

Minnesota Livestock Investment Grant Application MN Statute 41A.12

September 2016

Dear Minnesota Livestock Producer:

The Minnesota Department of Agriculture (MDA) is accepting applications for the 2017 Livestock Investment Grant Program (LIGP) as part of the Agricultural Growth, Research, and Innovation Program (AGRI). These grants are available to livestock producers. The grant awards up to 10% of your investment in buildings and/or capital equipment that have not been started or purchased prior to award. Grants are capped at \$25,000/application with a lifetime cap of \$50,000.

Grant applications are scored competitively using an evaluation profile then ranked based on total score. Pay special attention to the evaluation profile when answering the questions on the application. A review committee will evaluate the applications.

Applicants who receive a grant will be notified. Grant awards will be paid when proof of project payments are received by the MDA.

Applications for the 2017 Livestock Investment Grant program must be postmarked by December 16, 2016. An online submission application will also be available (mailed and emailed copies will be accepted). The MDA is not responsible for any email problems resulting in MDA not receiving a proposal on time. It is the responsibility of the responder to ensure that any email submittals are received by MDA before the deadline. If unable to fill-out electronically, please use black ink. Keep a copy of your application for your own records. Incomplete grant applications will not be accepted or reviewed. Submitted applications will not be returned.

Application checklist:

- Application is completely filled out, signed, and all questions are answered.
- Project cost estimates are clearly defined within the application.
- Make a copy of complete application for your records.
- Optional: a letter of support is included (no more than 2 pages).

On-line Applications:

www.mda.state.mn.us/livestockinvestmentgrant

Mail Completed Application to:

Minnesota Department of Agriculture
Livestock Investment Grant Program
Attn: David Weinand
625 Robert Street North
St. Paul, MN 55155-2538

Or Email Completed Application to:

David.Weinand@state.mn.us

Thank you for making an investment in Minnesota's livestock industry.

Sincerely,

David Frederickson
Commissioner



625 Robert Street North, St. Paul, MN 55155-2538
www.mda.state.mn.us

Livestock Investment Grant Program

Ph: 651-201-6500

www.mda.state.mn.us/livestockinvestmentgrant

Minnesota Livestock Investment Grant Application

MN Statute 41A.12

Legal – First Name _____ Middle Initial _____ Last Name _____

Name of Farm (if applicable) _____

Mailing Address _____

City _____ State _____ Zip _____ County _____

Phone Number _____ Cell Phone Number _____

Email _____

Organizational structure

Sole Proprietorship Partnership LLP LLC Corporation

Other _____

How did you hear about the Livestock Investment Grant?

Newspaper Radio Word of Mouth Other _____

Eligibility requirements:

I am in good standing with the State of Minnesota (no back taxes)	Yes	No
I am a current Minnesota resident or entity authorized to farm in Minnesota	Yes	No
I am a principal operator of the farm (actively involved in the operation of the farm)	Yes	No
I certify that these project expenses will be incurred between January 1, 2017 and June 30, 2018	Yes	No

Optional documentation:

You may attach a letter of support (no more than two (2) pages) from someone other than yourself.
(i.e. Lender, Farm Business Management, Extension, Educator, Consultant, etc.)

See the frequently asked questions and evaluation profile sheet for clarification (page 8).

Contact for further assistance:

Livestock Investment Grant Program: 651-201-6500

Application Questions

Please use the narrative part of the application to provide additional details about your planned livestock investment (livestock numbers, expansion plans or steps for farm transition, etc.) to the answers you give below.

Check One

Does this project improve the efficiency or profitability on this farm?

Yes No

If yes, please explain how (i.e. technology, updated equipment, better facilities, modernization, etc.):

Does this investment have a positive impact on the environment?

Yes No

If yes, describe the impact or improvement (could include improvement to water, air, and/or soil):

Have you completed a Conservation Plan, Organic Plan, Annual Nutrient Management Plan, Conservation Stewardship Program, or Environmental Assessment, etc. for your farm?

Yes No

If yes, what program?

Pork Quality Assurance (PQA)

Environmental Quality Assurance (EQA)

Annual Nutrient Management Plan

Organic System Plan

Regular soil testing

SWCD and NRCS Programs

Farm Energy Audits

EQIP

Green Star Farm Initiative

Water Quality Certification

Farmers Assuring Responsible Management™ (FARM)

Other

Are you in compliance with current feedlot rules?

Yes No

If not, does this project address this issue? Yes No Not Applicable

Does this project support the entry or transition of a new livestock operation into the area?

Yes No

If yes, please explain (Including beginning farmers and/or a generational transition on a farm):

Does this project create employment opportunities? (construction installation, after construction, etc.)

Yes No

If yes,

During Construction: new number of full-time _____ new number of part-time _____

Post Construction/Purchase: new number of full-time _____ new number of part-time _____

Are you rebuilding after a natural disaster or other unintended condition that happened within the past two years?

Yes No

If yes, please explain disaster and/or condition:

Are you receiving funding for this project from other grants or government sources?

Yes No

If yes, what is the amount? \$ _____

If yes, what sources?

Has your operation previously applied for a grant under the Livestock Investment Grant Program?

Yes No

If yes, were you awarded any Livestock Investment Grant Funds?

Yes No

If yes, grant amount awarded \$ _____ Date grant awarded _____

\$50,000 lifetime maximum/farm

Primary Applicant Age (*check one*):

under 25 25–35 36–45 46–55 56–65 over 65

Number of years applicant has been farming (*receiving over 25% of income from farming*): _____

Did you, or will you, receive at least 25% of your annual gross income from agriculture?

Yes No

Narrative

Please use this narrative section to describe your project including how it fits into your business plan and the vision of your livestock operation. Include **timelines for project construction or equipment purchase dates** and details to support answers to questions on the previous page. *(Please note there is a 2-page maximum allowed for your narrative. Add additional pages if needed.)*

Current Species and Numbers of Livestock on Farm

Species of Livestock	Breeding	Youngstock	Feeders
Beef			
Dairy			
Swine			
Sheep/Goat			
Poultry			
Horse			
Other <i>(list)</i>			

Future Species and Numbers of Livestock on Farm

Species of Livestock	Breeding	Youngstock	Feeders
Beef			
Dairy			
Swine			
Sheep/Goat			
Poultry			
Horse			
Other <i>(list)</i>			

Livestock Investment Expenditures:

January 1, 2017 – June 30, 2018

Livestock Equipment <i>(This includes all handling equipment purchases such as waste management equipment or robotic milker.)</i>	Total \$ of Capital Expenditure for this Project
(A) Subtotal	

Livestock Building or Facility Improvements <i>(This includes all aspects of a new building or remodeling project, building, land prep, etc.)</i>	
(B) Subtotal	

Fencing or Pasture Management Expense <i>(fence posts, waterers, water lines, fencers, corral, culverts, etc.)</i>	
(C) Subtotal	

Other Eligible Expenses	
(D) Subtotal	

Grand Total Expenses (add subtotals of a, b, c, and d)	
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Note: Grant request can only cover 10% of the total eligible investment expense. There is a maximum of \$ 25,000/application and a \$50,000 cumulative grant claim per operation over the lifetime of the program.

Total Livestock Investment (above) \$ _____ x 10% = \$ _____ Grant Request

The Applicant Certifies that:

1. To the best of my knowledge and belief, the data in this application is true and correct and supporting documentation for the claims and assertions made within this application is available to the Minnesota Department of Agriculture for its review.
2. I understand that submitting false or misleading information in connection with this application may result in the applicant being found ineligible for financial assistance under the Livestock Investment Grant Program. I further understand that receiving public funds as a consequence of false representations constitutes an act of fraud.
3. I understand that MDA may conduct audits, check references, and conduct site inspections after grants are awarded and prior to dollars being disbursed.
4. I understand application data is private or nonpublic data until grant applications are awarded. Names, addresses and requested amounts then become public information. An entire application becomes public when an agency has completed negotiating the grant agreement with a grantee. Individual grant applicants do not have to provide the information requested on the application form. However, if you do not, we will not be able to consider your grant request. The only persons who will have access to your data during the time that it is protected are those permitted access by law, by your written consent, by a court order, or by those department employees whose job duties require access.
5. I verify all information supplied in this application is correct to the best of my knowledge.

X Applicant's Signature _____ Date _____
REQUIRED

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Minnesota Department of Agriculture
Livestock Investment Grant Program
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St. Paul, MN 55155-2538

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David.Weinand@state.mn.us

Application must be postmarked by December 16, 2016

Frequently Asked Questions

What is the Livestock Investment Grant Program (LIGP)?

It is a grant to a person or entity who raises livestock in Minnesota for the purposes of improving or expanding livestock production in Minnesota. It will award 10% of a project's cost with a minimum expense of \$4,000 and a maximum expense of \$500,000.

Who is eligible?

Applicants must be residents of the state of Minnesota or an entity in compliance with the corporate farm law, be the principal operator of the farm, and if applicable hold an appropriate feedlot registration.

What livestock species are eligible?

All livestock species are eligible for the investment grant.

How much money is available?

\$2 million is available for the program operations and grants.

What does the grant cover?

- The acquisition, construction, or improvement of buildings or facilities for the production of livestock or livestock products (animal comfort, decreasing temperature/humidity).
- The acquisition of equipment for livestock housing, confinement, feeding, and waste management.
- The development of pasture for use by livestock.

Except for qualifying pasture development expenditures, qualifying expenditures only include amounts that are allowed to be capitalized and deducted under either section 167 or 179 of the Internal Revenue Code in computing federal taxable income. IRC 167 and 179 describe what property can be depreciated and what methods of depreciation are allowed under tax law.

Ineligible Expenses

Purchase of land, animals, and feed as well as refinancing debt.

How are grants awarded?

Grant applications must be postmarked no later than December 16, 2016. The process will include two steps.

1. Selection of qualified grant applications awarded competitively through an evaluation profile.
2. The release of the grant funds to the recipient upon receiving proof that the expenses were paid.

What is meant by a Conservation Plan, Organic Plan, or Environmental Assessment?

There are numerous management options to improve a livestock operation's impact on the environment. Pork Quality Assurance (PQA), Environmental Quality Assurance (EQA), Annual Nutrient Management Plans, Organic System Plan, Regular Soil Testing, SWCD and NRCS programs, Farm Energy Audits, EQIP, FARM are a few examples.

Incentive Grant

These funds are intended to help spur economic activity.

What is meant by a natural disaster or unintended condition?

Some improvements or new construction will be considered if it occurs as a result of a natural disaster or unintended condition (such as sudden disability or physical condition). The natural disasters include, but not limited to: fire or smoke damage, high winds or tornado, collapse of a roof (due to heavy snowfall), flood damage to buildings or livestock equipment, incorporating biosecurity measures because of a disease outbreak, other natural disasters. (Financial losses resulting from low prices or market conditions are very real, but not considered natural disasters or unintended condition.)

What documentation do I need to receive a grant?

Materials submitted must include a completed application with all questions answered including a narrative section outlining the planned objectives for the livestock investment. A letter of reference or support (no more than 2 pages) is also welcome, but not required. Those applicants that are selected to receive funding will be required to verify expenditures.

Does the MDA have authority for verifying accountability?

Yes, applicants should be aware that the MDA may conduct audits, check references, and conduct site inspections after grants are verified and prior to dollars being disbursed.

Do I need to have 25% of my gross income from agriculture?

Yes. This will ensure the program will benefit those actively engaged in agriculture.

What is the source of these funds?

These funds are made available through the Agricultural Growth, Research, and Innovation Fund (MN Statutes 41A.12) in support of the livestock industry by the Dayton administration and the Minnesota Legislature.

*Which areas of the Evaluation Profile (enclosed) receive priority consideration?

- Those that help facilitate entry or transition of the operation to the next generation.
- Those with fewer years farming.
- Those that clearly have a positive impact on the environment.

Assistance and Support

Applicants may submit questions regarding the application to David Weinand using the contact information. Responses to all questions will be posted on the Livestock Investment Grant website at www.mda.state.mn.us/grants/grants/livestockinvestment.aspx as soon as possible.

Applicants may request to receive copies of previously funded applications. A sample application will also be posted on the Livestock Investment Grant website.

This is a competitive grant program. Applications will be scored using the evaluation profile and ranked on their relative merit in each category. Give special attention to the evaluation profile when answering the questions on the application. Other factors that may be considered in the process include geographic location of the operation, livestock species.

Evaluation Item	2 Point UNSATISFACTORY	4 Points BORDERLINE	6 Points SATISFACTORY	8 Points VERY GOOD	10 Points OUTSTANDING
*Entry or transition of operation into area	Not mentioned	Not a factor in investment	Part of long-term business plan	Helps facilitate generational transition	Helps new operation (2 years or less in business)
*Number of years farming	Not mentioned	More than 25 years farming	15 – 25 years farming	5 – 14 years farming	Less than 5 years farming
*Investment will have a positive impact on the environment	No impact	Investment impact on the environment is uncertain	Effect on the environment is not clearly measurable but will probably be beneficial	Investment is likely to result in positive environmental benefit	Investment will clearly result in substantial positive environmental benefit
Evaluation Item	1 Point UNSATISFACTORY	2 Points BORDERLINE	3 Points SATISFACTORY	4 Points VERY GOOD	5 Points OUTSTANDING
Conservation, Organic or Environmental Quality Assurance plan	No plan	Is considering available programs	Has finished plans but not implemented or has completed certification for required plan/ program	Implemented some parts of a plan but not all of a voluntary plan	Regularly utilizes and has an ongoing plan or a completion certificate for a voluntary program
Investment improves efficiency or profitability of operation	Not mentioned	Change does not impact efficiency or profitability of operation	Operation should have improved efficiency or profitability through investment	Efficiency or profitability of operation will be improved and well described in narrative	New or updated technology significantly improved efficiency or profitability of operation
Employment opportunities (Full or part-time)	No change	Slight increase	Increased employment of up to 4 temporary employees	Increased employment of 1 permanent or 5-10 part-time employees	Increased employment of 2+ permanent or 10+ part-time employees
Natural Disaster/ Unintended event (see FAQ's)	Not a factor in investment	_____	Event influenced decision on investment but was not the main factor	_____	Was the main factor for the investment
Completeness of applications	Not complete	Not legible, hard to read and/or understand	Everything filled out and readable, exceeds page limit	Complete, legible and does not leave many questions in the mind of reviewer	Complete, typed, and detailed in description of investment plan and goals

*Priority Considerations

Project began **Date** ____ / ____ / ____