

Regional Food Business Center-South Dakota

CSDED Regional Action Plan

The purpose of this Action Plan is to direct the implementation of a regional food value chain per assessed needs and opportunities derived from public and industry engagement. The Action Plan identifies how the assessment was conducted, goals, and action steps that articulate who, what, where, when, and how the region will benefit small and mid-sized producers, aggregators, distributors, processors, and food access points that sell into all types of markets. This plan will be published on the Central South Dakota Enhancement District website and referenced in future funding proposals that seek investments aimed at achieving the Action Plan goals.

Introduction: The USDA's National Agricultural Statistics Service reported 29,400 farm operations throughout the state of South Dakota in 2022, totaling 43.2 million acres of farmland. A few organizations that serve the local food value chain include farmer's markets, specialty producers, food processing businesses, local bakeries and restaurants, hobby farms, food pantries, and food banks.

Assessment Engagement

Central South Dakota Enhancement District, along with the five other planning districts in the State of South Dakota, have created a system of cooperation that covers the entire State. Through this system, the planning districts will coordinate and provide technical assistance with other food value chain organizations such as Specialty Producers and the Value-Added Ag Development Center. Coordination amongst these agencies will help reduce duplication and redundancies in outreach, research, marketing, surveying, and technical assistance work byproducts. Coordination efforts took place between the months of July through September 2023, through a series of online and in-person meetings; all six planning districts' leadership and key staff were present.

After completing a thorough list of possible food value chain stakeholders in our specific regions, we conducted outreach through emails, phone calls, social media, and surveys as our first step in collecting information needed to create an Action Plan that will address the needs of each region. Through this initial outreach, we were able to gauge interest in the RFBC program for each region and then further define if the resources available through the planning districts, Specialty Producers Association, Value-Added Ag Development Center, SBDC, revolving loan funds, and other business resource partners would be sufficient to address the needs.

Preliminary public and individual engagement guided the creation of an online survey which was disseminated to those involved in the food industry, local governments, chambers of commerce, and economic development organizations. Paper surveys were also available upon request and during follow-up calls. The questions in the survey covered multiple topics including the need for policy changes at the local/state/federal level, barriers/gaps present in the food value chain, necessary/needed infrastructure, training, and equipment for processing/producing, and sharing ideas for new or improved programs.

Continued Engagement

Response to the interest generated from the initial outreach and setting up meetings will help CSDED understand the needs of the local food value chains in our region. It has also identified the need to continue those initial conversations in order to direct our resources (staff time and technical assistance) to those producers, aggregators, distributors, and processors that would benefit from the Wealth Creation assessment to better define gaps in the food value chain. To accomplish this the CSDED will host up to ten public engagement sessions (one per county), to help educate others and learn for ourselves about the deficiencies in our current food value chain.

In addition to public engagement as time permits, we will participate in onsite tours and analysis of farms and businesses to gain a better understanding of their role in the food value chain system. We anticipate these meetings will highlight the areas where problems are apparent in the local food supply chain in Central South Dakota.

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Value Chain Map

Products

- Products and services the value chain will provide.
 - Locally and regionally produced foods

Demand Partners

- Self-interested buyers
 - Restaurants, institutions, and other systems
- Demand for the product
 - Grocery stores, online, processors, specialty stores, and markets

Functions Connecting Supply to Demand

- Different functions necessary/needed to connect the product to the demand
 - Storage facilities, processors, and processing facilities (commercial kitchens)
 - Distribution network
 - Delivery/transportation from facilities/processors to demand partners

Support Partners

- Removing barriers and procuring resources
 - Financing programs, grants, loans
 - Planning Districts, SDSPA, VAADC, SBDC, SDDANR, SDSU Extension
- Types of support necessary for a well-functioning value chain
 - Local governments involved in policy/ regulatory
 - Local producers/co-ops
 - Connection to networks and other resources
 - Marketing/public engagement

Rules/Regulations

- Rules, regulations, and policies relevant to the value chain
 - Local, State, and Federal regulations, policies, certifications
 - Institutional policy

Goals and Action Steps

Goal - Continue to assess the CSDED region to find new ways to do local food business.

The short period of time for the initial assessment of the CSDED region skimmed the surface of the knowledge base within the local foods industry to gain an understanding of the needs of those who will benefit from the program. Initial assessment was conducted during the harvest season making it difficult to reach producers and their partners.

Strategies

- Continue to conduct research
- Continue Public engagement
- Continue to survey and assess the public, producers, and relevant stakeholders.

Action Steps

- CSDED Staff will initiate and continue engagement with members of the CSDED Board, the public, local producers, and industry leaders
- Timeline: October 2023- October 2028
- Continue to assess the needs of the region as the value chain changes due to growth.
- Needs:
 - May need assistance from local Economic Development Organizations to help engage the local communities.
 - Meeting space for large Groups
 - Advertising for better attendance
 - Survey and assessments

Goal - Advance the knowledge of the food value chain within local communities to advance the industry utilizing Wealth Creation.

Strategies

- Outreach and follow-up
 - Continued conversations with local entities and local interested parties.
- Advertise and Promote opportunities.
- Host Wealth Creation seminars through the CSDED region to continue to advance the knowledge of the region.

Action Steps

- CSDED staff will organize meeting locations, provide educational materials, and facilitate seminars.
- Work with existing partners to help facilitate
- SDSU Extension, VAADC, SDSPA, and other technical providers
- timeline: November 2023- June 2028
- Needs:

- Engage with local EDOs, Chambers, and lenders, to assist in engaging private industry and stakeholders, advertise and market, and find meeting space in rural communities.

Goal - Market RFBC to the CSDED region by connecting producers and stakeholders to technical assistance.

Strategies

- CSDED staff will engage with producers and stakeholders to:
 - Partner with SD Small Business Center for assistance for those who need to formulate/update business plans
 - Assist producers with needs for processing, aggregation, storage, and transportation resources.
 - Assist with funding packages for the new producer/business
 - startup costs, initial labor cost, and machinery
 - assist the seasoned Farmer/producer
 - funding packages to update/upgrade machinery
 - funding packages to assist with labor costs due to growth
- Infrastructure to build the middle of the value chain
 - Assist with planning and funding packages to support.
 - Implementation and funding assistance within the middle of the value/supply chain. processing facilities, commercial kitchens, storage facilities particularly cold storage, and transportation.

Action Steps

- Business planning
- Assist with funding packages for the new producer/business
 - startup costs, initial labor cost, and machinery
 - assist the seasoned Farmer/producer
 - funding packages to update/upgrade machinery
 - funding packages to assist with labor costs due to growth
 - other opportunities that may fit within the RFBC programming
- Grant writing for both new business and established.
- Loan applications for both new business and established
- Time frame: November 2023-June 2028