



VERMONT AGENCY OF AGRICULTURE, FOOD & MARKETS

Resilient Food Systems Equipment-Only Grant

FISCAL YEAR 2025 REQUEST FOR APPLICATIONS (RFA)

KEY DATES

Publication Date: August 6, 2024

Optional Grant Applicant Webinar: August 20, 2024 from 11:00am – 12:00pm
([register here](#))

Application Opens: August 28, 2024

Application Closes: October 1, 2024 at 1:59pm

Estimated Award Notification: February 2025 (award notification is contingent upon United States Department of Agriculture (USDA) approval of project plans; this date is subject to change)

Estimated Project Start: March 2025 (project start date is contingent upon USDA approval of project plans; this date is subject to change)

CONTENTS

KEY DATES.....	1
SECTION 1: OVERVIEW.....	3
SECTION 2: ELIGIBILITY.....	6
SECTION 2: SUPPORTING DOCUMENTATION.....	11
SECTION 3: APPLICATION PROCESS & CONTENT.....	13
SECTION 4: APPLICATION REVIEW & SCORING.....	20
SECTION 5: GRANT MANAGEMENT & REPORTING.....	23
APPENDIX A: DEFINITIONS.....	25

CONTACT INFORMATION

PROGRAM QUESTIONS

Julia Scheier

Julia.Scheier@vermont.gov

802-522-7042

WEBGRANTS TECHNICAL ASSISTANCE

Rebecca Brockett

Rebecca.Brockett@vermont.gov

802-636-7016

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 grants management system, WebGrants, at agriculturegrants.vermont.gov.

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, barring exceptional circumstances. The WebGrants system will not allow application submission 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: OVERVIEW

PROGRAM PURPOSE AND GOALS

The Vermont Agency of Agriculture has entered into a cooperative agreement with the US Department of Agriculture (USDA) and the Agricultural Marketing Service (AMS) to administer the Resilient Food System Infrastructure (RFSI) grant program in Vermont. This funding is the second and final round of funding through RFSI.

The purpose of the RFSI grant program is to build resilience in the middle of the food supply chain and strengthen local and regional food systems by creating new revenue streams. This includes supporting developing markets for small and mid-sized Vermont farms and food businesses who grow, produce, or utilize local and regional products or ingredients.

The middle-of-the-supply-chain refers to processing and aggregation/distribution. This includes all post-harvest processing, value-add, storage, manufacturing, aggregation, distribution, transport, and wholesale before it reaches the consumer or a retail outlet.

Equipment is the only allowable expense for this grant and the equipment must directly tie into one of the three primary goals above. Applicants may request more than one piece of equipment, but those pieces must fall under one project.

The equipment to be purchased with grant funds must directly enable the applicant to meet one of the three primary goals of RFSI, which are listed below. Applicants are required to demonstrate how this project helps your organization accomplish one or more of RFSI's primary goals.

The primary goals of the RFSI program include:

1. Increase market access, i.e. entry into new, bigger, or more profitable markets;
2. Increase production, i.e. increase the number of units moved through the supply chain; and
3. Diversify product offerings, i.e. offer new sizes, flavors, or types of products.

Additionally, applicants have the option to demonstrate how the equipment they plan to purchase with grant funds will help the organization meet one or more of the secondary goals of RFSI program. Meeting one or more of the secondary goals is optional and not a requirement for the project. However, projects that do meet one or more of the secondary goals will receive additional points in the scoring process, as detailed in the scoring criteria on page 21.

Secondary goals of the RFSI program include:

- Retain more of the value chain dollar in communities, keeping profits in rural communities;
- Create more economic opportunities for communities;
- Promote development of Vermont value-added products;
- Improve job quality through increased wages, benefits, and/or worker safety and well being;
- Create new and safe job opportunities;
- Improve the capacity to comply with federal, state, and local food safety requirements;
- Increase and diversify processing capacity across the state, with an emphasis on underserved communities;
- Target gaps and opportunities in pandemic assistance and existing USDA grant programs that support the agricultural supply chain;
- Increase diversity in processing options in terms of business model approaches, geography, and availability to underserved communities;
- Modernize processing and manufacturing equipment;
- Develop, customize, or install equipment that reduces greenhouse gas emissions, increases efficiency in water use, and/or improves air and/or water quality;
- Support underserved communities and have demonstrated local support for the project; and
- Support cooperatives, farmer, and worker-owned enterprises.

PRIORITIZATION OF BENEFICIARIES

RFSI is intended to prioritize projects that will benefit people or communities who have historically had difficulty accessing capital or markets. For the purposes of RFSI, prioritized project beneficiaries include those who are a:

- Limited Resource Farmer or Rancher, i.e. someone:
 - With direct or indirect gross farm sales not more than the current indexed value in each of the previous two years, and
 - Who has a total household income at or below the national poverty level for a family of four, or less than 50 percent of county median household income in each of the previous two years.
 - If unsure, a [Self-Determination Tool](#) is available.
- New and Beginning Farmer or Rancher, i.e. someone who has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years, and who
 - Will materially and substantially participate in the operation of the farm or ranch.
 - In the case of a contract with an individual, individually or with the immediate family, material and substantial participation requires that the individual provides substantial day-to-day labor and management of the

- farm or ranch, consistent with the practices in the county or State where the farm is located.
 - In the case of a contract made with a legal entity, all members must meet these requirements.
- Veteran Farmer, Rancher, or Producer, i.e. someone who has served in the United States Army, Navy, Marine Corps, Air Force, or Coast Guard, including the reserve component thereof; was released from service under conditions other than dishonorable; and:
 - Has not operated a farm or ranch, or has operated a farm or ranch for not more than 10 years; or
 - Who first obtained status as a veteran during the most recent 10-year period.
 - A legal entity or joint operation can be a Veteran Farmer or Rancher only if all individual members independently qualify.

Projects that have community beneficiaries that are within one or more of the above three categories will receive prioritization within our scoring rubric, as outlined on page 21. A beneficiary is anyone who will benefit from this beyond the applicant entity, including but not limited to farmer or producers, community members, retail outlets, etc.

AVAILABLE FUNDS

Approximately \$1,000,000 is available in one-time funding.

MINIMUM & MAXIMUM AWARD

\$30,000–\$100,000 per award.

There is no match requirement for this grant. However, if the cost of the equipment is more than the requested funds, the applicant must show how they will pay for the remainder of the equipment cost. There is an optional match section in the budget to demonstrate this.

PROJECT LENGTH

Projects will run for one year, approximately March 2025 (upon USDA approval and Grant Agreement execution) to February 28, 2026. Grantees have the option to request an extended project timeline until February 28, 2027 in the application, if they feel their project will take longer than one year. Requesting additional time will not impact project competitiveness.

PROJECT SCALE AND TIMELINESS

Projects should be scaled appropriately to meet the long-term expansion needs of the organization. Applicants should explain how the equipment purchase and resulting increase within their production, throughput, or market access fits into their organizational plan. Projects should demonstrate how ingredients will be sourced, how increased product quantities will be marketed, and market demand for products. Competitive applications will demonstrate:

- How the project will increase production capacity, allow the business to reach new markets, or create new products;
- Why this impact creates greater resiliency in the middle of the supply chain;
- Why it is necessary for the organization to purchase this specific equipment at this specific time;
- Market demand for the product(s);
- A robust plan for moving raw and/or finished product through the supply chain;
- A clear plan for sourcing, aggregating, or utilizing local and regional raw products or ingredients; and
- Organizational capacity to successfully integrate more or diversified product(s) into their business model.

SECTION 2: ELIGIBILITY

ELIGIBLE APPLICANTS

Eligible applicants must be domestically owned businesses or organizations that are physically located in Vermont and registered in Vermont with the Vermont Secretary of State. Sole proprietors using a business name other than their own name must have their assumed business name (formerly known as a trade name) registered with the Vermont Secretary of State.

Eligible entities can include:

- **Agricultural producers or processors, or groups of agricultural producers and processors** conducting middle-of-the-supply-chain activities such as post-harvest processing, aggregation, distribution of targeted agricultural products.
- **Nonprofit organizations** operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products.
- **Local government entities** operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products.
- **Institutions** bringing producers together to establish cooperative or shared infrastructure or invest in equipment that will benefit multiple producers middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural product. These include organizations such schools (K-12; colleges/universities), hospitals, food banks, gleaners, food rescue, workplace cafeterias, correctional facilities, farmers markets, and care centers (senior, preschools).
- **For-profit entities operating middle-of-the-supply-chain activities** such as processing, aggregation, or distribution of targeted agricultural products, whose activities are primarily focused for the benefit of local and regional producers, and that meet the eligibility requirements of the Small Business Administration (SBA) small business size standards, matched to North American Industry Classification System (NAICS) code. To determine if your organization meets the

definition, please visit the [SBA Size Standards](#) webpage and [Size Standards Tool](#).

Applicants are required to [obtain a UEI in SAM.gov](#) prior to being issued an award.

New or start-up organizations are eligible to apply. However, they must be able to clearly describe organizational readiness, implementation capacity, and staff ability to effectively manage federal grant funds and reporting requirements.

INELIGIBLE APPLICANTS

Applicants ineligible for funding include:

- Those based outside of Vermont or not registered with the Vermont Secretary of State.
- Entities that do not engage in middle-of-the-supply chain activities, such as retail-only entities.
- Entities that do not focus on increasing market opportunities for local and regional food products.

ELIGIBLE PROJECTS

Eligible projects must focus on acquiring equipment that meets the primary goals listed above, with the purpose of expanding capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of locally and regionally produced food products.

Funds cannot be used for agricultural production activities/costs, including any growing or harvesting equipment, such as a tractor or irrigation system. However, equipment pertaining to post-harvest activities conducted on the farm, such as processing, preservation, value-add, and storage, are allowable activities.

Projects that focus on processing or value-add of agricultural products must utilize local and/or regional ingredients. Projects that utilize a mix of local/regional ingredients and non-local/regional ingredients may still be eligible but will not be as competitive as projects that solely utilize local/regional ingredients. Furthermore, the proportion of local/regional ingredients will impact the competitiveness of the proposed project. For example, a product that is made from 50% local/regional ingredients and 50% non-local/regional ingredients will be less competitive than a product that is made from 80% local/regional ingredients and 20% non-local/regional ingredients.

Examples of eligible projects may include but are not limited to:

- Equipment that will meet standards needed to enter a new wholesale or retail outlets, such as a food safety component, packaging/labeling component, or quantity target that is required by a new market outlet.
- Value-add equipment that would significantly increase production, allowing for the business to offer more units of product into the marketplace to meet demonstrated need.

- Equipment that enables a new product line, such as a new size of packaging or a new variety of product that wouldn't be able to be offered without the piece of equipment.

Applicants can request multiple pieces of equipment, however they need to fall within one overarching project which that has a set of outcomes that will be reported on. For example, if a project is to expand from making local salsa to making local tomato sauce, the applicant could request funds for a tomato processing equipment and then a pasta sauce canning equipment, as both are required and connected in order to get the final product. If the project was to expand quantity of products to a new market, the applicant could ask for a new delivery vehicle and an electric pallet jack to load into that new delivery vehicle, as both are connected and necessary. However, requesting a new cooler for storing raw produce and also a new milk bottling line would not be aligned with the same overarching project and associated outcomes, as you would be reporting on outcomes for the raw produce and the milk expansion separately.

INELIGIBLE PROJECTS

Funds cannot be used for agricultural production activities/costs, including any growing or harvesting equipment, such as a tractor or irrigation system. Funds additionally cannot be used for retail space or consumer-facing outlets. Both farm production and retail are considered the start and end of the food supply chain and thus ineligible for this grant.

Ineligible projects could include:

- Equipment that has a minimal impact on one of the primary RFSI goals. For example, a piece of equipment that has a very small increase in production or increases market access by a minimal amount.
- Equipment that impacts one of the secondary goals of RFSI without meeting at least one of the primary goals of RFSI. For example, a piece of equipment that has a positive impact on the environment but otherwise does not allow the organization to expand markets/outlets, increase production, or diversify product offerings.
- Projects supporting meat, poultry, wild-caught seafood, exclusively animal feed and forage produce, cannabis, fiber, landscaping products, tobacco, dietary supplements, seeds, or hemp-derived CBD.
- Projects that have already received federal funding for the same equipment purchase. Subsequent activities from prior funding are allowable; however, applicants must clearly demonstrate how this equipment purchase is distinct from a prior grant-funded activity and that there is no overlap in budget line items.
- Projects by Vermont businesses that conduct processing or value-add for agricultural products that are not local or regional.

ELIGIBLE EXPENSES AND SPECIALIZED EQUIPMENT CONSIDERATIONS

The only eligible expense for this grant round is specialized equipment (or otherwise known as special purpose equipment) that directly aligns with the goals of the RFSI program.

Special purpose equipment' is tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000 per unit. Special purpose equipment must be used for a specific activity and not be used for general needs.

Items under \$5,000 per unit are considered supplies and not eligible for this grant.

Special purpose equipment is defined under the allowable costs of the [Resilient Food Systems Infrastructure Program Terms and Conditions](#) as follows:

- All equipment purchases must meet the following criteria:
 - Equipment is necessary for the technical activities of the agreement and is not otherwise reasonably available and accessible.
 - Equipment is normally charged as a direct cost by the organization and is acquired in accordance with organizational practices.
 - Equipment must be used solely to meet the purpose of the program and objectives of the agreement.
 - Equipment is subject to the full range of acquisition, use, management, and disposition requirements under [2 CFR § 200.313](#) as applicable.

Some examples of special purpose equipment include:

- Upgrades or new equipment for specific agricultural products, such as:
 - Processing, preservation, and storage/cold storage;
 - Post-harvest cleaning and grading;
 - Purchase of freezing equipment, freezer, or cold storage;
 - Processing, canning, preserving and pasteurization;
 - Preparation and packing;
 - Drying, hulling, shelling, and milling;
 - Reverse osmosis systems
 - Egg packing machines
 - Flotation tanks
 - Roasters
 - Packing and labeling equipment
 - Cooking, baking, juicing, distilling, fermenting.
- Special purpose vehicles relevant to the scope of work, such as delivery vehicles or refrigerated trucks. If the vehicle is mixed-use, it must be used primarily as a delivery vehicle and not shared between many programs or functions.

Please note that on-farm equipment must be for post-harvest activities, not for crop production activities, including harvest activities.

Additional eligible costs could include:

- Equipment installation, as long as it is included in the equipment quote from the vendor and is not including any construction or additional utility-related activities;
- Shipping and handling or delivery charges for the equipment, as long as it is included in the equipment quote and reasonable compared to the price of the equipment; and
- Sales tax for the equipment, as long as it is included in the equipment quote.

Expenses can be for equipment or upgrades to equipment within a leased building/space, as long as the landlord allows for improvements or modifications to be made to the space. We require applicants to submit an additional letter of support from the landlord explicitly allowing the equipment installation you are proposing in a leased space.

Applicants will be required to submit a recent quote for all equipment that will be purchased with grant funds. Please note that a quote cannot come from a contractor that will purchase the equipment and conduct additional activities to prepare the site for installation. Installation costs are ineligible.

Please note that grant funds can go towards pieces of equipment that are more than \$100,000; however, the applicant must show how they can pay for the remainder of the equipment cost. For example, if a piece of equipment is \$140,000, the applicant can ask for \$100,000 in grant funds, but must include \$40,000 as match that is committed or secured.

The recipient cannot encumber property improved as part of the cooperative agreement award and must follow the requirements of [2 CFR §200.311](#) before disposing of the property. The real property will be used for the originally authorized purpose as long as needed for that purpose. If an applicant needs to get rid of equipment after the grant is complete, the recipient must obtain disposition instructions from AMS, which may include paying back some funds to the grant program.

For applications that request grant funds for specialized equipment in their budget, a current quote is required for the equipment and any associated installation costs. Specialized equipment costs over \$5,000 per unit.

More information and requirements for equipment and disposition can be found in the [Agricultural Marketing Service Terms and Conditions](#).

INELIGIBLE EXPENSES

Ineligible costs are anything that is not specialized equipment directly related to the RFSI project. This includes

- Pre-award costs;

- Solar panels;
- Generators;
- Software, such as IT systems or inventory tracking
- Contingency (the equipment price in the budget must match the quote provided received);
- Installation by a third party (not done by the equipment vendor and not included in the equipment quote);
- Any contractor or construction costs to prepare a space for the equipment, including utility upgrades or installation costs;
- Staff time or fringe;
- Training costs;
- Supplies, which are valued at less than \$5,000 per unit cost;
- Administrative overhead or indirect costs;
- Purchase of land, new buildings, and new facilities;
- Purchase of general-purpose equipment (e.g. general use motor vehicles, office furniture, office air conditioners, printers, copiers) or lease agreements to own (i.e. lease-to-own or rent-to-own);
- Compensation for injuries or damage to property arising from project activities;
- Activities that have received a federal award from another program;
- Expenses that will be reimbursed in another way;
- Agricultural production expenses, i.e. pre-harvest farming/production or sap collection equipment;
- Retail expenses, i.e. a cooler/display case for a store or farmstand;
- Marketing expenses;
- Waste management systems;
- Sub-awards;
- Costs of doing business or business maintenance costs; and
- Anything that is excluded in the [AMS General Terms and Conditions](#)

SECTION 2: SUPPORTING DOCUMENTATION

LETTERS OF SUPPORT AND COMMITMENT

All applications must include at least one letter of support and one letter of commitment. Letters should convey project readiness, demonstration of project impact, and applicant capacity for implementation. Letters should demonstrate or emphasize application narrative to further show demand for products, community support of organizational growth, how this work will not compound existing bottlenecks, and/or market outlet interest in products.

- Letters of support are written by individuals outside of the business to articulate general support for the grant request. The letter should explain the writer's involvement with the applicant and/or their shared community and/or explain how the funding will help address the outlined need or solve a problem. These letters

could come from a town, Small Business Development Center, local government, etc. 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 are written by a project partner to demonstrate the partner's involvement and identify the specific contributions they will make to ensure the project's success. Project partners would include equipment dealers, retail outlets where product is sold to, farmers that grow products that are being sourced, aggregators that will be distributing the product, etc, and they should have a direct engagement with the project and not just a supportive community member. 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

If your project includes partners, each partner should be identified at the time of application. It is advisable to submit a Letter of Commitment from each partner. Partners include any entities outside the applicant's organization that are key participants in the project.

Each letter should be written by a different person, i.e. one person cannot write both a letter of support and letter of commitment. Additional letters of support and/or commitment above and beyond an application's requirement will also be accepted.

FINANCIAL DOCUMENTATION

There is no requirement for submitting business plans or financial documents. However, there is optional space to include such documents within the application if the applicant feels it would strengthen their application. In addition to the option of including financial documentation, there will be space within the application to speak to financial viability and how this project fits into the overall financial health or strategic plan of the applicant.

EVIDENCE OF CRITICAL INFRASTRUCTURE

Applicants must submit Evidence of Critical Infrastructure to describe any critical resources and/or infrastructure are necessary for the completion of the project.

Applicants must submit in a Word or PDF document that critical resources and infrastructure necessary to support the initiation and completion of a project are in place. Critical resources include things like a building lease or access to shared-use space. This letter is meant to show that the physical location (building, land, etc.) is available to receive the equipment when the project is awarded.

Land, structures, and other critical resources must be in place and in working condition at the time of application submission. The letter must indicate any critical resources that

are necessary for initiation and completion of the project and certify that they are in place and committed prior to the start date of the project. The author/signer of the letter would be the landlord/owner/city that is providing the required resource/infrastructure/space/etc.

Applicants are encouraged to use the AMS Suggested Evidence of Critical Resources and Infrastructure Template Letter included [here](#). If applicants do not use this template, they must submit documentation that includes at minimum:

- Project Applicant
- Project Title
- A statement about committing/approving/granting permission, etc. of the critical resource or infrastructure to the project for the time period.
- A description of the approved use of the critical resource or infrastructure approved for the project, any costs associated with its use, and any qualifying circumstances for its use.

FEDERAL ENVIRONMENTAL LAWS AND REGULATIONS

All projects must comply with the National Environmental Policy Act (NEPA) and will be required to submit relevant materials for this review. Applicants will submit with their initial application an Environmental Questionnaire, included [here](#), to help determine the need for further NEPA compliance. This questionnaire will cover items such as surface water, ground disturbance or soil and land, vegetation, cultural resources, water quality, socioeconomic/environmental justice, air quality/climate change, hazardous waste, and land use/utility considerations. States will then complete a pre-screening worksheet, based on the questionnaire answers, to help determine the need for further NEPA review.

If there is determined to be a need for site-specific environmental screenings, the State will first inform applicants that they will need to conduct further NEPA compliance; it will be up to the applicant to determine if it is in their best interest to begin the review before notification of awards or wait until they are notified, delaying their project timeline.

States will include all information in the final recommendation sent to USDA; USDA may ask for further information to inform the NEPA compliance process.

SECTION 3: APPLICATION PROCESS & CONTENT

HOW TO APPLY

Applications must be submitted via the online grants management system, [WebGrants](#), at [agriculturegrants.vermont.gov](#) between August 28, 2024 and October 1, 2024 at 1:59pm. Paper applications will not be accepted. Application components are outlined below as they will appear in WebGrants.

For technical instructions on the application submission process, please see the WebGrants Application Guide at agriculture.vermont.gov/grants/howtoapply.

STANDARD APPLICATION QUESTIONS

Questions in the following four sections are asked of everyone who applies for a grant offered by VAAFM's Agriculture Development Division. Some questions in these sections are optional and may not apply to all applicants. Questions marked with an asterisk (*) are required.

Applicant Information

- Which of the following categories best describes the person/people completing this application? Please select all that apply*
 - Owner of applicant organization
 - Employee of the applicant organization
 - Technical service provider
 - Business advisor
 - Grant writer
 - Family/friend
 - Other
- Name*
- Email address*
- Phone number*
- Preferred method of communication*
 - Email
 - Phone
 - Text
- Job title*
- How did you hear about this funding opportunity?*
 - State agriculture dept./agency
 - Local ag-extension
 - Service provider/business advisor
 - News outlet
 - Social media
 - NE-DBIC newsletter
 - Word of Mouth
 - Other

Applicant's Business/Organization Information

Some questions in this section are optional and may not apply to all applicants.

- Legal name of the organization*
- Business or organization type*
 - C Corporation

- S Corporation
- Sole Proprietorship
- Partnership
- Limited Liability Company
- 501C
- Religious Organization
- Private Foundation
- Political Organization
- Producer Trade Association
- Public School
- Independent Private School
- Early Childhood Education Program
- Public College
- Other Nonprofit
- Other
- 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?
 - How many acres, if any, are currently in conservation?
 - 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 five 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?
- Which of the following benefits does your organization provide 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 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 Agriculture Development Division of the Vermont Agency of Agriculture, Food & Markets.

EQUIPMENT-ONLY APPLICATION QUESTIONS

Organization/Business Information

- Unique Entity Identifier (UEI) from Sam.gov
- Primary point of contact:
 - Name
 - Title
 - Phone number
 - Email address
 - Physical address
 - Mailing address
- Type of Applicant (choose one)
 - Agricultural producer or processor
 - For-profit entity
 - Nonprofit organization
 - Local government
 - Institutions
- Describe your organization or the organizations you will be working with in terms of size (gross sales, number of employees, production volume, and number of years in operation).
- Describe the current business operations including services being offered in the geographic focus area.
- Please explain your markets, customers and/or constituents, community impact, and critical partnerships.
- I assert that I have read the payment provisions and understand the schedule of payments for this grant, which is a reimbursement grant. If awarded, I assert I am able to cover the full cost of the equipment at time of purchase and will be reimbursed along the stated schedule throughout the lifetime of the grant.

Project Overview

- Project Title: Provide a descriptive title in 15 words or less

- Proposed Project Start Date
 - The default project start date will be March 15, 2025. This date is dependent on how quickly USDA approves the list of recommended applications. Please either put March 15, 2025 OR a later date, if your project will begin later. The anticipated project cannot begin earlier than March 15, 2025. This date does not reflect when you need to purchase the equipment but rather when the project begins and you are allowed to spend funds.
- Proposed Project End Date
 - The default project end date will be February 28, 2026. Grantees have the option to extend by one year, with an end date of February 28, 2027. Please pick a proposed project end date that is either February 28, 2026 or February 28, 2027. This end date includes time to report on outcomes that come from your project, not just when the equipment is installed.
- Executive Summary: Include a Project Summary of 250 words or less suitable for dissemination to the public. A Project Summary provides a very brief (one sentence, if possible) description of your project. This should include:
 - The name of the applicant organization
 - The project's purpose, deliverables, and expected outcomes and
 - A description of the general tasks/activities to be completed during the project period to fulfill this goal
- Project description and goal alignment: Offer a detailed description of what your project will entail, its scope, and how it will help the organization meet one or more of the three primary RFSI goals, found on page 3.
- Optional: please explain how your project meets one or more of the secondary RFSI goals, found on page 4.
- Provide a basic timeline of this project, including when the equipment will be ordered and installed, who will oversee that work, when you expect the equipment to be in full use, and when you anticipate the ability to measure impact.
- Provide where within the Middle of the Supply Chain the requested equipment be used:
 - Processing
 - Aggregation
 - Distribution
 - Value Added Production
 - Other (please explain)
- Please list each agricultural food product that will be processed with the equipment (ie maple syrup, vegetables, fluid milk, cheese, value-added product)

Supply Chain Impact and Organizational Readiness

- Describe the specific need that the requested equipment will address.

- Please describe the impact this equipment will have on local and regional producers, market outlets, and more.
- Please describe if/how this project will benefit one or more of the following communities: veteran farmer or producer; new or beginning farmer, limited resource farmer or producer. *Note that producer includes value-added producers.*
- Why is it necessary for the organization to purchase this equipment at this time?
- How does this project align with your long-term business model, viability, or sustainability of your organization? How will your organization integrate and market an increase in production, sales, volume, and/or markets?
- Describe a clear plan for sourcing, aggregating, or utilizing local and regional raw products and ingredients for items supported by this equipment. If there are some ingredients or products that are not local and/or regional, please describe.
- What will happen if you do not receive this funding? Will the project move forward, be delayed, or not happen? What will the impact be on the organization?
- What is the market demand for the product supported by this equipment? How do you know this quantity or this type of product is desired by the outlets you want to sell to? What is the timeline for getting these products into the marketplace?
- What is your plan to train workers on this new equipment and how will you fund that?
- What partnerships are in place to support this expansion? For example, if you are a producer and rely on an aggregator, are they aware of this interest in expansion and able to support that? If you are a transport company, has there been sufficient market demand for the products you seek to increase?
- Do you currently work with a business advisor or technical assistance provider to support the financial health, future planning, and/or viability of your organization? Please explain why or why not.
- Have you received technical assistance in the preparation of this specific project and equipment installation? If so, please list who you're working with and in what capacity. If not, do you plan to receive related technical assistance during the course of your grant project?
- Are you interested in receiving information about business coaching or additional infrastructure planning technical assistance (including capital or financial planning for infrastructure development) that can support your grant project?
- Please explain your systems for internal financial management.
- For this grant, you will need to track outcomes, ensure you submit reports on time, and track your expenses and a depreciation schedule. What systems are in place to ensure accurate and timely tracking and reporting? Who will be in charge of this and have they ever tracked a grant before? *Please note that you will not be less competitive if you have never managed a grant before, but it is important to have a designated person who is available and responsible for*

reporting needs. There may be grant management support or technical assistance available to new grantees.

- Has this project been submitted for funding to a Federal or State grant program other than the RFSI and/or is a Federal or State grant program other than the RFSI funding the project currently? If yes, please explain.

Beneficiaries

- Estimate the number of local and regional producers impacted
- Does this project directly benefit (check all that apply):
 - Limited resource farmer or rancher
 - New and beginning farmer or rancher
 - Veteran farmer or rancher
 - Veteran producer
- Distressed Communities Index: Using the [Distressed Communities Index Map](#), search by county in the top left corner, and provide the community distress score for the county/counties benefiting from your project (do not search by zip code). Note that this is for USDA data gathering and will not affect your eligibility or review score.

Outcomes

For expected performance measures, provide expected numbers or include “0” if not applicable.

- Outcome: Capacity in the middle of the supply chain for local/regional food products
 - Number of processing equipment units purchased and installed:
 - Number of aggregation, storage, distribution equipment units purchased and installed:
- Outcome: Increase economic viability of local/regional producers and processors
 - Number of local/regional agricultural producers who benefited from the new or improved processing/aggregation/storage or distribution capacity:
 - Number of new local/regional products processed, aggregated, stored or distributed:
 - Number of new value-added products developed:
 - Number of new market-outlets established:

Budget

Equipment: Describe any special purpose equipment to be purchased or rented under the award. ‘Special purpose equipment’ is tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000 per unit.

If the total cost of the equipment needed for the project is more than the maximum grant amount, applicant will need to provide matching funds and source to show how they will pay for the remainder.

Number of Pieces of Equipment	Equipment Item	Purchase Price	Acquisition Date	Funds Requested	Matching Funds, If Applicable	Matching Funds Source, If Applicable
		\$0.00		\$0.00	\$0.00	
[can add more lines as needed]		\$0.00		\$0.00	\$0.00	
Equipment Total		\$0.00		\$0.00	\$0.00	

Equipment Justification Narrative: For each Equipment item listed in the above table describe how this equipment will be used to achieve the objectives and outcomes of the project. For example:

- Equipment #1: Description and justification
- Equipment #2: Description and justification

Supporting Documentation

Applicants must upload documentation to substantiate the cost of each piece of equipment, which can include contracts, catalog pricing, or binding quotes.

There will be space to upload supporting documentations, including equipment prices/quotes, Evidence of Critical Resources and Infrastructure Letter (example [here](#)), and the NEPA Applicant Questionnaire (fillable PDF [here](#)).

There will be optional space to upload a business plan, strategic plan, business financials, or other supporting documentation that would be beneficial to understanding the viability of the project.

SECTION 4: APPLICATION REVIEW & SCORING

APPLICATION REVIEW

The grant manager will conduct an initial eligibility review which includes ensuring:

- The application is being submitted by an eligible applicant;
- The project is for eligible activities;
- The budget only includes specialized equipment; and
- The application is complete.

Once initial screening is complete, three reviewers will be assigned to all eligible applications who will provide scores based on the criteria below. Reviewers may include VAAFM staff, community stakeholders, industry experts, and nonprofit partners that are involved in middle of the supply chain activities in Vermont and/or regionally. VAAFM

staff will conduct at least one review meeting to make final recommendations on which applications to submit for VAAFMM leadership approval. These recommendations will strive for equity in terms of project size and scope, geographic location, project type, impact, and similar considerations.

Please note that if an applicant has been awarded a large state or federal grant administered by VAAFMM recently, especially in the current fiscal year (since July 1, 2023), you may be less competitive for this funding.

Finally, VAAFMM will send recommended applications to USDA for final review. Please note that USDA retains the right to provide final approval or request changes to scope or budget for all RFSI grant projects.

APPLICATION SCORING

The following criteria will be used to score applications:

Primary RFSI goal alignment: Applicant clearly demonstrates how the proposed project aligns with RFSI's primary goals of increasing market access, increasing production, and/or diversifying product type(s). **(15 points)**

Secondary RFSI goal alignment and need: Applicant demonstrates one or more secondary RFSI goals are met with this project, which are optional. **(5 points)**

Demonstrated need: Project demonstrates a credible community, business, organizational, and/or supply chain need and explains clearly how this equipment will help meet that need. **(20 points)**

Expected outcomes and scale: Proposed outcomes are relevant to the project, are explained clearly in the proposal, are significant according to the scale of the organization, and are realistically achievable within the project period. **(15 points)**

Community Impact: Applicant demonstrates that their project will have meaningful and significant impact on local and/or regional communities and businesses. **(10 points)**

Project Beneficiaries Project beneficiaries are clearly identified and include those who have had difficulty accessing markets, specifically veteran farmers/producers, limited resource farmers/producers, and new and beginning farmers or producers. **(5 points)**

Business Viability and Financial Management: The applicant possesses characteristics of a viable business or organizational model, including diverse markets, partnerships, and systems for internal management. The grant request is commensurate with their size. The application proves how this investment and project aligns with the long-term business model and viability. **(10 points)**

Budget: The proposed budget is clear and only includes specialized equipment. Recent equipment quotes are provided to support the proposed budget. If the equipment cost is more than the grant maximum award, matching fund amount and source are provided. **(10 points)**

Letters of Support and Commitment: The applicant's letters provide convincing evidence of the potential impact of this project, offer context to their project readiness, outline partner support, and show positive impact on the community and other businesses along the supply chain. **(10 points)**

Reviewers will also submit a holistic application score and include strengths, weaknesses, and other comments associated with the proposal.

SECTION 5: 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 (VAAFAM) indicating their intent to complete the proposed project and authorizing VAAFAM to monitor 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 for Contracts and Grants](#) (revised 12/7/2023) for the most recent State provisions.

There may be additional reporting or other terms set forth by USDA. Grantees may be asked to attend regional collaborations, including an in-person gathering for all Northeast RFSI awardees. All relevant details and stipulations will be included in the grant agreement.

Prior to commencement of work and release of grant payment, grantees must submit:

1. A current [IRS Form W-9](#) (Request for Taxpayer Identification Number and Certification), signed within the past six months;
2. A certificate of insurance consistent with the requirements set forth in Attachment C of the grant agreement (not required if grantee already has a current certificate of insurance on file with VAAFAM);
3. Documentation that verifies pledged matching funds, as applicable.

GRANTEE PAYMENT SCHEDULE

Except for the first payment following grant agreement signing, grant payments are based upon project performance and completion of project activities. Progress will be communicated via status reports, which must be approved by the State grant program manager before claims (payment requests) are approved. All status reports and claims will be submitted and approved via WebGrants at agriculturegrants.vermont.gov.

Grant funds are distributed according to the following schedule:

1. Up to 70% of the grant award following signing of the grant agreement, plus submission and approval of an initial claim;
2. Up to an additional 20% (or up to 90% total) of the grant award at the mid-point of the project, following approval of the Interim Report demonstrating project progress, and a second claim;
3. Final 10% (or other remaining amount) of the grant award, following submission and approval of the Final Report demonstrating project completion and satisfactory achievement of expected measurable outcomes, and a final claim.

Grantees must maintain documentation of project costs, both those paid with grant funds and with matching funds, throughout the grant period. Accurate expense totals are a required component of status reporting.

REPORTING REQUIREMENTS

Prior to receipt of the second and third grant payments, respectively, grant recipients must complete an Interim Report and Final Report in [WebGrants](#). Reports will include questions such as a narrative of project accomplishments to date, progress toward meeting expected goals and outcomes, a budget table showing amounts of expended grant and matching funds, and photos that demonstrate project work.

Grantees must be willing to share project details, including successes and challenges, with the public and the media, which illustrate the impact of the grant within Vermont's working lands economies. This may occur through media inquiries, press events on location, and/or site visits from VAAF staff. USDA may also include other reporting requirements or request for project information and success stories.

The grantee must complete the following Federal forms with their final report:

- i. [Tangible Personal Property Report](#)
- ii. [Supplemental Sheet](#)

APPENDIX A: DEFINITIONS

Beginning Farmer or Rancher: An individual or applicant that has not operated a farm or ranch for more than 10 years and substantially participates in the operation.

Cooperatives: A business or service organization (1) that is owned and democratically controlled by the people who use its services and (2) whose benefits (services received and earnings allocations) are distributed to the user-owners based on how much they use the cooperative.

Critical Resources: Critical resources and infrastructure can be facilities, land, structure, use of city street/parks, shared-used kitchen, and/or other resources that are essential for the proposed project activities.

Domestically Owned: An applicant organized in the United States under the law of the State, the states, or under Tribal jurisdiction where the applicant operates, and a majority of the applicant is owned by US citizens.

Intermediaries: Includes aggregators, distributors, food hubs, brokers, auction houses, and wholesale.

Limited Resource Farmer or Producer: Someone:

- With direct or indirect gross farm sales not more than the current indexed value in each of the previous two years, and
- Who has a total household income at or below the national poverty level for a family of four, or less than 50 percent of county median household income in each of the previous two years.
- A Self-Determination Tool is available here:
<https://lrftool.sc.egov.usda.gov/DeterminationTool.aspx?fyYear=2024>

Local and Regional Food: Agricultural products where the distance between product origin and point of sale is at most 400 miles, or both the final market and the product origin are within the same State, US territory, or Tribal land.

Mid-Size Producers: USDA defines small family farms as those with a Gross Cash Farm Income (GCFI) of less than \$350,000; mid-size farms have a GCFI of \$350,000 to \$999,999.

Middle-of-the-Supply-Chain: The food supply chain involves the following stages: 1. Production, 2. Processing, 3. Aggregation/Distribution, and 4. Markets/Consumers. For the purposes of RFSI, “middle-of-the-supply-chain” refers to the middle stages: 2. Processing and 3. Aggregation/Distribution.

Nonprofit Corporations: Any organization or institution, including nonprofits with State or IRS 501 (c) status and accredited institutions of higher education, where no part of

the organization or institution's net earnings inure to the benefit of any private shareholder or individual.

Retail: Includes businesses such as supermarkets, restaurants and caterers, and direct-to-consumer markets (food cooperatives, small independent grocers, corner stores).

Value-Added Agricultural Product: means any agricultural commodity or product that:

- Has undergone a change in the physical state or form of the product, such as milling wheat into flour or making strawberries into jam.
- Is produced in a manner that enhances the value of the agricultural commodity or product.
- Is physically segregated in a manner that results in the enhancement of the value of that commodity or product, such as an identity preserved product.
- Is aggregated and marketed as a locally produced agricultural food product and, as a result of the change in physical state or the manner in which the agricultural commodity or product is produced and segregated, the customer base for the commodity or product is expanded and a greater portion of revenue derived from the marketing, processing, or physical segregation is made available to the producer of the commodity or product.

Veteran Farmer or Rancher: is a producer who served in the United States Army, Navy, Marine Corps, Air Force, or Coast Guard, including the reserve component thereof, was released from service under conditions other than dishonorable, and has not operated a farm or ranch or has operated a farm or ranch for no more than 10 years or who first obtained status as a veteran during the most recent 10- year period.