



FOOD HUB **START UP** GRANT

- Funding request—One-time funding of \$275,000
- Purpose—Provide a small percentage of the start-up capital needed by a private entity or cooperative to open a locally sourced food aggregation and distribution business
- How will it work?
 - Grant criteria will be established by UDAF
 - RFP will be created and posted
 - Selection Committee will be formed
 - One or more grants (\$250,000 total funding) will be awarded to be used in the creation of a local food hub somewhere within Utah

Local food hubs are fresh and processed food aggregation and distribution centers that focus on locally grown and produced food. Conversely, most food distribution companies that operate locally are actually bringing in most or all of the food they sell to their wholesale food service providers and grocery stores from around the country and the world. Clients for a food hub include schools and school districts, restaurants, cafeterias and in-house food service providers at hospitals, universities and corporations, senior care facilities, day care facilities, etc. A food hub is a distribution warehouse with dry, room temperature storage, a large walk-in refrigerated cooler a walk-in freezer, and one or more specialized delivery trucks/vans for pick-up and delivery. Many food hubs are now also offering at least basic processing of raw agricultural products to make those products easier to sell to food service organizations.

A \$250,000 one-time Legislative appropriation is requested to create a Local Food Hub Startup and Development Fund to provide grant seed money to contribute to food hub start-up costs.

FOOD HUB **FACTS**

- A Food Hub is a private business operation
- Average Food Hub costs \$1.5 Million to launch