

**FUNDS FOR IMPROVING SYSTEMS OF TECHNICAL AND BUSINESS ASSISTANCE
FOR AGRICULTURAL AND AG RELATED BUSINESSES**

**Funds Available: \$300,000 total; \$75,000-\$150,000 per project
Proposals Due: October 27, 2010**

The Vermont Agriculture Innovation Center (AIC) was created in 2009 when Senator Patrick Leahy secured \$469,000 in funding through the USDA's Agriculture Innovation Demonstration Center program. The goal of the Innovation Center program is to fund state-based Agriculture Innovation initiatives that provide technical, marketing and organizational development services to value-added agricultural businesses. Value-added businesses include farms that do some level of processing for raw products, alternative production (e.g. organic), diversified farming, or local foods marketing. The AIC is chaired by the VT Secretary of Agriculture Roger Allbee and directed by 13 board members, representing food system components and primary agriculture sectors of the state of Vermont. For FY 2010, Senator Leahy has secured one million dollars for the Vermont Agriculture Innovation Center to continue its work and disburse funds to strategically enhance value-added agriculture in the state of Vermont. FY 2010 funding will be available in five high-leverage project areas, including **Improving Systems of Technical and Business Assistance for Agricultural and Ag Related Businesses.**

The last several years have witnessed a significant increase in planning processes for Vermont's agricultural development and a sentiment among service providers, producer groups, community organizations, and funders that more collaborative action is needed around strategic priorities. The Agriculture Innovation Center (AIC) Board has identified the following project area - Improving Systems of Technical and Business Assistance for Value-Added Agricultural and Ag Related Businesses - as being of key importance and also advancing the value-added agriculture goals of the USDA's Agriculture Innovation Demonstration Center program. **Activities pertaining to general agriculture production without a value-added strategy or focus are not eligible for funding.**

The Vermont Agriculture Innovation Center will make \$300,000 available from 2010 USDA-RD funding for service providers that represent organizations, businesses, and/or individuals who are building or improving systems of value-added technical and business assistance. These recipients must demonstrate how producers will be directly assisted by the activities being funded, and recipients may apply funds towards providing this direct assistance, but AIC will not hold contracts for direct services provided to producers in this funding category. Funding for organizations, businesses, and individuals who are building or improving systems of technical and business assistance will be provided in the following areas:

- Value Added Technical Assistance
 - On-farm technical assistance
 - Farm transitions from commodity to value-added production
 - Target is existing farms to transition to value added production
- Capital and Creative Financing
 - Training for technical assistance providers on unique and emerging funding sources
 - Specialized assistance for new & beginning farmers and current businesses in transition
 - Services that increase farmers' access to capital

- Advanced Business Technical Assistance – training and or technical assistance
 - Advanced educational opportunities in
 - Business Analysis
 - Financial Analysis
 - Feasibility of Business Diversification / Changes
 - Marketing – accessing expanded and new markets
 - Increasing established business’ access to assistance that matches their level of business complexity and experience

Vermont would benefit from closing the gaps in both services provided and producers served with technical assistance that could shorten the time to start-up of value-added agricultural businesses which could increase the likelihood of ongoing success for all businesses.

Eligible Applicants:

Applicants must be service providers and demonstrate capacity for far reaching impact through either the applicant’s territory, partnership between organizations from multiple regions, offering of model programs / best practices with outreach to multiple regions, or a similar strategy. Applicants must demonstrate past experience in providing technical or business assistance to farmers, and specify how value-added producers will be directly benefited by the projects outlined in their proposal. Funds will be available for projects that improve the value-added technical and business assistance available to agricultural businesses. Projects may address more than one of the topic areas listed above. **Strong preference will be given to proposals that demonstrate partnerships between multiple organizations, have a statewide reach, are innovative, and build on existing programs.**

Projects must meet the following criteria:

- Provide business and technical assistance either directly to farmers or to service providers who work directly with farmers.
- Demonstrate capacity for far-reaching impact through either the applicant’s territory, partnership between organizations from multiple regions, offering of model programs / best practices with outreach to multiple regions, or a similar strategy.
- Demonstrate past experience in providing technical or business assistance to farmers, and specify how value-added producers will be directly benefited by the projects outlined in their proposal.
- Provide business and technical assistance that will directly benefit producers who meet the USDA definition of “value added”, which includes products that are transformed from one state to another, produced using special practices (eg organic, IPM), marketed as local products, farm-based renewable energy, and /or produced on a diversified farm.
- **Be completed prior to September 30, 2011.**
- Present a budget that uses between \$75,000 - \$150,000 of Agriculture Innovation Center funds **and has a match of non-federal funds equal to at least 60% of the total budget.** In-kind contributions *can* count towards this match. For FY 2010, in recognition of time constraints, the AIC will review and consider **strong** proposals with an insufficient match, pending further match development. Meeting the 60% match requirement must be verified prior to contracting and release of AIC funds.
- Proposal does not exceed 4 pages for the proposal narrative; an additional page may be used for budget information, and an appendix may be used to list board members and/or to list personnel and their qualifications.

- All proposals are due: **October 27, 2010** and are to be **submitted electronically** to: colleen.leonard@state.vt.us

Required Proposal Outline:

1. Name of Organization(s) & Contact Information.
 - If there are multiple organizations presenting a collaborative proposal, please identify one primary contact.
 - Identify board of directors for applying organizations.
 - Number of years in business for each applying organization or business.
 - Current activities related to Improving Systems of Technical & Business Assistance and any examples of relevant past experience at your organization(s).
2. Project area or areas addressed in the application & brief description of how you plan to address each.
3. Description of value-added business/businesses targeted in the proposal.
4. Project Goals
5. Performance Measures
 - Plans for measuring effectiveness of services provided (what will be measured, how it will be measured, when it will be measured).
6. Expected Outcomes
 - What will the expected outcomes of this project be and how will it enhance value-added agriculture.
7. Timeline
8. Target Audience
 - If the target audience is primarily service providers please describe the producer audience that these service providers reach. Producer audience must meet USDA definition of value-added.
9. Marketing & Outreach Plan
 - All marketing & outreach materials will need to recognize AIC as a funder
10. List the personnel who will work on the project, and their qualifications.
11. Detailed budget including non-federal match funds.
 - Contracted services or in-kind donated services require a per-hour or per-diem rate.
12. Include a budget narrative.
13. Include the page number, lead organization, and project title(s) on each page.