VERMONT AGENCY OF AGRICULTURE, FOOD & MARKETS

MEAT & PRODUCE AGRICULTURE DEVELOPMENT GRANT

REQUEST FOR APPLICATIONS– FISCAL YEAR 2024

The Vermont Agency of Agriculture, Food & Markets (VAAFM) announces funding for Meat and Produce Agricultural Development Grants (Meat and Produce ADG). This opportunity is part of a onetime appropriation, in part developed by the Governor's Commission on the Future of Agriculture, focused on high need agricultural sectors.

This program supports produce and meat producers and processors in implementing projects that improve their climate resilience, operational efficiency and capacity growth, and/or worker and food safety and product quality.

KEY DATES

PUBLICATION DATE: January 5, 2024

APPLICANT WEBINAR: January 16, 2024

APPLICATION OPENS: January 19, 2024

APPLICATION DEADLINE: February 26, 2024 at 2:00 PM

NOTICE OF AWARD: April 2024

IMPLEMENTATION: April 2024 – April 2026

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CONTACT INFORMATION

PROGRAM QUESTIONS

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Agency of Agriculture, Food & Markets staff can assist applicants during State of Vermont business hours, Monday–Friday, 7:45 AM to 4:30 PM. Please note that immediate assistance may not be available shortly before deadlines.

WEBGRANTS

Applications for this program must be submitted through the WebGrants grants management system.

REGISTRATION

If you're new to WebGrants, submit the WebGrants Registration Form. It usually takes about two business days to process registrations. Make sure to register for an account well before the application deadline.

SUBMISSION POLICY

Applicants must follow all instructions in this request for applications (RFA), including the dates and times for submitting applications. The Agency of Agriculture, Food & Markets will only consider the last complete submission through WebGrants before the deadline as the official application. We cannot accept incomplete or late applications after the deadline (February 26, 2024 at 2:00 PM) barring exceptional circumstances. The WebGrants system will not accept applications after the deadline.

SUBMISSION CONFIRMATION

After you've submitted your application successfully, you'll be taken to a page confirming your submission. This page will have an Application ID number. You'll also get an email confirming your submission.

SECTION 1: PROGRAM OVERVIEW

PROGRAM PURPOSE

This opportunity is part of a one-time appropriation, developed in part by the November 2022 recommendation from the [Governor's Commission on the Future of Agriculture](#). From this recommendation a one-time state legislative appropriation of $2,300,000 was made in Act 78 of 2023 (H.494) to fund Agriculture Development Grants (ADG). From this appropriation approximately $1,600,000 is available for meat and produce producers and processors through the **Meat and Produce Agriculture Development Grants (Meat and Produce ADG)**.

The objective of this funding is to strengthen the viability and resiliency of Vermont operations and businesses of all sizes, scales and structures performing production and processing activities for meat and/or produce. This includes businesses diversifying into these activities. Understanding that owners and operators have the best understanding of what their development needs are, project eligibility for this funding opportunity is intentionally broad.

VAAFM is implementing the Meat and Produce ADG by focusing investments on three priority areas: (1) **Climate Resiliency**, (2) **Infrastructure, Operations and Capacity Growth**, and (3) **Worker and Food Safety and Product Quality**. Eligible projects will implement these priorities through strategic upgrades, updates, and expansions in production and processing systems and infrastructure.

This funding opportunity **is not for** value-added processors that do not also grow produce or meat or perform slaughter or directly slaughter-adjacent activities (see eligibility below). These activities are considered business and supply chain enhancement more than agricultural development and are better suited to other grant programs. **Non-profit business structures are not eligible to apply for this funding.**

The Meat and Produce ADG funding opportunity is available to **for profit businesses and operations** performing activities in one or more of the following groups:

1. Produce* operations
2. Produce operations that process their produce
3. Meat producers
4. Individuals and businesses offering meat slaughter and primary processing services.
5. Operations and businesses diversifying into at least one of these activities

*"**Produce**" is defined as *"any fruit or vegetable (including mixes of intact fruits and vegetables) and includes mushrooms, sprouts (irrespective of seed source), peanuts, tree nuts, and herbs...Produce does not include food grains...Examples of food grains include barley, dent- or flint-corn, sorghum, oats, rice, rye, wheat, amaranth, quinoa, buckwheat, and oilseeds"* (sweet corn is allowable; full definition on pg. 24).

AVAILABLE FUNDS

Approximately $1,600,000 is available through this funding opportunity. Meat and produce sectors will apply through the same application.

MINIMUM & MAXIMUM AWARD

The award minimum is $35,000 and the maximum is $300,000.

MATCH REQUIREMENT

There is **no match requirement** for this funding opportunity. However, if the proposed project's budget exceeds the allocated amount from this grant, the applicant must prove sufficient funds are available to complete the project and list funding sources for the entire project. Please plan to demonstrate your budget and funding sources for every aspect of this project.

PROJECT LENGTH

Projects will begin upon grant agreement execution in April 2024 and run through April 2026 for a total of 24 months. Projects do not need to last the full 24 months to be competitive.

FUNDING SOURCE

Agriculture Development Grants are funded by the [State of Vermont Act 78 (H.494) of 2023, FY 2024 Appropriations Act](#).

ELIGIBLE APPLICANTS

Eligible businesses and operations must be registered and operate within the state of Vermont. Only for-profit business structures are eligible.

Applicants must be compliant with all state regulations (including but not limited to water quality, taxes, and child support) and be in good standing with the State of Vermont at the time of applying, remaining so throughout the entire grant period.

Eligible operations/businesses must perform, or be diversifying into at least one of these four activities:

- Growing and selling produce (see definition on pg. 24)
- Processing produce that is grown by the same business
- Raising livestock and/or poultry for processing

- Performing slaughter and/or primary processing of livestock and/or poultry meeting the criteria below

Applicants performing animal processing must source at least 50% of livestock/poultry from Vermont OR be applying with a project to significantly increase their capacity to source from Vermont.

As long as they are registered with the state, eligible businesses of any age may apply but must demonstrate business viability and operational experience commensurate with the scope of their project and funding request.

INELIGIBLE APPLICANTS:

- Non-profit businesses.
- Retail only operations, such as grocery stores.
- Businesses not registered with the state.
- Value-added only operations, who buy in 100% of products used in processing (ex: vegetable broth company that buy in all vegetables, or smokehouse not producing or slaughtering any meat they utilize).
- Technical service providers or researchers who do not grow produce or raise or process meat and/or produce for sale themselves.
- Meat processors sourcing less than 50% of their livestock/poultry from outside of Vermont (without plans to significantly increase Vermont sourcing).
- Operations producing (only) fiber, hemp, cannabis, grains, or utilizing hydroponic production.

FUNDING PRIORITIES

Many factors impact the sustainability and overall viability of agricultural operations and businesses. The priorities below represent three areas of development critical to ensuring the economic and environmental longevity and resilience of Vermont's agricultural systems. Applicants will select **one priority area** that their project addresses. We understand that many eligible projects will impact more than one, if not all these priority areas. **Please select the one which demonstrates the scope and impact of the proposed project on your business/operation most compellingly.**

Climate Resiliency

Adaptations will be necessary for producers and processors to remain viable and productive in the face of changing climate, markets, and systems. This priority is focused on pivots, diversifications and adaptations to infrastructure, market access, and production systems that increase the overall viability of the business. Investments in climate-impact mitigation systems and infrastructure are considered within these categories as investments in long-term viability.

Infrastructure, Efficiency & Capacity

Business viability is impacted by operational efficiencies, investments in infrastructure and intentionally increasing operational capacity. This priority is directly related to market access, meeting unmet demand (for consumers, producers, processors), utilizing operational efficiency to increase margins, and accessing efficiencies of scale to strengthen the Vermont food production system. This includes updates, upgrades, and investments in growth.

Worker and Food Safety & Product Quality

Worker and food safety and product quality are foundational to business viability and public health. Production and processing (operational) systems and access to employee training are important aspects of maintaining and developing these pillars. This priority includes infrastructure and training investments to minimize food safety risks and maximize product quality, consistency, and increased margins. This priority also includes pursuing market access opportunities connected to produce safety and quality certifications. Please be sure to understand ineligible projects and costs that could overlap with this priority.

ELIGIBLE PROJECTS

Investments must be focused on the operation/business' physical location(s), (although trainings completed off-site as part of a larger project are allowable). Projects must address at least one of the three funding priorities areas (see above).

Eligible projects must directly address one or more of: production of produce, raising animals for consumption, value-added processing of produce on-farm (as part of the same business), or slaughter or directly slaughter-adjacent processing activities. Eligible projects could include (but are not limited to):

<u>**Production**</u>:

Installment, improvement, expansion and/or investment regarding:

- Crop and animal genetics for changing climate (maintaining high yield)
- Barn, greenhouse, or pack shed heating/cooling/ventilation systems
- Crop harvest, wash, and/or pack systems
- Storage and distributions systems and infrastructure
- Irrigation systems for crops or pasture
- Livestock handling systems
- Employee training and/or safety plan writing
- Climate adapted infrastructure (solar panels, energy efficiency, updates to infrastructure, etc.)

Processing:

Installment, improvement, expansion and/or investment regarding:

- On-farm food processing for produce crops and/or meat
- Updated and/or new equipment and infrastructure
- Storage and distribution systems and infrastructure
- Product-flow and processing systems
- Packaging and labelling system upgrades (not branding/marketing)
- Hazard Analysis and Critical Controls Plan (HAACP) and/or product safety plan writing (to attain inspection status, meet industry standard, etc.)
- Employee training
- Climate smart infrastructure (solar panels, energy efficiency, updates to infrastructure, etc.)

INELIGIBLE PROJECTS

The following project types are NOT eligible for funding:

- Projects focused on marketing, such as
  - Marketing consultation
  - Advertising campaigns
  - Branding initiatives
  - Label design
  - Website updates
  - Funding agritourism materials or events.
- Projects focused on business management, such as
  - Accounting services or software
  - Legal work
  - Business transfers
- Projects focused on research

PROJECT OUTCOMES

All applicants must develop at least two and no more than five specific, measurable outcomes. **These outcomes will serve as the metric for progress throughout implementation and must clearly forward the goal(s) of the selected priority**. A larger volume of outcomes does not necessarily indicate a more competitive application.

Outcomes must be measured quantitatively, for example:

- "*10% decrease in labor to process 50 units of beef*",
- "*20% increase in root crop storage capacity*",
- "*Doubling of processing capacity*", or
- "*40% reduction in energy use for the same output*".

Applicants will add narrative description to these outcomes to contextualize how the outcomes relate to the project, and to the selected priority.

Competitive applications will develop outcomes that successfully capture the intended impact of their proposed project on the business/operation, by showing change/growth/impact through project implementation. These outcomes should illustrate impact at the scale of business viability (more specific milestones during the project will be shared in the timeline table).

Outcome	Narrative
Ex: 40% reduction in energy use for the same output	*Ex: Upgrading our appliances to be more energy efficient not only is important in decreasing our energy footprint, but it also increases our economic efficiency*

ELIGIBLE EXPENSES

Eligible expenses include:

- **Personnel (salaries/wages)** and fringe benefits for staff time that directly supports this project
- **Supplies** (valued at less than $5,000 per unit) that directly supports project
- **Machinery/equipment** (valued at $5,000 or more per unit) that directly supports this project
- **Contractual services** and work necessary for project completion
- **Permits & safety plans** to achieve inspection status and/or project completion
- **Materials** necessary for project completion
- **Construction** materials, labor and other associated direct costs related to the project
- **Training(s)** directly related to project and outcomes
- **Indirect costs** (business expenses not directly related to the project, such as office overhead or utilities – **up to 10% of award total**)
- **Purchase of plants, seeds, poultry and/or livestock**
- **Purchases of vehicles for 100% business use (I.e. farm or delivery vehicle)***

*"For eligible purchases of vehicles please note that VAAFM retains an interest in that equipment. If sold in the future, a grantee must reimburse the State of Vermont for the depreciated value of the equipment equivalent to the amount granted for it as outlined in the grant agreement.

INELIGIBLE EXPENSES

Ineligible expenses include:

- **Personnel (salaries/wages**) that do not directly support the project
- **Supplies** (valued up to $5,000) that do not directly support the project
- **Machinery/Equipment** (valued at over $5,000) that is not necessary for the project (I.e. general use)
- **Contractual services** and labor for agrotourism, marketing, business development
- **Materials** for marketing, labelling, branding and/or agritourism
- **Services** and/or software for accounting, legal work, human resources
- **Purchase of land**
- **Purchase of owner or worker housing**
- **Purchase of vehicles that will have any amount or form of personal use**

LETTERS OF SUPPORT/COMMITMENT

All applications must include at least one letter of support and one letter of commitment.

- **Letters of support** articulate general support for the grant request. Support letters reference involvement with applicant and/or the community and/or explain how the funding will help address a need or solve a problem. Content could include:
  - Description of services or individuals that benefited from applicant's work
  - Expression of interest in how the funding will benefit the community

- **Letters of commitment** demonstrate the project partners' involvement and identify the specific contributions they will make to ensure the project's success. Content could include:
  - Description of previous collaboration with applicant
  - The role the partner/stakeholder will play in the proposed project
  - Financial support they will contribute (if applicable)
  - Type and value of any in-kind financial support they will provide – labor, facility space, equipment **(match is not required)**
  - Estimated # of units to be supplied/purchased from applicant

Additional letters of support and/or commitment above and beyond an application's requirement will also be accepted. Letters should convey project readiness, demonstration of project impact, and applicant capacity for implementation. Supplemental letters support and letters of commitment are weighed equally.

QUOTE FOR MACHINERY OR EQUIPMENT

Applicants purchasing specialized equipment are required to submit a current quote including any associated installation costs. Specialized equipment costs over $5,000 per unit.

SECTION 2: FULL APPLICATION

Applications must be submitted through the Agency's grant management system, WebGrants, at agriculturegrants.vermont.gov. Below is a guide to the information requested in the online application. You may find it helpful to draft your answers in a Word document first, and then copy and paste into the WebGrants forms.

We encourage you to register as a new user in WebGrants in advance of applying to gain familiarity with the system. After registering, add agriculturegrants.vermont@webgrantsmail.com to your email contacts or "safe senders" list to ensure you receive messages and alerts from the system.

APPLICANT INFORMATION

The following four sections are included in all Agricultural Development Division grant applications. Questions marked with * are required.

Applicant Information

- Which of the following categories best describes the person/people completing this application? Please select all that apply*
- Name*
- Email address*
- Phone number*
- Preferred method of communication*
- Job title*
- How did you hear about this funding opportunity?*

Applicant's Business/Organization Information

Some questions in this section may not apply to your business or organization and are optional.

- Legal name of the organization*
- Business or organization type*
- Street address*
- Town/City*
- County*
- Number of full-time employees, including owner(s)*
- Number of part-time and seasonal employees
- Total number of volunteer hours that benefit your organizations in a typical year
- Years in operation*
- Provide the organization's website if one exists
- Share any social media handles the organization uses
- Is the organization a farm, forestry or other land-based operation?*
  - If yes, how many acres are currently in production?

- o How many acres, if any, are currently in conservation?
- o How many acres of leased or rented land does the organization use for production and/or processing?
- Have you applied for or received a grant through the Vermont Agency of Agriculture, Food & Markets in the past 5 years?*

Optional Business/Organization Information

- What is the applicant business/organization's most recent annual operating budget?
- What is the median hourly wage for all employees?
- Does the organization provide any of the following benefits to its employees and/or volunteers?
- Does the organization hire H-2A farmworkers?

Voluntary Demographic Information

The Vermont Agency of Agriculture, Food and Markets is collecting voluntary demographic information to better serve our constituents and inform the development of future grant programs. Please click the link to be taken to complete this anonymous survey: **https://forms.office.com/g/dp8zqWrgxL**.

The demographic survey is hosted through a separate online platform to ensure that any information collected through the survey cannot be linked in any way to your WebGrants application. Funding decisions are based solely on the information provided in your WebGrants application. Any information collected through the demographic survey is anonymous and will only be used to help improve the programming and services offered by the Development Division of the Vermont Agency of Agriculture, Food & Markets.

BUSINESS AND/OR OPERATION INFORMATION

Please answer the following questions about your business and/or operation.

1. Is the applicant's business registered in (and operates within) the State of Vermont? (yes/no)
2. Please provide a brief overview of the applicant business' production and/or processing activities. Include crops, animals and/or products grown, raised and/or processed. (2000-character max)
3. Please quantify the scale of your operation or business in terms of production, using the metric(s) that best fits your business model (ex: annual sales, animals processed, units or shares sold). (2000-character max)
4. Please provide an overview of the applicant's current markets, including current capacity to meet market demand(s). (2000-character max)

5. How will the proposed project help achieve long term goals for the business/operation? (2000-character max)
6. Has the applicant implemented a state-funded grant before? (yes/no)
   a. If yes, please explain. (500-character max)
7. Has the applicant implemented a project of similar scope before? (yes/no)
   a. If yes, please explain; if no, please explain how you would implement successfully. (500-character max)

PROJECT DESCRIPTION
Please answer the following questions about your project.

1. Title of Project (150-character max)
2. Production category (drop down menu)
   a. Produce
   b. Meat
   c. Both - meat and produce
3. Operation activities (drop down menu)
   a. Production
   b. Processing
   c. Both
4. Are you applying as a meat processor? (Yes/no)
   a. If yes, note that eligible applicants must source at least 50% of livestock/poultry from Vermont OR be applying with a project to significantly increase their capacity to source from within Vermont. Do you source at least 50% of livestock/poultry from Vermont? (Yes/no)
   b. If granted these funds, would the percentage of livestock/poultry sourced from Vermont increase significantly? (Yes/no)
5. ADG Funds Requested (value must be between $35,000 and $300,000). (short text answer)
6. Does the project require costs beyond your ADG requested funds? (yes/no)
   a. If yes, please list these costs and their funding sources. (1000-character max)
7. Please provide a one-sentence project summary. (500-character max)
8. Describe your project in detail, including at least: 1) basic scope of work, 2) how requested funds would be used, and 3) who will complete the work and how. (2000-character max)
9. What challenges do you anticipate and how do you plan to adapt to them? (2000-character max)
10. Please describe how this project supports the development of your business/operation. (2000-character max)

11. Development is one aspect of the larger viability of a business. Describe how this project fits into the long-term growth, diversification or sustainability of your business/operation. (2000-character max)
12. Who will be the project lead? (100-character max)
13. Who will be the project staff? Please list important individuals, including their roles. (2000-character max)
14. Have you, or will you, receive support in developing or implementing this project (I.e.: contractor, extension, architect, installation expert, distribution partner)? (yes/no)
    a. If yes, please list the entities/individuals and their roles and/or services provided. (2000-character max)
15. Describe why the timing of this funding opportunity is important for the completion of the proposed project. (2000-character max)
16. Does your proposed project regard coming into (a new) inspection status for meat slaughter and/or processing? (yes/no)
    a. If yes, please review the requirements to meet that status and sign the following attestation: I acknowledge that I understand all requirements requisite for my desired inspection status, and have met them, or can and will complete them through the proposed project. (attestation)
17. Are there any required permits or contingencies that must be fulfilled for this improvement to be successfully completed (ex: Act 250 permit)? (yes/no)
    a. If yes, list all permits and/or contingencies and the anticipated dates they will be obtained. (500-character max)

FUNDING PRIORITIES AND OUTCOMES

Applicants will select one priority area that their project addresses. Please refer to pgs. 5-6 for the definition of each priority.

1. Which of the following priorities does your project address? Choose one. (drop down)
    a. Climate adaptation & resiliency
    b. Infrastructure, operational efficiency and capacity growth
    c. Worker safety, food safety, or product quality
2. Please provide **at least two (and no more than five) tangible, quantitative, outcomes** for your project, **related to the priority you selected**. Also provide a short narrative explanation to support/explain how you arrived at each outcome. (Table)

Outcome	Narrative
Ex: 40% reduction in energy use for the same output	*Upgrading our appliances to be more energy efficient not only increases our economic efficiency, but is important in making our business more sustainable*

PROJECT TIMELINE

Applicants will utilize the timeline table (example below) to provide a realistic timeline for completing your project from April 2024 to April 2026. The following benchmarks should be included in your timeline as applicable to your project: prep/planning work, purchasing, installation, construction, technique/training/system implementation and project completion. Other benchmarks are allowable and should be included as applicable to illustrate the project timeline.

Applicants do not need to have activity throughout the whole 24-month period.

Detailed Description of the activity	How will you accomplish this activity?	Timeline of completion
Purchase and install new root washer in wash/pack shed	*Specialty equipment producer will deliver the root washer in mid-Feb; Farm managers will construct the washer over the following 3 weeks.*	*Feb. - March 2025*

BUDGET

Applicants will use the budget table (example below) to outline their requested ADG funds, as well as any other non-ADG sourced costs necessary for project completion. As a reminder, matching funds are not required. However, if your project will cost more to complete than the amount requested, the applicant must demonstrate capacity to cover the full project costs.

Applicants will use the "Grant Funds Requested" column to outline the requested ADG funds. The column total should equal the requested amount. Applicants will use the "Remaining Project Costs – if Applicable" column to outline any costs required for the project that would not be funded by requested ADG funds. The column to the right of this is where applicants would list the source(s) of those non-ADG funded project costs. Examples of these sources include but are not limited to bank funds, cash flow, other grant funds, a loan, in-kind donations.

BUDGET TABLE

Budget Summary				
Expense Category	**Grant Funds Requested**	**Remaining Project Costs – If Applicable**	**Remaining Project Costs Source – If Applicable**	**Total Project Cost**
Materials and Supplies	$	$		$
Equipment	$	$		$
Salary/Wages	$	$		$
Contractual	$	$		$
Permitting	$	$		$
Training	$	$		$
Other	$	$		$
Subtotal	$	$		$

Total Grant Request	$

Total grant request (column 2) must be between $35,000 and $300,000 and equal requested amount.

BUDGET NARRATIVE

Applicants will utilize budget narrative space to describe each cost outlined in the requested grant funds column. Applicants are encouraged to provide supplemental information showing how they calculated each cost (for example, estimates for contractual work and equipment purchase, as well as labor calculations). (500-character max per item)

LETTERS OF SUPPORT/COMMITMENT

Provide one required letter of support and one letter of commitment. Applicants may upload other supporting documentation. Applicants purchasing specialized equipment are required to submit a current quote for the equipment and any associated installation costs. (uploads)

WATER QUALITY DISCLOSURE

You will be asked to self-certify that you are in compliance with State regulations and in good standing in accordance with the State of Vermont Act 154. "Good standing" means that the applicant:

- Is not a named party in any administrative order, consent decree, or judicial order relating to Vermont water quality standards issued by the State or any of its agencies or departments; and
- Is in compliance with all federal and State water quality laws and regulations.

A full copy of the Certification of Good Standing with Act 143 can be found at finance.vermont.gov/sites/finance/files/documents/Forms/Grant_Recipients/FIN-Act154_Cert.pdf.

*Additional Attachments – space provided to upload up to five documents

Additional documentation is encouraged but not required. Where applicable, cost estimates for contractor or equipment fees, a business marketing plan, project rendering/plans, or similar documents will offer a clearer picture of the project and demonstrate your business' readiness to receive grant funds. If you do not have any attachments to add, this section must still be saved and marked as complete in order to submit your application.

WEBGRANTS APPLICATION GUIDE

Visit the Agency of Agriculture website through the URL below to see a step-by-step guide to submitting a grant application: agriculture.vermont.gov/grants/howtoapply.

SECTION 3: APPLICATION SCORING CRITERIA

The Vermont Agency of Agriculture Food & Markets will work to equitably support both sectors, with considerations such as diversity of business/operation type, scale of production, diverse geographical distribution, and supporting areas of greatest need (as demonstrated in applications).

ELIGIBILITY SCREENING

Applications must meet the following criteria to be considered for funding:

Applicant business:

1. Is registered in the State of Vermont;
2. Operates within the State of Vermont;
3. Utilizes for-profit business structure;
4. Performs or is diversifying one or more of: produce production, processing produce grown by the same business, raising livestock for human consumption, performing slaughter and directly-slaughter adjacent activities;

Applicant Project:

1. Is not primarily focused on marketing, agrotourism or research;
2. Addresses one (1) of the three funding priorities;
3. Application and project have at least two (2) tangible outcomes outlined
4. Applicant submits all required attachments

SCORING CRITERIA

We are looking for a diversity of projects from small and mid-sized businesses that have a scale of impact for individual businesses and on Vermont's collective food system. Competitiveness will be informed by the scope and potential impact of the project in relationship to the applicant business (not compared across applicants or industry). Competitiveness will also be heavily informed by project readiness (for implementation), and demonstrated capacity of the operation and the applicant, to implement the project successfully.

Eligible applications will be scored according to the following criteria:

Criteria	Points
Project Scope & Impact: The applicant describes the size and scope of their operation/business and development needs with the detail necessary to illustrate the potential impact and relevance of the proposed project. The project scope and funds requested are appropriately scaled for the applicant operation's activities and desired development.	**20**

Implementation Capacity & Technical Expertise: The applicant illustrates their ability and capacity to implement the project within the required timeline. The applicant outlines any areas of the project requiring technical expertise, how they will address this/them if they cannot address it themselves.	**15**
Outcomes: The applicant has outlined two quantitative outcomes for their project which are clear, measurable and provide an appropriate metric for capturing their proposed project's impact. The applicant utilizes narrative to contextualize why their chosen outcomes are applicable and poignant to measure the project and their business viability.	**15**
Quality of Project Plan: The applicant demonstrates a thorough and realistic workplan for achieving the goals of the project, appropriately utilizing the project timeline and including relevant benchmarks and metrics.	**15**
Funding Priorities: The applicant selects one of the three funding priorities and describes clearly how the proposed project aligns with this funding priority, regarding their business and/or operation development and viability.	**10**
Budget: The applicant successfully uses the budget table to outline all project costs including requested and non-requested project costs. The narrative section is used to add clarity and relevant detail to all budget items outlined in the table. *Reminder: Matching funds are not required, but applicants must articulate how the entirety of the project will be funded if it will not be completely covered by their requested award amount.*	**10**
Business Development & Viability: The applicant clearly explains development and viability planning and goals for the business/operation and illustrates how their proposed project and it's timing will impactfully forward those plans and goals.	**10**
Letters of Commitment & Support: The applicant submits (at minimum) the required number of letters. The letter(s) submitted are directly related to the applicant's business/operation and proposed project, providing context to their project preparation, readiness and/or corroborating the potential project impact.	**5**
Total	**100**

Each application will also receive an overall score on a scale of 1 – 5.

SECTION 4: GRANT MANAGEMENT & REPORTING

GRANT AGREEMENT & PAYMENT

Prior to receiving funding, successful applicants must sign a grant agreement with the Vermont Agency of Agriculture, Food & Markets (VAAFM) indicating their intent to complete the proposed project and authorizing VAAFM to monitor the project's progress. The grant agreement will include provisions (terms and conditions) set by the State of Vermont as well as any program-specific requirements. Review Attachment C - Standard State Provisions and Contracts and Grants (12/07/2023 Revised) at bgs.vermont.gov/purchasing-contracting/forms for the most recent State of Vermont provisions.

Prior to commencement of work and release of any payments, grantee must submit:

A certificate of insurance consistent with the requirements set forth in Attachment C of the grant agreement *[Not required if grantee has a current certificate of insurance on file with the Agency of Agriculture.]*

A current IRS Form W-9 (Request for Taxpayer Identification Number and Certification), signed within the past six months *[Not required if grantee is already a state vendor.]*

Complete Act 154 Good Standing Certification.

Documentation verifying pledged matching funds, as applicable.

GRANTEE PAYMENT SCHEDULE

The Agency will provide **45% of funds** upon the receipt of 1) a signed grant agreement and related documents; 2) the submission and approval of a claim with associated invoice in the WebGrants system; and 3) proof that the applicant has obtained any permits that may be required for their project, if applicable.

A second payment of **45% of funds** will be delivered upon receipt and approval of 1) an interim project report, deadline to be outlined in the project's Grant Agreement, and 2) a claim and invoice submitted in the WebGrants system.

A final payment of up to **10% of funds** will be delivered upon the receipt and approval of 1) a final project report, deadline to be outlined in the project's Grant Agreement, and 2) a claim and invoice submitted in the WebGrants system.

Permits that are necessary for the successful completion of your project, such as a building permit, wastewater permit, etc. must be obtained prior to the disbursement of grant funds. The Agency reserves the right to deny your application if you fail to obtain the necessary permits within 90 days.

Only expenses incurred during the grant period are eligible for reimbursement. Project costs occurring prior to or after the end date of an executed grant are not eligible for reimbursement.

CERTIFICATE OF INSURANCE

A certificate of insurance (COI) is a common requirement for businesses and organizations; most agents are familiar with it. The State of Vermont must be listed as an additional insured on the grantee's policy. We recommend forwarding the insurance requirements below to prospective insurers for accuracy:

Insurance: Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the State through the term of this Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary, to comply with Vermont law.

General Liability and Property Damage: With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

> *Premises - Operations*
>
> *Products and Completed Operations*
>
> *Personal Injury Liability*
>
> *Contractual Liability*
>
> *The policy shall be on an occurrence form and limits shall not be less than:*
>
>> *$1,000,000 Each Occurrence*
>>
>> *$2,000,000 General Aggregate*
>>
>> *$1,000,000 Products/Completed Operations Aggregate*
>>
>> *$1,000,000 Personal & Advertising Injury*

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than $500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than $1,000,000 combined single limit.

Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

PERMITS

Applicants who are awarded a grant must apply for and receive all required permits, licenses, and any other federal, state, or local approvals necessary for the project prior to any reimbursement from the Agency.

SITE VISITS & FOLLOW UP

VAAFM staff or partners may contact successful applicants to arrange a site visit or follow-up conversation regarding their project during or proceeding the grant agreement period. VAAFM may produce case studies or articles based on funded projects.

PUBLIC INFORMATION

Except for grantee proprietary and personal identifying data, as provided under 1 V.S.A. § 317(c), grantee names, projects, the amount of grant awards, and all other information regarding Produce Safety Improvement Grant projects are considered public information and may be subject to disclosure.

DURATION

All projects funded in this round must be completed no later than **April 30, 2026**. Interim reports, submitted halfway through the implementation period, will be submitted in April of 2025. Final reports must be submitted no later than **May 31, 2026.**

REPORTING

Grantees will submit both an interim (midway) and final report. The Interim report will be submitted around April of 2025 (mid-project). This report may include but is not limited to:

a. Summary of status of grant
b. Description of successes and challenges
c. Discussion of any modifications deemed necessary and justifications for changes
d. Documentation and/or photos that demonstrate grant activity and progress
e. Expenditures to date

Grantees should submit a final report within 30 days of their project's completion, no later than May 31, 2026. Final reports should be submitted online in the WebGrants system and must include, but are not limited to:

a. Summary of grant activities, including successes and lessons learned
b. Project challenges and deviations from project plan
c. Photo and/or video documentation of the completed project
d. Reporting on grant outcomes and goals met
e. Final budget (expenditures)

The Agency of Agriculture may request receipts, proof of purchases, or other documents showing that grant funds have been used to complete the project.

Information submitted in any report to the Agency will be a public record.

APPENDIX A: DEFINITIONS

Full Produce Definition

"Produce" is defined as "**any fruit or vegetable (including mixes of intact fruits and vegetables) and includes mushrooms, sprouts (irrespective of seed source), peanuts, tree nuts, and herbs**. A fruit is the edible reproductive body of a seed plant or tree nut (such as apple, orange, and almond) such that fruit means the harvestable or harvested part of a plant developed from a flower. A vegetable is the edible part of an herbaceous plant (such as cabbage or potato) or fleshy fruiting body of a fungus (such as white button or shiitake) grown for an edible part such that vegetable means the harvestable or harvested part of any plant or fungus whose fruit, fleshy fruiting bodies, seeds, roots, tubers, bulbs, stems, leaves, or flower parts are used as food and includes mushrooms, sprouts, and herbs (such as basil or cilantro). Produce does not include food grains meaning the small, hard fruits or seeds of arable crops, or the crops bearing these fruits or seeds, that are primarily grown and processed for use as meal, flour, baked goods, cereals and oils rather than for direct consumption as small, hard fruits or seeds (including cereal grains, pseudo cereals, oilseeds and other plants used in the same fashion). Examples of food grains include barley, dent- or flint-corn, sorghum, oats, rice, rye, wheat, amaranth, quinoa, buckwheat, and oilseeds (e.g., cotton seed, flax seed, rapeseed, soybean, and sunflower seed)."

APPENDIX B: RELATED FUNDING OPPORTUNITIES

Working Lands Enterprise Initiative (WLEI)

Please note that applicants may apply to both Meat and Produce ADG and Working Lands but may only receive one award between these two programs in state fiscal year 2024 (July 1, 2023–June 30, 2024).

The Working Lands Enterprise Initiative (WLEI) offers funding opportunities to a variety of business structures encompassing forest, farm, and food enterprises. $3,000,000 in funding is available in FY24. WLEI focuses on projects addressing market development; research and development; infrastructure; equipment; and energy. The Agriculture Development Grants website offers more detail for potential applicants to consider the ADG Meat and Produce grant alongside the WLEI grant opportunities outlined below for this fiscal year, including timelines, grant focuses, etc. Applicants may also get more information about WLEI opportunities at their website.

Supply Chain Impact Grant opens 12/8/23. Any project should either benefit the applicant and additional organizations or enable applicant's reach to new or larger markets (for example, product aggregation, co- branding, vertical or horizontal efficiencies. **To consider if you are a value-added only processor**

ARPA Primary Producer Impact Grant opens 12/8/23.This opportunity is for primary producers *only* who were in business during the 2020 COVID pandemic. These projects can be focused on market development, research and development, infrastructure development and workforce development. **To consider if your project is not eligible because of marketing, branding, agrotourism focus, or because you are a primary producer who is ineligible (plant and animal fiber, hydroponics, grains, etc.)**.

Small Farm Diversification Grant opens 1/12/24. For small farms with projects focused on processing farm products, adding on-farm accessory business, diversifying or transitioning. Eligible farms must, among other criteria, not be registered as a Certified Small Farm Operation (CSFO), medium farm (MFO) or large farm (LFO) with the State of Vermont. **To consider if you do not meet the business plan requirement and are a small farm.**

Resilient Food Systems Infrastructure Grant (RFSI)

The Resilient Food Systems Infrastructure Grant (RFSI) is a federally-funded opportunity focused on supporting middle of the supply chain activities, which include aggregation, processing, manufacturing, storing, transporting, wholesaling, and distribution. The Agency of Agriculture will announce $3.2 million broken into two rounds of funding for infrastructure projects and equipment-only projects. Details for both grants will be available in early 2024.**To consider if you are a value-added only processor of produce. This opportunity excludes meat and poultry producers and processors.**