

Connecticut Department of Agriculture

Farm Transition Grant

For Connecticut Farmers and Agricultural Cooperatives

2023 Grant Application Guidelines and Forms

***Application Deadline:
January 11, 2023, 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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Grant Manager:
Alison Grabarz
Alison.Grabarz@ct.gov

Important Dates

Applications must be received by:

Wednesday, January 11, 2023, at 4:00p.m.

Applications will not be accepted after 4:00p.m. on January 11, 2023.

Questions can be directed to Alison Grabarz,
Alison.Grabarz@ct.gov or (860) 993-5275.

In-Person Workshop Information:

On **Wednesday, November 16, 2022, from 6:00-7:30 p.m.**, a workshop will be held for interested agricultural producers and cooperatives to learn about the Farm Transition Grant's (FTG) categories, required components, and submission process. The in-person workshop will take place at the Hartford County UConn Extension Office, located at:

**Exchange Building – Suite 262
Building 4
270 Farmington Avenue
Farmington, CT 06032**

[Click here to register for the in-person workshop.](#)

Registration is required to attend workshops.



****If the workshop is cancelled for any reason, registrants will receive an email by 12:00p.m. on Wednesday, November 16. In addition, registrants will also receive a link to attend the virtual workshop, which will take place on Thursday, November 17, 2022, at 6:00p.m. ****

Virtual Workshop Information:

A virtual workshop will be held on **Thursday, November 17, 2022, from 6:00-7:30p.m.**, via **Webex**, for those interested in applying for the Farm Transition Grant.

[Click here to register for the virtual workshop.](#)

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

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 FTG Program and any awards are subject to limitations of state funding.

Grant Categories

Four distinct grant categories are available for eligible applicants. Successful grant projects must positively impact farm production and operation; projects must successfully demonstrate moving the farm and farm business to a new level beyond the status quo of current business operations. Quantifiable project outcomes are requested in the application.

Applicants must select the category they feel best represents their project. Each applicant may only submit one (1) project to be considered per grant cycle. DoAG reserves the right to adjust the grant category selected by the applicant. Below are summaries of each available category.

New Farmer Micro Grants: Micro grants to support new and beginning individuals or partnerships with *one full year to three years* of production history, seeking long-term agriculture careers.

Max award amount: \$5,000

Match requirement: 25% of total project costs

Examples of eligible expenses: Production or processing equipment directly related to agriculture, small buildings, greenhouses/hoop houses, irrigation, pasture fencing, other equipment purchases related to increasing production.

Infrastructure Investment Grant: Supports farmers, who have a minimum of three years of production experience, with a need for infrastructure to expand the farm's production and operation.

Max award amount: \$20,000

Match requirement: 50% of project costs

Examples of eligible expenses: Livestock/pasture fencing to increase herd size/production type, barn remodeling/expansion, equipment to assist in increased production of farm products, irrigation systems for increased production, tractor attachments specific to agriculture to diversify farm products, etc.

Research and Development Grant: Supports farms to conduct research, explore or assess the viability and interest in 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, equipment to pilot a product or concept, other expenses related to exploratory product development including fees associated with product, recipe, and market testing.

Innovation and Diversification Grant: Supports the implementation of a new product or service for market or business expansion. Applicants do not need to have completed a Research and Development Grant through the FTG to be eligible to apply for an Innovation and Diversification Grant. An applicant should have a thorough plan which is shared in the application and have previously conducted research to determine if implementing the project solution is worth the investment for their business.

Max award amount: \$49,999

Match requirement: 50% of project costs

Examples of eligible expenses: Expansion of product offerings including value-added processing equipment, equipment that will assist in diversification of farm products, construction of a farm store or processing kitchen, innovative technology or software, or marketing and outreach to promote the new product, service or market.

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
3. Previous awardees to the FTG can reapply. Open awards, past awards, project completion and outcomes of current awards will be considered in the evaluation of this award application.
4. Applicants who have received two years of consecutive funding will be ineligible for an award for one year. Applicants can reapply for funding in the next grant cycle.

For example:

2020: Project awarded

2021: Project awarded

2022: Ineligible for an award

2023: Eligible for an award

Specific Requirements for Grant Categories:

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

- Apply for or possess a Farmers' Tax Exemption Permit through the Connecticut Department of Revenue Services.
 - [Click here for more information on how to apply for your exemption permit.](#)
 - Any questions on receiving your exemption permit, contact: DRS@ct.gov
- Have a 2–5-year business plan drafted.
 - [Click here for resources on developing your business plan.](#)
- Complete a crop plan.
 - [Download a crop plan here.](#)
- Be the farm owner and have been in production for at least a full year.
- Tenants must include a [written lease agreement](#) between all necessary parties regarding the submitted project.

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

- Be registered with the Connecticut Secretary of State, if established as a limited liability company or incorporation.
 - [Search here to ensure your business is registered and determine your business' ALEI ID number](#) (needed for the application).
- Three years of Farmer's tax exemption certificates are required to be provided upon request by the Department.
 - Any questions on receiving your exemption permit, contact: DRS@ct.gov
- Tenants must include a [written lease agreement](#) between all necessary parties regarding the submitted project.

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-financed, 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.

New for 2023 Three years of farmer's tax exemption certificates are required to be provided upon request by the Department.

The FTG 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 or 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- Purchasing one's own product or service/buying one's own product or service

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 pages four (4) and five (5). The eligibility of general-purpose equipment will be reviewed based on grant category and project usage.

The proposed project and related expenses must result in increased production or operation of the farm or cooperative.

**All Farmer Transition Grants reimbursement grants.
Incomplete projects will not be reimbursed fully.**

Specific Payment for Grant Categories:

A 50% advance of the grant award can be provided to the **New Farmer Micro Grant** awardees during project work, with the remaining 50% of the award reimbursed upon project completion.

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. Attend a Contract Training Workshop.
4. Completing the project within the contractual timeframe.
5. Submitting a final project report in the required format per the executed contract.
6. 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.
7. Agreeing to a site inspection once the project is complete and prior to final payment being released.
8. Other requirements as outlined in the State of Connecticut contract.

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, may result in the rescindment of the award and the reallocation of funds back to the program. The awardee may reapply for future funding opportunities, but there is no guarantee of future awarding if an award is rescinded for any reason.

Submission Process:

~~All FTG applications are required to be submitted through the Department of Agriculture's grant portal. Applicants will need to possess or create an account for the grant portal. Please allow appropriate time to create an account and to apply.~~

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

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

Due to technical difficulties with the grant portal, the 2023 Farm Transition Grant application will be hosted on Cognito. Links to the application for each grant category will be hosted on the DOAG Farm Transition Grant website page [here](#).

Application Requirements:

1. Submission of a complete application through the ~~DOAG Grants Portal~~ Cognito.
2. Attachment of the Grant Narrative responses.
3. Attachment of the Budget Form and Project Timeline Workbook to the application.
4. Attachment of conceptual drawings, estimates/quotes, production information, and other budget justification items to the application.
5. Attachment of a crop plan. (Only required for applicants to the New Farmer Micro Grant).
6. Attachment of a business plan. (Only required for applicants to the New Farmer Micro Grant).

Evaluation Criteria and Process

The FTG 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, the questions for which can be found below.

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 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 proposed budget is required to present a complete application. All prospective purchases for the completion of the project should be accompanied by a quote or estimate.

2023 Funding Priorities:

- Projects increasing the availability of livestock processing facilities in Connecticut.
- Projects increasing the utilization of equipment specific to sustainable agricultural practices.

Required Forms:

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 application. The Workbook is available for download [here](#). Once completed, the Workbook should be added as an attachment to the overall grant application.

Budget Sheet:

Budget Application Form 2023 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: a. Where the match is coming from (cash, loan, other grant, etc.) 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, tillage, etc.)	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><small>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 Consultant/Contractor category.</small></p>					

Budget Narrative:

Budget Narrative 2023 Farm Transition Grant Application			
<p>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.</p>			
<p>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.</p>			
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-to-eyfhdhRyW1Jd6SLJNDVvJ0mTgNzLHQ=	\$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.

~~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. **Once you have answered all questions, attach your document to your Farm Transition Grant application.**

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.

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. **Once you have answered all questions, attach your document to your Farm Transition Grant application.**

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 and what will it accomplish for your business. The reviewers will be looking for a statement that begins with “This project will....”
 - a. Describe 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: Purchase and install 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.

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 why this improvement is needed and how this infrastructure will help bring your business to the next level.
 - 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. **Project Summary and Conclusions** – Summarize the key points of this project and how it will transform your business.