

Vermont Agency of Agriculture, Food, and Markets 2014 Vermont Local Food Market Development Grants

Funds to increase Vermont producers' access to institutional markets and to increase the quantity of local food available in Vermont institutions

Applications must be submitted electronically at <http://bit.ly/1ba8SMk>
by 4:30 PM on Monday March 3, 2014

Application Packet

Request for Proposals: page 2-3

Application Cover Sheet: page 4

Application Guidelines: page 5-6

Budget Sheet & Narrative: page 7

Scoring Criteria: page 8

Application packet and Wufoo link required for electronic submission can be found on the VAAFM website <http://agriculture.vermont.gov> or by contacting Abbey Willard, Local Foods Administrator, 802-828-3829 or abbey.willard@state.vt.us

Vermont Agency of Agriculture, Food, and Markets
2014 Vermont Local Food Market Development Grant Program

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 2013, the VT Legislature provided \$40,000 to the Vermont Agency of Agriculture, Food and Markets (VAAFAM) to continue support for the **Vermont Local Food Market Development Grant Program**. This program encourages local food market development opportunities with an institutional focus across the state. VAAFAM is now accepting project proposals, of up to \$7,500, 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. Vermont institutions are defined as: colleges and universities, pre-k-12 schools, hospitals, nursing homes, correctional facilities. Proposals addressing wholesale market access, including grocery stores and retail food co-ops, will be considered. 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 or wholesale 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 obligated by June 30, 2014 and project work must be completed by April 30, 2015.

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, development and production of marketing materials, targeted outreach to secure institutional markets.

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 \$7,500. For instance, a producer must demonstrate \$2,500 in match

Vermont Agency of Agriculture, Food, and Markets
2014 Vermont Local Food Market Development Grant Program

support for a \$7,500 grant request (Total project cost: \$10,000). A food hub or community group must demonstrate \$7,500 in match support for a \$7,500 grant request (Total project cost: \$15,000).

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.

Payment provisions- State grant funds are distributed 40% upfront, 40% upon receipt of interim project report, and final 20% retained until project and final report are completed.

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 food system stakeholders. Applicants will be notified of funding decisions within eight weeks of the application deadline. Successful applicants will need to sign a grant agreement, submit a W-9 form, and provide all required supporting documentation to the VAAFM before any work can begin on the project.

Applications will be scored, in part, based on the Scoring Criteria provided on page 6.

Application Instructions

1. Review the Application packet guidelines.
2. Draft responses to Application Questions in Word document and be prepared to copy and paste into online application located at <http://bit.ly/1ba8SMk>.
3. Prepare and attach the one-page **Budget Sheet** and **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. Must be submitted as an attachment to the electronic application.
4. Attach **Letter(s) of Support** as an attachment to the electronic application.
5. Applications must be submitted electronically at <http://bit.ly/1ba8SMk> by 4:30 pm on March 3, 2014.

Applications must be received electronically at <http://bit.ly/1ba8SMk> to the Vermont Agency of Agriculture, Food and Markets by 4:30 PM on Monday MARCH 3, 2014.

Application assistance: Applications can be found on the VAAFM website at <http://agriculture.vermont.gov> or by contacting Abbey Willard, 802-828-3829 or abbey.willard@state.vt.us or Johanna Herron, 802-505-0490 or Johanna.herron@state.vt.us.

Vermont Agency of Agriculture, Food, and Markets
2014 Vermont Local Food Market Development Grant Program

**Reminder, you should fill in this information at <http://bit.ly/1ba8SMk>.
All questions will be asked during the electronic process.**

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 \$7,500) \$_____

Match Contribution \$_____

Total Project Budget (including match) \$_____

Vermont Agency of Agriculture, Food, and Markets
2014 Vermont Local Food Market Development Grant Program

**Reminder, you should fill in this information at <http://bit.ly/1ba8SMk>.
 All questions will be asked during the electronic process.**

Application Guidelines

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, acres in production 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.

Describe the goals, performance measures and expected 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;
- Anticipated number of new institutional market relationships established; and
- Estimated quantity and value of local food that will be sourced by these institutional markets.

Performance Measures will serve as metrics for how you intend to measure project success.

Use the following table for outlining your goals, performance measures, and expected outcomes.
 (Example table is included as guidance).

| Goals | Performance Measures | Expected Outcomes |
|--|---|--|
| <i>Ex. Have a business plan for incorporating new products into schools.</i> | <i>Business plan complete.</i> | <i>Business and schools prepared to integrate new products in a sustainable manner.</i> |
| <i>Ex. Supply new institutional customers with demanded products.</i> | <i>Pounds of new product purchased monthly.</i> | <i>School purchases X pounds (% increase) of new product per month during school year.</i> |

Vermont Agency of Agriculture, Food, and Markets
2014 Vermont Local Food Market Development Grant Program

Methodology

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

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

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.

4. Project Timeline.

Provide a timeline for the project. All Local Food Market Development Grant Program funds must be obligated by June 30, 2014 and project work must be completed by April 30, 2015.

5. Communication Plan

Describe how you are educating the community about your project, share your communication plan for your business/organization. For example, organization newsletter, TV and local newspaper, social media updates

6. 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.

7. Institutional Letter(s) of Support

At least one letter of support is required demonstrating commitment from an institutional buyer or local food producer. Additional letters are welcome, but not required. The letter(s) should highlight the interest in increased local food consumption at a Vermont institution or wholesale outlet.

**Vermont Agency of Agriculture, Food, and Markets
2014 Vermont Local Food Market Development Grant Program**

Reminder, you should upload this information at <http://bit.ly/1ba8SMk>.

Budget Sheet and Narrative

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)

Narrative

In addition to itemizing expected expenditures, please describe the justification for the spending.

Match requirements

The maximum amount of a program development grant award will be \$7,500. 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.

Farmer proposal:

A producer must demonstrate \$2,500 in match support for a \$7,500 grant request (Total project cost: \$10,000).

Organization proposal:

A food hub or community group must demonstrate \$7,500 in match support for a \$7,500 grant request (Total project cost: \$15,000).

Vermont Agency of Agriculture, Food, and Markets
2014 Vermont Local Food Market Development Grant Program

Application Scoring Criteria

Market Development Outcomes. Proposed outcomes clearly articulate market development strategies. Evidenced by producer or organization sharing anticipated growth in the number of new institutional/wholesale market relationships established and the estimated quantity and value of local food that will be sourced by these institutional markets. Including strategies for achieving financial sustainability are critically important. *Up to 25 points.*

Use the following table for outlining your goals, performance measures, and expected outcomes. *(Example chart is included for guidance)*

| Goals | Performance Measures | Expected Outcomes |
|--|---|--|
| <i>Ex. Have a business plan for incorporating new products into schools.</i> | <i>Business plan complete.</i> | <i>Business and schools prepared to integrate new products in a sustainable manner.</i> |
| <i>Ex. Supply new institutional customers with demanded products.</i> | <i>Pounds of new product purchased monthly.</i> | <i>School purchases X pounds (% increase) of new product per month during school year.</i> |

Methodology and Timeline. Work plan is thorough and realistic, and all required deliverables will be completed on or before April 30, 2015. *Up to 20 points.*

Communication plan. How are you educating your community about your project? *Up to 20 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.*

Experience. Applicant has evidence 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 self-description of experience supplied by the applicant, or (2) a letter of support from a local community or business leader explaining the applicant’s experience. *Up to 10 points.*

Previous Grant Performance. If you have never received a grant from the Agency of Agriculture, Food & Markets you will get full points for this. Anyone who has received previous grants will be scored based off previous grant performance. *Up to 5 points.*

Institutional Support. At least **one letter of support is required** demonstrating commitment from an institutional buyer or local food producer. The letter(s) should highlight the interest in seeing more local food consumed at a Vermont institution or wholesale outlet.