

Vermont Agency of Agriculture, Food, and Markets
2011 Vermont Local Food Market Development Grants

Request for Project Proposals

The Vermont Agency of Agriculture, Food and Markets announces the availability of matching grant funds for the sole purpose of enhancing local producer access or expansion to institutional market outlets in Vermont.

A. Funding Source and Available Funds

In 2011, the VT Legislature provided \$40,000 to the Vermont Agency of Agriculture, Food and Markets (VAAFAM) for the creation of the **Vermont Local Food Market Development Grant Program**. This program was designed to encourage local food market development opportunities with an institutional focus across the state. VAAFAM is now accepting project proposals, of up to \$5,000, from Vermont farmers, producer groups, food community groups, and food hubs to further institutional market development.

Approximately 75% of these grant funds are designated for direct distribution to Vermont agricultural producers while 25% are designated for dissemination to community groups or food hubs working with the Vermont agricultural community. Farmer or producer applicants must demonstrate 25% of total project cost in matching funds while a food hub or community group must demonstrate 50% of total project cost in matching support.

B. Eligibility and Program Goals

Vermont Local Food Market Development Grant Program funds are intended to increase Vermont producers' access to institutional markets and to increase the quantity of local food available in Vermont institutions. Grants will be distributed, through a competitive application review process, to agricultural producers, producer groups, food-focused community groups, and food hubs.

Eligibility- To qualify for funding consideration, applicants must either be a Vermont producer in pursuit of institutional market development, a community group, producer group, or a food hub that will directly support Vermont producers' access to institutional market expansion. All project funds must be expensed before June 30, 2012.

Eligible uses of funds for increasing institutional market access include:

1. *Infrastructure Development*: on-farm capital improvements, equipment purchases
2. *Market Access and Development*: coordination of matchmaking events, web platform development
3. *Farm Planning and Education*: farm business plan development, consumer education

Match requirements- A farmer or producer must demonstrate 25% of total project cost in match while a food hub or community group must demonstrate 50% of total project cost in match. The maximum amount of a program development grant award will be \$5,000. For instance, a producer must demonstrate \$1,666 in match support for a \$5,000 grant request (Total project cost: \$6,666). A food hub or community group must demonstrate \$5,000 in match support for a \$5,000 grant request (Total project cost: \$10,000).

Eligible match sources can include: applicant's own capital, outside investment capital, and grants from private or public sources. Match support can come in the form of in-kind time and services related to the institutional market development activities. All matching funds must be directed to the same project for which the applicant is requesting grant funds.

Tax consequences: Grant awards must be reported as income on recipients' business' tax returns.

C. Application and Review Process

The full application is provided below. Project proposals will be reviewed by an advisory panel which will include representatives from the Vermont Agency of Agriculture, Food, and Markets, the Farm-to-Plate Network, and other stakeholders. Applicants will be notified of funding decisions within 4 weeks of the deadline. Successful applicants will need to submit a W-9 and sign grant agreements with the VAAFAM before funds can be disbursed.

Applications will be scored, in part, based on demonstration of the following criteria:

- Experience as a producer direct marketing or as an organization working with the agricultural community in direct marketing;
- Clear strategies for increasing access to institutional markets;
- Description of new institutional markets reached as a result of the project;
- Ability to provide previous three years of gross farm sales and market outlets; and
- Farm business marketing plan currently in place or under development.

Application Instructions:

1. Fill out the cover sheet.
2. Answer the application questions, being sure to address each of the criteria questions.
3. Fill out the one-page budget form and attach a budget narrative, showing and describing the sources and uses of project funding. Be sure to show the required matching funds (25% for producer; 50% for community group or food hub). Include cash, in-kind, and anticipated match support for the project.
4. Submit the completed application material to: Vermont Agency of Agriculture, Food, and Markets, 116 State Street, Montpelier, VT 05620 or abbey.willard@state.vt.us

Applications must be received at the office of the Vermont Agency of Agriculture, 116 State Street, Montpelier, VT 05620 by 5 PM on Wednesday February 29, 2012. Submission via email is preferred.

Application assistance: Applications can be found on the VAAFAM website at:

www.vermontagriculture.com/news/grants or by contacting Abbey Willard, Local Foods Administrator, at VAAFAM at 802-828-3829 or abbey.willard@state.vt.us.

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Application Cover Sheet

Name(s) of applicant(s) _____

Name of organization _____

Mailing address (street) _____

Town _____, VT Zip _____

Telephone _____ Email address _____

Financial assistance request from grant program (up to \$5,000) \$_____

Total Budget (including match) \$_____

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Grant Application

Please answer the following questions in 3 pages or less (not including budget). Answers must be typed.

1. Overview of Farm Business or Organization.

Farmer Applications: Include a basic description of the farm business, including a brief history, products sold and current market outlets.

Organization Applications: Include a basic description of the organization, including a brief history, services provided and relevant market development experience.

2. Proposed Project Description.

Describe the proposed market development or expansion achieved as a result of the project.

3. Market Development Projections.

Explain how the proposed project will allow the applicant - or producers the applicant will work with - to increase institutional market access.

Farmer Applications: Provide previous three years of farm gross sales and current market outlets.

Organization Applications: Provide previous three years of gross sales and current market outlets for the producers the applicant will be serving.

Methodology

Farmer Applications: How will the institutional market(s) relationships be developed? What are the proposed market outlets the applicant anticipates reaching? Please include a basic marketing plan outline and address strategies for achieving financial sustainability.

Organization Applications: How will the institutional market(s) relationships be developed? Who are the proposed project partners? How does the applicant intend to communicate directly with producers? Please include a basic marketing plan outline and address strategies for achieving financial sustainability.

Measurable Outcomes

Describe the measurable outcomes achieved under this grant project time frame. Consider including the following information:

- Projected financial returns for the farm business/organization, or to the local agricultural community;
- Number of new institutional market relationships established and the anticipated gross sales per market outlet; and
- Estimated quantity and value of local food that will be sourced by these institutional markets.

4. Project Timeline.

Provide a timeline for the project. All Local Food Market Development Grant Program funds must be expensed by June 30, 2012.

5. Budget.

Complete the enclosed budget sheet, and provide a budget narrative to demonstrate how the funds will be used, where matching funds or in-kind services are expected to come from, and what matching funds are currently secured.

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Budget Sheet

Please show budgeted amounts of the proposed project for expanding your institutional market capacity. Fill in as many lines as are appropriate.

Total Project Costs should include the VT Local Food Market Development Grant Program funds requested plus the cash and value of all match funds. The Match section should identify value and source of all match funding, such as personal savings, bank loan, grants, contracted labor, in-kind labor and services.

VT Local Food Market Development Grant Project Budget (Grant Request and Match)

Category	Total Project Costs	Grant Funds Requested	Describe Use of Funds	Match Funds	Match Source
Construction					
Equipment					
Materials					
Other					
Totals					

Total Project Costs: \$_____ (Total Grant funds requested plus Total Match funding)

Match requirements

Farmer proposal: A farmer or producer must demonstrate 25% of total project cost in match while a food hub or community group must demonstrate 50% of total project cost in match.

For instance, a producer must demonstrate \$1,666 in match support for a \$5,000 grant request (Total project cost: \$6,666).

Organization proposal: The maximum amount of a program development grant award will be \$5,000.

A food hub or community group must demonstrate \$5,000 in match support for a \$5,000 grant request (Total project cost: \$10,000).

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Application Scoring Criteria

Experience. Applicant has evidence of at least three (3) years of successful experience as a producer in direct marketing or as an organization working with the agricultural community in market access and/or development. Evidence of successful experience may be: (1) a description of experience supplied and certified by the applicant, or (2) a letter of support from a local community or business leader explaining the applicant's experience. *Up to 15 points.*

Market Development Outcomes. Proposed outcomes clearly articulate market development strategies.
Farmer Applications: Evidenced by producer sharing previous three (3) years of gross farm sales and current market outlets compared to market development or expansion goals and gross sales per new market access.
Organization Applications: Evidenced by organization sharing previous three (3) years of gross sales and current market outlets for the producers served compared to market development or expansion goals and gross sales per new market access. *Up to 25 points.*

Methodology and Timeline. Work plan is thorough and realistic, and all required deliverables will be completed by June 30, 2012. *Up to 25 points.*

Budget. Costs are reasonable and budget demonstrates leveraging of additional resources, including required match (e.g. cash or in-kind match). *Up to 20 points.*

Discretionary Points. Points awarded at the discretion of the Vermont Agency of Agriculture, Food, and Markets based on achieving programmatic goals that reflect positive attributes of the project and/or business not captured above. *Up to 15 points.*