB) and its partners seek to create regional market place that promotes water-quality protection and agricultural opportunities in the McKenzie River watershed and ultimately the Willamette River Basin. As oil prices continue to increase and uncertainties associated with the affects of peak oil create economic instability, regional agriculture will be relied upon to provide food and materials to nearby cities. At the same time, uncertainties associated with climate change threaten the long-term reliability of the nations drinking water sources. The Healthy Farms Clean Water Program promotes a healthy regional agro-economy while protecting the source of drinking water for over 260,000 people.

This core of this effort is to promote locally grown food, preferably using organic or sustainable certified practices, for local/regional markets. The following is a summary of these efforts to date:

### **Assistance to Farmers**

EWEB provides a variety of assistance and support to growers in the McKenzie Watershed to reduce chemical use along the McKenzie River through the following initiatives:

- ♦ Free soil sampling and analysis to allow for better management of fertilizer applications.
- ♦ Free organic certification to farmers who transition to Oregon Tilth Certified practices.
- ♦ In 2007/08 EWEB assisted growers in removing and disposing of more than 44 tons of obsolete agricultural chemicals from the McKenzie and Middle Fork Willamette watersheds. If requested, EWEB will work with growers to remove unwanted chemicals from farms.
- ♦ Work with Cascade Pacific RC&D to support conducting farm energy audits, energy efficiency work and development of renewable energy solutions.

### **Local Food**

In an effort to increase the economic health of local farmers and provide greater security to Eugene's food supply, EWEB is involved in the following activities to open local markets to local farmers.

- ♦ EWEB sponsors the annual *Local Food Connection* (next event is Feb. 2, 2009), a networking event designed to support local food production by bringing farmers and buyers together in a "matchmaking" environment.
- ♦ EWEB is working with the following partners to conduct activities that support and encourage local food production:
  - Ecotrust (in Portland) and Willamette Farm and Food Coalition: to fund and coordinate efforts to setup an online business to business marketplace in Eugene that catalyzes wholesale-direct buying and selling of locally produced food and provide farmers access to efficient local food distribution network.

- Good Company: to conduct a market assessment of buyers, distributors, and wholesalers interested in participating in local food markets.
- Willamette Farm and Food Coalition: to implement an online directory of local farmers and buyers that feeds the online marketplace being developed with Ecotrust and others.
- Ecotrust, Willamette Farm & Food Coalition and Governors Oregon Solutions Team: to bring a cross-section of experts together to solve transportation, processing and food storage issues relating to getting local food to institutional buyers like school districts, hospitals, universities and community colleges.
- Willamette Farm & Food Coalition and other partners: to establish a food storage and distribution center that would solve some of the issues identified as part of the Governor's Oregon Solutions project and dovetail with the Food Hub on-line market place effort to allow more efficient delivery and pick-up of online orders.
- City of Eugene and other partners: to assess food security as part of the sustainability commission efforts and develop a scoping document as to how Eugene can leverage existing activities that directly relate to increasing food security for our community.

### **Protection/Restoration of Farmland**

EWEB is pursuing opportunities in the McKenzie Watershed to increase restoration and protection of riparian areas (land adjacent to water bodies) to provide critical habitat to fish and other animals, shade to reduce water temperatures and vegetation buffers to treat chemical runoff from farm fields, roads, parking lots and other sources.

- ◆ EWEB helps growers in the McKenzie Watershed to become eligible for participation USDA conservation program that rewards farmers for exceptional stewardship with payments and assists with transitioning to organic farming.
- ◆ EWEB is working with a number of partners to acquire farmland that is threatened for development and turn it into demonstration farm(s) to show conversion from pasture or conventional farming to organic crop production that supplies local markets, protects habitat and riparian areas and makes use of renewable energy and efficient irrigation. The idea is to pass on what is learned from this conversion to other farmers so they can have a good idea of costs and potential problems with implementing some of these measures on their farms.
- ◆ EWEB is working to better understand the ecosystem marketplace, which will potentially allow farmers to sell temperature, carbon, or other mitigation credits for protecting/conserving riparian areas, wildlife habitat, or forests.

### **Contact Information**

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# **Willamette Farm and Food Coalition**

*Connecting Farmers and Consumers in Lane County*

[www.lanefood.org](http://www.lanefood.org)

## **Mission**

The Willamette Farm and Food Coalition facilitates and supports the development of a secure and sustainable food system in Lane County; one where our farms and food businesses are ecologically and economically viable, and all community members have access to local foods.

## **About**

We believe that a strong local food system contributes to the integral health of our entire community and we work to facilitate greater understanding of the social, economic, and environmental impacts of our food choices. WFFC promotes the purchase of locally grown and produced foods to keep valuable agricultural land in production, to ensure the economic viability of farms, to benefit public and environmental health, and to strengthen our local economy.

Our accomplishments include: publishing the annual *Locally Grown* guide, now in its 6<sup>th</sup> year, that directly connects consumers and farmers (30,000 distributed per year); pioneering a Farm to School program that has successfully brought more nutritious locally produced foods to Lane County schools; and partnering with FOOD for Lane County to hold a county wide Food Summit and to found a regional Food Policy Council in 2006.

## **Oregon Solutions Lane County Food Distribution Project**

WFFC partnered with EWEB in hosting a series of round table discussions in early 2009 that brought farmers, distributors and institutional food buyers together to address some of the barriers to getting local foods into our schools, colleges, and hospitals.

### **Identified Needs:**

- 1) Aggregation site with refrigerated storage  
(Schools and colleges cannot accept deliveries from multiple farms, and most small farms do not have enough on site refrigeration to store the volume of crops that schools need)
- 2) Minimal processing facility  
(Many schools now have limited kitchen staff and need to receive produce that is pre-cleaned, peeled and chopped)

## **Year-round Farmers' Market Discussions**

WFFC has hosted a series of multi-stakeholder discussions in the last year to explore the possibilities of starting a year-round Farmers' Market and creating or finding a permanent structure to house it.

### **Identified Needs:**

- 1) Year round access to locally grown foods
- 2) A permanent home for the farmers' market (with both open air and covered options, and space that can be used for other community events)
- 3) A location with abundant parking and easily accessible by bike and mass transit