

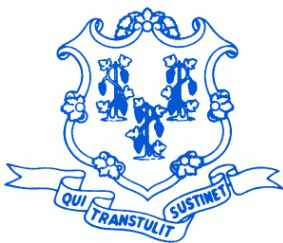
Connecticut Department of Agriculture

Farm Transition Grant

For Connecticut Farmers and Agricultural Cooperatives

2022 Grant Application Guidelines and Forms

Application Deadline:
March 8, 2022, at
4:00pm



Ned Lamont, Governor
Bryan P. Hurlburt, Commissioner



Connecticut Department of Agriculture
450 Columbus Boulevard, Suite 703, Hartford, CT 06103

www.CTGrown.gov

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Important Dates and Webinar Info:

Applications must be received by:

March 8, 2022, at 4:00 p.m.

Applications will not be accepted after 4:00 p.m. on March 8, 2022

Questions can be directed to Alison Grabarz,

Alison.Grabarz@ct.gov or (860) 713-5737

On **Wednesday, February 9, 2022, at 10:00a.m.** a virtual webinar will be held for interested agricultural producers and cooperatives to learn about the Farm Transition Grant's (FTG) grant categories and application process. The webinar will be held utilizing Webex and the link to join via a video call or voice call is below.

Questions can be directed to Alison Grabarz at Alison.Grabarz@ct.gov

Please [Click here to register for the Webinar](#). Webinar details and meeting password will be released 24 hours prior to the meeting. You must register to attend the Webinar.

Grant Description:

The Farm Transition Grant (FTG) provides matching funds to Connecticut farmers and agricultural cooperatives for the diversification of existing farm operations, transitioning to value-added agricultural production and sales, and other venues in which a majority of products sold are grown in the state.

Funding for the Farm Transition Grant is provided through [C.G.S. Sec. 22-26k](#). The Farm Transition Grant Program and any awards are subject to limitations of state funding.

Five different grant categories are available for eligible applicants. This approach enables the agency to better serve the CT agricultural industry and address gaps in funding to support farmers in times of growth, change, and emergency need. Multiple grant categories also enable like projects, farm size, and years of experience to be competitively evaluated.

Applicants may select the category for which they think their project qualifies. DOAG reserves the right to alter the grant category selected by the applicant. Below are summaries of each category.

New Farmer Micro Grants: Micro grants to support new individuals/partnerships who have one full year to three years of production history and are seeking long-term careers that financially support them through farming and agriculture.

Max award amount: \$5,000

Match requirement: 25% of the project costs

Examples of eligible expenses: Small equipment, buildings, greenhouses/hoop houses, irrigation, other equipment purchases related to production.

Infrastructure Investment Grant: To support farmers who have been in production for a minimum of three years with infrastructure to expand the farm's production and operation.

Max award amount: \$20,000

Match requirement: 50% of the project costs

Examples of eligible expenses: New fencing, barn remodeling/expansion, equipment that will assist in diversification of farm products, expansion of product offerings including value-added processing equipment

Research and Development Grant: A grant program for farms to conduct research to assess the viability and interest for developing a new product line, service, or market.

Max award amount: \$25,000

Match requirement: 40% of project costs

Examples of eligible expenses: Consultant fees, pilot equipment, other expenses related to exploratory product development including fees associated with product and recipe testing

Innovation and Diversification Grant: A grant program for the implementation of a new product or service for market or business expansion after a research and development phase has been explored.

Max award amount: \$49,999

Match requirement: 50% of project costs

Examples of eligible expenses: Infrastructure, equipment, software, consultant fees

Eligible Applicants:

The following entities are eligible to apply for all Farm Transition Grant categories:

1. Agricultural producers, singularly or jointly, whether such producers are owners or tenants of existing agribusiness within the State of Connecticut
2. Agricultural cooperatives

To qualify for the **New Farmer Micro Grant**, eligible entities must meet the following to qualify:

- Apply for or possess a Farmers' Tax Exemption Permit through the Connecticut Department of Revenue Services
- Have a 2-5-year business plan drafted
- Complete a crop plan
- Be the operation owner and have been in production for a full year or more
- Tenants must include a written agreement between all necessary parties regarding the submitted project

To qualify for the **Infrastructure Investment Grant, Research and Development Grant, and Innovation and Diversification Grant** eligible entities must meet the following:

- Be registered with the Connecticut Secretary of State, if established as a limited liability corporation or incorporation
- Possess a Farmer's Tax Exemption Permit
- Have submitted a Schedule F, Form 1120S, Form 1065, or Schedule C for the previous three years
- **Updated 2/4/2022:** Tenants must include a ~~long-term~~ written lease agreement between all necessary parties regarding the submitted project.

Previous awardees to the Farm Transition Grant can reapply. Past awards and corresponding project completion will be taken into consideration when evaluating applications.

Updated 2/10/2022: Applicants who have an open agreement and a project in progress are ineligible to apply.

Match Requirement, Expenses, & Payment:

All eligible expenses funded by any Farm Transition Grant program must advance farming and agriculture as defined by [Connecticut General Statutes Section 1-1\(q\)](#).

All grant categories have a **cash match requirement** of which the percentage required varies. The cash match requirement for each program can be self-financed, bank-financing, or provided through another grant (federal, state, or otherwise). If a grant is providing the match, the applicant must disclose the grantor, the grant name, and amount awarded. A three-year profit and loss statement and current profit and loss must be provided.

The Farm Transition Grant must be paid directly to the individual or business the agreement is made with.

The following **expenses** cannot be used as a match and will not be funded by any grant category:

- Any expense incurred prior to contract execution
- Land acquisition/mortgages
- Cost of borrowing (points and other fees)
- Expenses related to establishing a new organization/business
- Any portion of expense for which the applicant pays a contractor in merchandise or service in lieu of cash
- Tuition/tuition reimbursement or career-related/scholarship funds
- Routine business expenses (utilities, office supplies, etc.)
- Disposable supplies (office, farm, otherwise) unrelated to the project
- Legal expenses related to litigation
- Indirect or contingency costs of any percentage

The following **expenses** are an acceptable match if they directly and meaningfully support the proposed project:

- Employee salaries and fringe benefits paid to execute the project
- State/local/federal permits
- Attorneys' fees (not related to litigation)
- Consumable or disposable supplies

Example eligible expenses by grant category can be found on page 4. The eligibility of general-purpose equipment will be reviewed based on grant category and project usage.

These are reimbursement grants. Incomplete projects cannot be fully reimbursed.

A reimbursement of 50% of the award can be provided to the New Farmer Micro Grant awardees during the project work, with the remaining 50% of the award reimbursed upon project completion. Receipts with proof of payment to justify the first 50% of the award must be provided.

Project Duration & Post Award Requirements

Projects must be **completed within 18 months** of contract execution. Contract and project extensions are not allowed.

Applicants of awarded projects will be responsible for the following:

1. Signing an agreement with the State of Connecticut
2. Providing a Certificate of Insurance holding the state harmless or listing the state as an additional insured on the grantee's liability insurance policy
3. Completing the project within the contractual timeframe
4. Submitting a final project report in the required format per the executed contract
5. Submitting a final financial report itemizing actual expenses. Copies of invoices and proof of payment must be submitted with the payment request at the conclusion of the project
6. Agreeing to a site inspection once the project is complete and prior to final payment being released
7. Other requirements as outlined in the State of Connecticut contract Grantees will have additional training on requirements once contracts are executed.

Added 1/25/2022: If awarded, failure to provide the necessary information to establish an agreement or failure to sign and return a complete grant contract by the deadlines provided at the time of contract issuance will result in the rescindment of the award and the reallocation of funds back to the program. The awardee may reapply through future funding opportunities, but there is no guarantee of future awarding.

Awarded grantees will have additional training on contract requirements and obligations, provided by DOAG, prior to contract issuance.

Submission Process:

All Farm Transition Grant applications are required to be submitted through the Department of Agriculture's grant portal. Applicants will need to create an account for the grant portal.

The grant portal can be accessed [here](#).

Instructions on how to apply for grants on the DOAG Grant Portal can be found [here](#).

Application Requirements:

A complete application includes:

1. Budget Form and Project Timeline Workbook added as an attachment.
2. Completion of the Grant Narrative.
3. Conceptual drawings, estimates/quotes, production information and other budget justification items can be added as an attachment on the DOAG grant portal.

Evaluation Criteria and Process:

The Farm Transition Grant is a competitive grant. Only complete applications, as outlined above which are submitted on time, will be evaluated. The evaluation will be weighted heavily on the project plan described in the Grant Narrative.

To receive high scores from a review panel, the Grant Narrative should fully answer the questions clearly and directly. Project applications should clearly present how the project will be accomplished and undertaken within a reasonable timeline.

Farms should be a business in good standing with the Department of Agriculture, State and Federal requirements.

Additional information, such as quotes, conceptual drawings, and other documentation justifying and supporting the budget and project, is required to present a competitive application. All prospective purchases for the completion of a project should be accompanied by a quote or estimate. Projects involving hiring a subcontractor should include quotes from that subcontractor.

Budget Form and Project Timeline Workbook

The information provided below for the Budget Form and Project Timeline Workbook is for informational purposes only. The three excel sheets within the workbook will need to be filled out and submitted with the appropriate MS Excel fillable form link available at [Farm Transition Grant Program \(ct.gov\)](https://farmtransitiongrantprogram.ct.gov) and added as an attachment on the DOAG grant portal.

Budget Sheet:

Budget Application Form 2022 Farm Transition Grant					
<p>Directions: In the cells below itemize the project expenses for each category. The sum function will total the itemized expenses in each of the gray category boxes. Rows can be added in each category if needed. Be sure to check the sum function of each category to ensure it includes the additional rows added.</p> <p>In addition to the itemized budget below, please also fill out the budget narrative (on the next sheet) that contains the following information:</p> <p>a. Where the match is coming from (cash, loan, other grant, etc.)</p> <p>b. Sufficient explanation and justification of the financial support requested and the need for a cash advance (for New Farmer Micro Grant)</p>					
BUDGET	ITEMIZED SUBTOTALS - GRANT FUNDS	GRANT FUNDS REQUESTED	ITEMIZED SUBTOTALS - MATCH FUNDS	CASH MATCH BY APPLICANT	TOTAL COST
SALARIES AND FRINGE. Employee salary & fringe paid to execute the project is eligible. Salary is an eligible cash match as well.	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
Salary and Fringe 1:	N/A		\$0.00		
EQUIPMENT. Equipment to be purchased per the project. Attaching quotes to justify the expense is required.	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
Item 1:	\$0.00		\$0.00		
*RENTAL OF EQUIPMENT. Rented equipment required to complete the project (rollers, heavy duty equipment)	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
Item 1:	\$0.00		\$0.00		
Item 2:	\$0.00		\$0.00		
*MATERIALS & SUPPLIES. A list of materials and supplies required for the project.	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
Item 1:	\$0.00		\$0.00		
Item 2:	\$0.00		\$0.00		
Item 3:	\$0.00		\$0.00		
Item 4:	\$0.00		\$0.00		
Item 5:	\$0.00		\$0.00		
CONTRACTUAL/CONSULTANT. Expenses associated with procuring services performed by an individual or organization other than the applicant. If more than one, each contractor/consultant hired must be described separately. Attaching quotes to justify the expense is required.	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
Contractor 1:	\$0.00		\$0.00		
Contractor 2:	\$0.00		\$0.00		
OTHER COSTS. A list, with descriptions, of each item listed as "Other Costs"	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
Other 1:	\$0.00		\$0.00		
Other 2:	\$0.00		\$0.00		
Other 3:	\$0.00		\$0.00		
Other 4:	\$0.00		\$0.00		
Other 5:	\$0.00		\$0.00		
PROJECT TOTALS	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
<p>*If you're hiring a contractor do not break up the contractor's estimate into the various budget categories. The contractor's full cost/estimate should be listed as one item in the <i>Consultant/Contractual</i> category.</p>					

Budget Narrative:

Budget Narrative 2022 Farm Transition Grant Application	
The budget narrative should contain evidence or justification for costs reported on the budget sheet. For example, to complete your project you plan on utilizing two of your employees. While the budget sheet shows that the cost for your employees to do that work is \$8,000, here is where you justify that cost with an explanation.	
For supplies or materials ordered online, insert a link to the product or service in the justification column. Remember to include shipping/freighting costs in the total cost of the item.	

For example:

Item	Justification	Total Cost	Is this cost covered by another grant? If so, please indicate the grant name, awarding agency, and grant amount.
Salary	2 employees, \$25/hr, 4 hrs per week for 40 weeks	\$8,000	N/A
Other Costs: 3 Hydro Flow Clear Vinyl Tubing, 1/4 inch (ID), 100 Feet	3 at \$24.95 each, plus \$28.06 estimated shipping: https://hydrobuilder.com/hydro-flow-clear-vinyl-tubing.html?top=eyJhdHRyaW1ldGUxNDYxIjoIMTg6NzU4Q2=	\$102.91	Grant A, USDA, \$2000

Fill out the table below as it pertains to your project. Add or remove rows as needed.

Item	Justification	Total Cost	Is this cost covered by another grant? If so, please indicate the grant name, awarding agency, and grant amount.

Project Timeline 2022 Farm Transition Grant Application	
Include all project milestones and related deadlines. Applicants must budget in three months to plan the project once the contract is executed, 12 months to execute and complete the project, and 30 days past project completion for all reporting.	
Projects must be completed within 18 months of contract execution. As a reminder, no extensions will be given. No incomplete projects will be funded.	
The following template will be used to provide the project timeline. Anticipate a project start date of June 1, 2022.	

For example:

Task	Anticipated Timeline
Contractor Hired	By 7/1/2022
Building permit acquired	By 8/1/2022

Fill out the table below as it pertains to your project. Add or remove rows as needed.

Task	Anticipated Timeline

Grant Narrative

The information provided below for the Grant Narrative is for informational purposes only. The Grant Narrative will be completed and submitted through DoAg's Grant portal.

Please note: There are two Grant Narrative documents available. One grant narrative is for New Farmer Micro Grant applicants ONLY. The other grant narrative applies to applicants of the Infrastructure Investment Grant, Research and Development Grant, and Innovation and Diversification Grant.

Farm Transition Grant 2022 New Farmer Micro Grant Narrative

The **New Farmer Micro Grant** aims to support new individuals/partnerships who have one full year to three years of production history and are seeking long-term careers that financially support them through farming and agriculture.

The following questions will be asked on the Farm Transition Grant application. It is recommended that you type your answers using Microsoft Word, or other word processing application, and then copy and paste your final answers into the spaces provided on the application.

Please answer the following questions regarding the project for which you are applying.

- 1. Background** – Please provide a summary of the farming or agricultural experience you have.
- 2. Introduction** – Introduce your business to the reviewers. Include information such as:
 - a. How long you've been in business. (One to three years of production history is required to apply. You must also submit a crop plan.)
 - b. An overview of what you produce and how many acres are in production on your farm. How/why that has changed over time?
 - c. Summary of future project and business plans.
- 3. Project Explanation** – Explain the project you wish to complete. Be sure your explanation answers the following.
 - a. What would you like to purchase with grant funds?
 - b. Describe how this purchase will impact your farm.
 - c. How do you predict the completion of this project will impact your business for the next three to five (or more) years?

4. **Project Outcome or Impact** – Identify at least one outcome you strive to achieve upon completing this project. Include three steps you will take to achieve this outcome. Be clear on how you will measure or achieve the goal.

An *outcome* is defined as a quantifiable result and is usually accomplished after the project is done.

Example: There will be a 7% increase in sales in 2020 by drawing new customers to the farm as a result of building the new retail farm store.

5. **Project Summary and Conclusions** – Summarize the key points of this project and how it will transform your business.

Farm Transition Grant 2022
Infrastructure Investment, Research and Development, and
Innovation and Diversification Grant Narrative

The **Infrastructure Investment Grant** aims to support farmers in production for a minimum of three years with infrastructure to expand the farm's production and operation.

The **Research and Development Grant** is a grant program through which farms can conduct research to assess the viability of and develop a new product line, service, or market.

The **Innovation and Diversification Grant** is a grant program for the implementation of a new product or service for market or business expansion after a research and development phase has been explored.

The following questions will be asked on the Farm Transition Grant application. We recommend that you type your answers using Microsoft Word, or other word processing application, and then copy and paste your final answers into the spaces provided on the application.

Please answer the following questions regarding the project for which you are applying.

1. **Introduction** – Introduce your business to the reviewers. Include information such as:
- a. How long you've been in business.
 - b. An overview of what you produce and how many acres are in production on your farm. How/why that has changed over the years?
 - c. Summary of future project and business plans.
 - d. Have you applied for and received previous Department of Agriculture (DOAG) grants? If so, please give a short summary of prior projects completed with support from DOAG grants.
2. **Project Explanation** – Explain in detail how you plan to complete your project, what exactly will you do in your project and what will it accomplish for your business. The reviewers will be looking for a statement that begins with "This project will...."

- a. Describe in detail at least three goals and the tasks needed to complete those goals for your project. Your answer here should involve the tasks mentioned in the Project Timeline from the Transition Grant Budget and Project Timeline Workbook. Be direct and to the point. We want to understand exactly what you will accomplish, how, and what it will do in the long run for your business and farm.

For example:

Goal 1: Install new coolers in the rear of the new retail storefront.

Tasks:

1. Select and order necessary refrigerator and freezer for additional storage and retail activities.
 2. Plan for the installation of the refrigerator and freezer including any necessary framing modifications to be done by a subcontractor.
 3. Hire electrical subcontractor to prepare for installation/hook-up of coolers.
- b. How do you predict the completion of this project will impact your business for the next three to five (or more) years?

3. **Project Outcome or Impact** – Identify at least one outcome you strive to achieve upon completing this project. Be clear on how you will measure or achieve the goal.

An *outcome* is defined as a quantifiable result and is usually accomplished after the project is done.

Example: There will be a 7% increase in sales in 2020 by drawing new customers to the farm as a result of building the new retail farm store.

4. **Please answer the question specific to the grant category you are applying for.**

- a. **For Applicants of the Infrastructure Investment Grant Category:** Please describe to the reviewers what sets your farm/business apart from other applicants in this category.
- b. **For Applicants of the Research and Development Grant Category:** Please enlighten the reviewers with the “Plan B” for your farm/business. What is your contingency plan if the results found during research and development are not optimal?
- c. **For Applicants of the Innovation & Diversification Grant Category:** Please provide a summary of the research and development efforts the farm has conducted to determine the need for the project.

5. **Target Markets** – What expanded, additional, or new market(s) will your project allow you to serve or reach? Include information such as:

- a. The number or volume of people, markets, products, etc.
- b. How will you change your marketing?

6. **Risk Assessment** – Identify one potential challenge you may face while completing your project. How do you plan to respond to such challenges?
7. **Project Summary and Conclusions** – Summarize the key points of this project and how it will transform your business.
8. **Financial History** – Provide a three-year profit and loss statement and current profit and loss. Attachments can be added at the end of your application.