



OST Memorandum

TO: Open Space and Trail Board
FROM: Paul Holsinger, Agriculture and Conservation Easement Administrator
SUBJECT: Emma Open Space Structure Recommendation
DATE: November 1, 2018
CC: OST Staff

Development of an agricultural structure on the Schoolhouse Lease Area of Emma Open Space is being considered on this Pitkin County Open Space and Trails property. At the June 7, 2018 OSTB meeting the OSTB gave approval to contract a firm to develop design options and cost estimates for a range of agricultural structures that would meet the needs of the Schoolhouse lessee, Two Roots Farm, and research any additional funding strategies to develop the structure. OST staff have obtained enough information to bring a recommendation to the OSTB.

Background

Two Roots Farm was awarded the lease for the South Lease Area and Schoolhouse Lease Area for a term of 10 years earlier this year. The lessee will need access to a structure and utilities to clean, pack and store produce and for protection from the elements, cold storage, a hand-washing sink, seed storage, animal feed storage, tool and equipment storage, and office space.

Two Roots Farm requested an on-site structure to allow them to grow and supply their product to the community. Many public comments received through the Emma Open Space Management Plan process highlighted local agricultural, organic production, and young and beginning farmers. OST staff anticipated that infrastructure would be needed to fulfill this public desire and specifically addressed this in the management plan under section 4.2.2:

4.2.2 Agricultural Structures and Improvements

Agricultural Structures - The conservation easement for Emma Open Space allows for the installation, repair and maintenance of water wells, irrigation systems, ponds, streams and irrigation ditches and agricultural outbuildings, such as a livestock or hay barns, tool sheds and greenhouses, with grantee approval. OST staff and the lessees will work with the Roaring Fork Conservancy (conservation easement grantee) to determine locations and allow the lessees to develop the listed improvements on their lease areas to fit their needs. Permanent improvements proposed by lessees may be cost-shared by OST on a case-by-case basis. Maintenance of improvements will be included in the lessee's annual operating plan.

Food Safety and Modernization Act (FSMA) will require producers at Two Roots Farm size scale to comply with FSMA regulations starting in 2020. These provisions include safe and adequate sanitary water and buildings that “facilitate maintenance and sanitary operations”, i.e. washable surfaces and adequate drainage.

The structure and infrastructure are needed for an organic produce operation and to comply with

FSMA. The well and electricity were developed this spring and have been utilized by Two Roots. OST staff conceptually evaluated the structure for compliance with the guiding documents and found that the structure was not prohibited in the Conservation Easement overlaying the property and is allowed in the management plan. This type of new development has never been pursued by the OST department or an agricultural lessee, and so, a public process took place to gauge public support.

The public comment period was open for 45 days and allowed the public to comment through the Pitkin OST Projects website. OST received 109 comments through the website and accepted further comment from the Emma Caucus on May 9th. Options showing what a structure could look like on the property were presented and the Public were given the opportunity to submit which option they felt was appropriate. Survey results were ultimately broken down into two categories based on if the participant was in favor of a structure or not in favor. When broken down this way 90.8% of respondents are in favor of a structure on the property and 9.2% are not in favor.

These results were presented to the OSTB on June 6, 2018. The OSTB recommended to move forward with assessing an agricultural structure on Emma Open Space and make \$10,000 available to hire consultants to contract a firm to design options and develop a cost estimates for a range of scenarios. OST staff would also research funding strategies including county funded, privately funded, combination, etc...

Structure Options

Michael Thompson, architect and local foods advocate, was contracted to develop cost estimates and present design options. Michael will present at the November 1st meeting and discuss features that are needed to comply with FSMA and some options that could be incorporated. Michael will present the options in more detail but as a preview the three options include;

- 1) Semi-Temporary Sheds – Two Roots has already placed a 12’x24’ temporary shed to serve their most basic needs. This option would place two more sheds, matching the existing shed color and design. This options overall budget is estimated at \$122,000.
- 2) Pre-Fabricated Barn – Morton Buildings, a national pre-fab building producer, has constructed similar agricultural structures in the Emma area and was contacted to provide a quote. This option is a permanent ~1,700 square foot structure. Morton Buildings quote includes the cost of constructing the basic structure but not the foundation. This option is estimated at \$441,000.
- 3) “Stick Built” Barn – Much like the Morton option, this would be a ~1,700 square foot structure but would be built by a local contractor. A formal bid has not come in but through initial conversation, the contractor believed he could complete the work for under \$441,000.

Both of the permanent structures would also allow for a community value-added commercial kitchen space for other producers to utilize for items such as jams, jelly, pickled products, etc... Two Roots has agreed to manage the space if the option comes to fruition.

Financial Considerations

Both OST and Two Roots want to be as fiscally responsible as possible while also developing something that will allow food production to be expanded.



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- **Grants** - OST staff were able to find several grants that could apply to an agricultural structure. The two most applicable grants are the Sustainable Agriculture Research & Education - Farmer / Rancher Grant, and the Value-Added Producer Grant Program. The current issue with these and other grants right now is that they are funded through the Farm Bill which has not been approved by the federal government. Once a better idea of what funding is available OST staff can investigate and pursue.
- **Two Roots Investment** – Since obtaining the lease in February this year, Two Roots has made significant investments into the property and their own operation to utilize Emma Open Space. Two Roots Farm estimates that they have either personally or leveraged funding to invest over \$100,000 to utilize Emma Open Space. Two Roots has done this through investing personal savings, taking out loans, and obtaining grants from the Natural Resource Conservation Service to cost share improvements. Two Roots would further invest and pay for additional utility work, equipment, freezers, wash facilities, etc... once the structure(s) was developed.

Expense	Cost
Deer Fence	\$13,372
Organic Compost	\$7,960
Organic Soil Amendments	\$1,170
Permanent Irrigation System	\$42,180
Soil Tests	\$327
Cover Crop/Grass Seed	\$135
Organic Certification	\$1,500
Seed Start House	\$7,136
Hoop House	\$16,167
Wash/Pack Shed	\$16,862
Walk in Cooler-Shed	\$2,592
Culvert	\$75
Total	\$109,476

Recommendation

Each of the options have positive and negative attributes to consider. The more expensive options allow for more of a community asset and will support other producers; the smaller scale option can be installed much quicker and is financially more feasible, but only supports the leaseholder of that area.

OST staff is recommending the semi-temporary shed option and budget for \$130,000 to cover our best estimate and account for any unanticipated costs. This option is more cost effective, easily installed, less impactful, and meets the needs of the lessee. Staff will continue to monitor the status of any available grants to offset costs and pursue if the opportunity is favorable. As stated above, Two Roots is committed to cost sharing the development through improvements and payments for additional utility work, equipment, freezers, wash facilities, etc. once the structures are developed. An appropriate lease rate will be set after the cost share is determined and will be based on similar public and private rates.

Attachments

- A. Structure Renderings

Permanent Structure Option

