

# **AGRI Value-Added Grant Fiscal Year 2022 Request for Proposals**

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# Grant Summary

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## Overview

The Agricultural Growth, Research, and Innovation (AGRI) Value-Added Grant offers funding for value-added businesses (including bioenergy producers) to invest in equipment. The intent of the program is to increase sales of Minnesota agricultural products by investing in production capacity, market diversification, and market access for value-added products. For the purposes of this grant, value-added is defined as the addition of value to an agricultural product through processing.

## Funding availability

The Minnesota Department of Agriculture (MDA) anticipates awarding approximately \$1 million using a competitive review process. We expect 10 to 30 grants will be awarded, but the final number depends on the size of awards. The maximum equipment award is \$150,000, and the minimum award is \$1,000. Although applicants may request up to \$150,000, applicants should expect that very few, if any, applicants will receive more than \$100,000. There will only be one round of funding this fiscal year for the AGRI Value-Added Grant.

## Relationship to the AGRI Meat, Poultry, Egg, and Milk Processing Grant

Meat, poultry, egg, and milk processors had the opportunity to apply for the AGRI Meat, Poultry, Egg, and Milk Processing Grant in Fall 2021. This program provided a special consideration for these types of applicants. The AGRI Value-Added Grant is open to all eligible value-added businesses.

If a proposal was not selected or was only partially funded for the AGRI Meat, Poultry, Egg, and Milk Processing Grant, it will automatically be considered for the AGRI Value-Added Grant. The MDA will send reviewer comments and applications may be revised until the deadline for the AGRI Value-Added Grant. These applicants should let the MDA know if they do not want their proposal considered and/or contact the MDA for instructions on how to revise their application for consideration.

## Priorities

It is the policy of the State of Minnesota to ensure fairness, precision, equity, and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making.

[Policy 08-02: Rating Criteria for Competitive Grant Review \(PDF\)](#) establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities. This grant program will serve Minnesota processors that add value to Minnesota agricultural products.

During this round of funding, this grant will prioritize:

- woman-owned businesses, businesses owned by members of the Black, Indigenous, and People of Color (BIPOC) community, veteran-owned businesses, and businesses that meaningfully serve the BIPOC community or Native American Tribal communities
- projects that increase food safety

## How to submit questions

All questions should be submitted through writing by email ([MDA.AGRIGrants@state.mn.us](mailto:MDA.AGRIGrants@state.mn.us)) by **4:00 p.m. Central Time on March 17, 2022** with “Value-Added Grant” in the subject line. MDA employees are not authorized to provide advice on any applications. Applicants who solicit or receive advice from unauthorized MDA employees may be disqualified from eligibility for a grant award.

Technical assistance with the online application system can be provided until the submission deadline by calling 651-201-6500 or emailing [MDA.AGRIGrants@state.mn.us](mailto:MDA.AGRIGrants@state.mn.us) with “Value-Added Grant” in the subject line.

## How to apply

Grant applicants are required to submit proposals through our [online application system](#). Applications must be received by **March 24, 2022, at 4:00 p.m. Central Time**. You will receive an automated email when your application has been received.

### Timeline and deadlines for grant program

It is best practice to submit your application at least 24 hours in advance to prevent unforeseen delays. Applications will not be accepted after the grant deadline under any circumstances.

Questions due no later than 4:00 pm Central Time .....	March 17, 2022
Applications due no later than 4:00 pm Central Time .....	March 24, 2022
Applicants notified of decisions; grant agreement negotiations begin .....	May 5, 2022

Grant applicants are required to submit proposals through our [online application system](#).

**The MDA is not responsible for any technical or logistical problems resulting in the MDA not receiving the application on time. It is the responsibility of the applicant to ensure that submission is received by the MDA before the deadline. It is best practice to submit your application at least 24 hours in advance to prevent unforeseen delays. Applications will not be accepted after the grant deadline under any circumstances.**

### Application guidelines

- Write for reviewers who are generally knowledgeable but may not have a thorough or deep understanding of your business. Use plain, easily understood language.
- Answer all questions completely within the character limits specified in the grant application.
- The [Project Evaluation Profile](#) included in this document will be used to score and compare the grant applications.

# Grant Eligibility

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## Eligible applicants

### Applicants must:

- Be an individual (including farmers), business, agricultural cooperative, or a local unit of government.
- Be in good standing with the State of Minnesota:
  - No back taxes owed.
  - No defaults on Minnesota state-backed financing for the last seven years.
  - Acceptable performance on past MDA grants.
  - Compliant with current state regulations.
- Currently reside in Minnesota or be authorized to conduct business in Minnesota.
- Not be an employee or spouse of an employee of the MDA.

### Examples of applicants:

- Individuals (including farmers) engaged in value-added processing
- For-profit businesses: individuals or companies (including LLCs and S and C corporations) whose primary function involves the production, processing, or marketing of Minnesota agricultural products
- Agricultural cooperatives: member-owned business entities that provide, offer, or sell agricultural products or services for the mutual benefit of the members
- Local government entities involved in the operation of a farmers' market, food hub, or other activity that involves the processing or marketing of Minnesota agriculture products
- Economic development organizations, non-profit organizations, and academic entities are not eligible, but they may apply on behalf of and act as fiscal agents for eligible individuals or businesses. These organizations must:
  - Provide letters from the eligible farmers or businesses they represent that clearly describe the benefit of the grant project to those businesses; and
  - Clearly identify these eligible entities and focus the application on their businesses.

## Collaboration

Eligible applicants may collaborate with other value-added businesses, but it is not required.

## Eligible projects and expenses

### Projects must:

- Aim to increase sales of Minnesota agricultural products by increasing production capacity, diversifying markets, or increasing market access for value-added products.
- Not start until the grant contract is signed by all parties and has reached its start date.
- Be completed in three years or less. Contracts cannot be extended beyond three years.
- Be conducted in Minnesota.

### Project examples include but are not limited to:

- Purchase and installation of equipment used in the production of value-added agricultural products
- Aquaponics systems
- Creamery or milk product processing and packaging equipment
- Livestock slaughter equipment
- Grading, packing, labeling, packaging, or sorting equipment
- Equipment that helps to maintain the identity and traceability of products
- Processing equipment or physical improvements to a value-added processing facility to reduce food safety risks
- Cooler walls and refrigeration units
- Contractor costs and materials for installation of approved equipment, including plumbing, drainage, venting, and electrical work
- Refrigerated trucks to access new markets (not routine replacement)
- Equipment that improves process efficiency at biofuel plants
- Renewable energy production equipment, particularly biothermal where the biomass is sustainably sourced from agricultural products (including biomass sourced from agroforestry)

## Ineligible expenses

### Ineligible expenses include but are not limited to:

- Expenditures incurred prior to contract execution
- Land and building purchases
- Equipment and facilities used for agriculture plant or livestock production. Examples include watering systems, harvesting equipment, and equipment or facilities used for livestock care and feeding. This type of equipment may be eligible for an [AGRI Livestock Investment Program Grant](#).
- Supplies, consumables, ingredients, and items that are not reusable

- Beginning inventory costs, start-up costs, beginning working capital costs, and license fees
- Owner and employees' wages and benefits. Please contact staff for exceptions.
- Advertising, public relations, entertainment, and amusement costs
- Donated or volunteer (in-kind) services. While these may be furnished to an applicant by professional and technical personnel, consultants, and other skilled and unskilled labor, the value of these services is not an eligible cost.
- Donations and in-kind contributions, including property and services, made by the applicant (regardless of the recipient)
- Fines, penalties, and other settlement expenses resulting from failure of the applicant to comply with federal, state, local, or Indian tribal laws and regulations
- Indirect costs (expenses of doing business that are not readily identified with the project)
- Fundraising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions
- Taxes, except sales tax on goods and services
- Lobbyists and political contributions
- Bad debts, late payment fees, finance charges, legal costs, or contingency funds
- Parking or traffic violations
- Out of state transportation and travel expenses. Minnesota will be considered the home state for determining whether travel is out of state.
- Feasibility studies
- Construction or expansion of a restaurant or grocery store and restaurant equipment or furniture. Grocery store equipment may be eligible for a [Good Food Access Program Grant](#).
- Construction outside of the State of Minnesota
- General use equipment

## Matching funds

You must provide documentation for at least 75% of the total project cost as a cash match; in-kind matches are not permitted. Matching funds can be in the form of cash, loans, other grants, or liquid capital assets dedicated to the project. However, other state funds cannot be used for the matching funds. State funds are obtained through the budgeting process of the Minnesota Legislature or granted by a state agency.

# Application Review Policies

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## Review process

A review committee, composed of MDA staff and external reviewers, evaluates all eligible applications based on the criteria in the Project Evaluation Profile. Reviewers may recommend whole or partial funding of a project. The commissioner of agriculture reviews the committee recommendations and is responsible for award decisions. The review committee and commissioner may use rural/urban, geographic distribution, services to special populations, applicant's history as a state grantee, and capacity to perform the work when making their decisions. The MDA will notify applicants, both successful and unsuccessful, in writing. Applicants may request a summary of reviewer comments.

## Conflicts of interest

State grant policy requires that steps and procedures are in place to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers ([MINN. STAT.16B.98](#) and [Conflict of Interest Policy for State Grant-Making, 2022 \(Word\)](#)).

Organizational conflicts of interest occur when:

- A grantee or applicant is unable or potentially unable to render impartial assistance or advice to the MDA due to competing duties or loyalties.
- A grantee's or applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties.

In cases where a conflict of interest is suspected, disclosed, or discovered, the applicants or grantees will be notified and actions may be pursued, including but not limited to disqualification from eligibility for the grant award or termination of the grant agreement.

## Privacy notice and data classification

The information provided by an applicant will be used to assess the applicant's eligibility to receive a grant under the AGRI Program. The decision to apply for this grant is voluntary, and applicants are not legally required to provide any of the requested information. Applicants may decline to complete this application without any legal consequence. However, only completed applications will be considered for a grant; incomplete applications will not be considered.

Data provided in this application is initially classified by the Minnesota Data Practices Act as private or nonpublic, although some or all of the data will generally become public at various points of the application process unless the data are otherwise classified by state or federal law. Access to private or nonpublic data is limited to those authorized by law, including but not necessarily limited to MDA staff and contractors with a valid work assignment to access the data, parties authorized by the applicant, parties identified in a valid court order or federal subpoena, Minnesota Management and Budget, Minnesota Department of Administration, the state auditor, and the legislative auditor. If necessary, the MDA may also share the data with law enforcement or the Office of the Attorney General.



Per [MINN. STAT. 13.599](#):

- Names and addresses of grant applicants, and the grant amount requested, will be public data once application responses are opened.
- All remaining data in application responses (except for data classified as Department of Agriculture data ([MINN. STAT 13.643, subd. 1](#)) and trade secret information, see below) becomes public data after the evaluation process is completed (for the purposes of this grant, when all grant agreements have been fully executed).
- All data created or maintained by the MDA as part of the evaluation process (except trade secret information, see below) will be public data after the evaluation process is completed.
- **Procedure for Claiming Protection of Trade Secrets**
  - Trade secret information is classified as not public data. In order to qualify as trade secret information, the data in question must be provided to the MDA by the affected person (i.e. the data must be about the applicant) and otherwise meet the legal definition ([MINN. STAT. 13.37, subd. 1\(b\)](#)). In order for an applicant to assert trade secret protection for data submitted as part of this application, the applicant must: 1) clearly identify the specific formula, pattern, compilation, program, device, method, technique or process that the applicant believes to be trade secret information; 2) describe what efforts the applicant takes to maintain the secrecy of the data; and 3) adequately explain how the data derive(s) independent economic value from not being generally known to, and not readily ascertainable by proper means by, other persons. Merely asserting trade secret protection does not, in and of itself, classify the data in question as not public; determining what data meet the definition of trade secret information is ultimately the legal responsibility of the MDA, and the MDA cannot guarantee that data identified as trade secret information by an applicant will be classified as such. If the MDA determines that data do not meet the definition of trade secret information, the data in question will be available to the public unless the applicant secures a court order saying otherwise.

# Requirements for Grant Recipients

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## Pre-award financial review

If a non-profit organization applies on behalf of an eligible organization, they must undergo a financial review prior to receiving a grant award made of \$25,000 and higher.

To comply with [Policy 08-06: Financial Review of Nongovernmental Organizations \(PDF\)](#), you may be asked to submit one of the following documents:

- Grant applicants with annual income of under \$50,000, or who have not been in existence long enough to have a completed IRS Form 990 or audit, should submit their most recent board-reviewed financial statements.
- Grant applicants with total annual revenue of \$50,000 or more and less than \$750,000 should submit their most recent IRS Form 990.
- Grant applicants with total annual revenue of over \$750,000 should submit their most recent certified financial audit.

## Accountability and reporting

Follow-up surveys are required to help us determine the long-term impacts of the grant. Grantees are required to respond to requests for follow-up information for three years beyond the term of the grant agreement. Failure to respond to these in a timely manner may impact your ability to secure future funding from the MDA.

## Grant award agreement and payments

Grant contract agreement templates are available for review on the [Office of Grants Management Forms and FAQs](#) webpage.

Upon approval of an application and prior to beginning work on the grant project(s) and receiving reimbursements, the applicant is required to do the following:

- Complete an IRS W-9 form or register as a vendor in SWIFT, the state's accounting system, and submit other required documentation within 30 days of award notification; **and**
- Sign a Grant Contract Agreement indicating their intention to complete the proposed tasks. The agreement also authorizes the MDA to monitor the progress of the project. The grant award document must be signed within 30 days of being sent to the grantee.

Eligible expenses may only be incurred after the contract has been signed by all parties. Applicants should anticipate that grant contracts will have an end date in January 2023. Grant contracts may not extend beyond three years from the effective date of the contract. Grantees must let the MDA know if they would like to request an extension prior to the expiration of the contract.

Grant funds are dispersed on a reimbursement basis. All grantee requests for reimbursement must correspond to the approved grant budget. To receive grant payments, grantees must provide proof that grant project work has been done by submitting details of each purchase on receipts or invoices, and proof that the vendors have been paid. Annual progress reports are required to be submitted during the duration of the project. Grant payments shall not be made on grants with past due progress reports unless the MDA has given the grantee a written extension.

## Site visits and financial reconciliations

The grant agreement allows the MDA to monitor the progress of the project. The MDA will perform a monitoring visit for all grantees with awards of \$25,000 or more before a final payment is approved; grantees with awards of \$250,000 or more will receive annual monitoring visits. Other grantees may receive monitoring visits at the discretion of the MDA.

The MDA will perform a financial reconciliation of at least one invoice on grants greater than or equal to \$50,000; financial reconciliation may be performed on additional payment requests at the discretion of the MDA. For this purpose, the grantee must provide expense receipts, employee timesheets, invoices, and any other supporting documents requested by the state.

## Bidding requirements

All funded applicants will be required to abide by the state's bidding requirements for larger purchases. See a detailed list of the state's [bidding requirements](#) for details.

## Affirmative action and non-discrimination policy

The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status in regard to public assistance, membership or activity in a local commission, disability, sexual orientation, or age in regard to any position for which the employee or applicant for employment is qualified ([MINN. STAT. 363A.02](#)). The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.

The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship ([Minnesota Rules, part 5000.3500](#)).

The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the [Minnesota Human Rights Act](#).

## Audits of project

The grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the granting agency and either the legislative auditor or the state auditor, as appropriate ([MINN. STAT. 16B.98, subd. 8](#)). This requirement will last for a minimum of six years from the grant agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## Voter registration requirement

The grantee will provide voter registration services for its employees ([MINN. STAT. 201.162](#)).

## AGRI Background and Program Goals

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The Agricultural Growth, Research, and Innovation Program (AGRI) was established to advance Minnesota's agricultural and renewable energy industries ([MINN. STAT. 41A.12](#)). AGRI has made significant economic impacts by increasing productivity, improving efficiency, and assisting the development of agricultural products. The primary goal of the AGRI Value-Added Grant is to increase sales of Minnesota agricultural products by investing in production capacity, market diversification, and market access of value-added products.

# Project Evaluation Profile

Evaluation Criteria	Maximum Score
<b>Project Addresses Goals of the AGRI Value-Added Grant</b> <ul style="list-style-type: none"> <li>• Increases sales of Minnesota agricultural products</li> <li>• Diversifies markets and/or increases market access</li> </ul>	10
<b>Business Readiness, Financial Sustainability, and Experience</b> <ul style="list-style-type: none"> <li>• Applicant demonstrates sound business management, financial aptitude, and stability</li> <li>• Applicant describes the financial benefit of doing the grant project</li> </ul>	20
<b>Impact on Minnesota Agriculture</b> <ul style="list-style-type: none"> <li>• Plan to increase sales of Minnesota agricultural products is achievable</li> <li>• Expected amount of Minnesota agricultural products to be increased is realistic</li> <li>• Meaningfully adds resiliency in the supply chain</li> <li>• Increase is appropriate for the size of the budget request</li> <li>• Project has the potential to impact many farmers</li> </ul>	25
<b>Measurable Objectives</b> <ul style="list-style-type: none"> <li>• Objectives of project are measurable and clearly stated</li> <li>• Describes how the project will achieve objectives of the grant program and benefit the business</li> </ul>	10
<b>Work Plan and Timeline</b> <ul style="list-style-type: none"> <li>• Work plan is thorough and realistic</li> <li>• A detailed description of each step of the grant project is provided with estimated dates</li> </ul>	10
<b>Budget and Match</b> <ul style="list-style-type: none"> <li>• Budget clearly details all project costs</li> <li>• Budget clearly explains source and amount of applicant's funds (cash match)</li> <li>• Budget is cost effective and planned purchases are backed by quotes or other sources</li> </ul>	15
<b>Priority Areas</b> <ul style="list-style-type: none"> <li>• Applicant's operation is a woman-owned business, a business owned by a member of the Black, Indigenous, and People of Color (BIPOC) community, a veteran-owned business, or the applicant meaningfully serves BIPOC or Native American Tribal communities</li> <li>• Applicant clearly and compellingly describes how the project contributes to a food safety plan or increases food safety</li> </ul>	10
<b>Total</b>	<b>100</b>

# Application Questions

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## Contact information

### Applicant information

- Applicant Name
- Business Name
- Business Mailing Address
- Business County
- Business Telephone
- Business Email
- Minnesota State House District (Find your district at [Who Represents Me?](http://www.leg.state.mn.us/leg/districtfinder) ([www.leg.state.mn.us/leg/districtfinder](http://www.leg.state.mn.us/leg/districtfinder))).

### Authorized representative

If awarded a grant, the person that will sign the AGRI Value-Added Grant contract agreement for this organization.

- Name
- Telephone
- Email

## Eligibility

Confirm that the following statements apply to your organization.

- My organization is in good standing with the State of Minnesota. (No back taxes owed, no defaults on Minnesota state-backed financing for the past seven years, in compliance with current state regulations, and acceptable performance on past MDA grants.) (Yes/No)
- My organization is in Minnesota or authorized to conduct business in Minnesota. (Yes/No)
- My spouse and I are not employees of the MDA. (True/False)

Has work started on your proposed project or will work start before the grant contract agreement is signed by all parties? The MDA is unable to reimburse for any work that is performed prior to the start date of the contract. (Yes/No)

## Previous AGRI grants

Have you received a previous AGRI Value-Added Grant; AGRI Meat, Poultry, Egg, and Milk Processing Grant; or Rapid Response Grant for Livestock Processing? (Yes/No)

If yes, briefly describe your previous grant project(s), including date(s) and amount(s) awarded. (1,000 characters, including spaces)

## Project summary

### Grant request

- Project Name
- Total Project Cost
- Total Grant Request (up to 25% of the total project cost). Maximum of \$150,000, minimum \$1,000.
- Expected Project Start Date
  - Must be after the contract is signed by you and the State of Minnesota.
  - Award notification is in early May, and contracts may be signed as early as May.
- Expected Project End Date
  - Contracts may last a full three years from start date.
  - You will have up to two months after your contract end date to submit for a reimbursement.
  - All items and services must be paid for by the end date of the contract.

### Project description

Provide a brief description of your project outlining what you plan to purchase and why. Try to limit your description to three sentences. *(500 characters, including spaces)*

### Diversity, equity, and inclusion

This grant program prioritizes historically underserved communities, including woman-owned businesses, businesses owned by members of the Black, Indigenous, and People of Color (BIPOC) community, veteran-owned businesses, and businesses that meaningfully serve BIPOC or Native American Tribal communities. Explain how these priorities are reflected in your business, if at all. *(2,000 characters, including spaces)*

## Business readiness and financial sustainability

### Business summary

Provide a summary of your business *(2,000 characters, including spaces)*. The summary should stand alone to describe:

- The mission and goals of your business
- The services and products provided by your business
- The ownership and leadership of your business

### Business plan summary

Provide a summary of your business plan. *(2,000 characters, including spaces)*.

- Describe the financial health/cash flow of your business over the past year.
- How is your business looking to grow or remain competitive?
- Explain how this project fits into your business plan including how this project will financially benefit your business.

## Business plan submission

- Business plans are required to be submitted with the application for all requests over \$100,000 and optional for all other requests.
- Redact confidential information and trade secrets included in your business plan.

## (Optional) Business readiness letters

Submit letters of support written by:

- Financial or business contacts that can attest to your sound business management, financial aptitude, and stability
- Contacts in your value-added profession or previous co-workers who can verify you have the experience or skills necessary to successfully complete the project

## Impact on Minnesota agriculture

### Meat/poultry slaughterers

Does your business slaughter livestock/poultry? (Yes/No)

How will the number of livestock/poultry you can slaughter change because of this grant project (by species)? Please provide a before and after estimate. (2,000 characters, including spaces)

*Example: In 2020, we were able to slaughter five head of beef and 20 hogs per week. After we complete the grant project in August 2022, we estimate we can slaughter 10 beef and 30 hogs per week.*

### Meat/poultry further processors

Does your business further process meat/poultry? (Yes/No)

How will the amount of meat/poultry you can process change because of this grant project (by species)? Include before and after estimates. (2,000 characters, including spaces)

*Example: In 2020, we could process approximately 60 sides of beef per week and 120 whole hogs. After the grant, we expect to increase to 80 sides of beef and 160 whole hogs. We will also be increasing our capacity to smoke meat; smoked meats are a higher value product.*

### Egg processors

Does your business process eggs? (Yes/No)

How will the project increase your ability to process egg products? Include before and after estimates. (2,000 characters, including spaces)

*Example: Last year, we were able to process 25 dozen eggs per day from two farms. Afterwards, we will be able to process 40 dozen eggs per day from four farms.*



## **Milk processors**

Does your business process milk/milk products? (Yes/No)

How will the project increase your ability to process milk/milk products? Include before and after estimates. (2,000 characters, including spaces)

*Example: Last year, we were able to process 500,000 cwt from 120 farms. Afterwards, we will be able to process 750,000 cwt from 130 farms. As a part of that, we'll go from processing 50,000 pounds of cheese to 75,000 pounds of cheese.*

## **Other impact on Minnesota agriculture**

In what other ways will your project affect agriculture in Minnesota? (2,000 characters, including spaces)

- Provide an estimate of the total dollar value of Minnesota agricultural products used by your business between January 1, 2021, and December 31, 2021.
- Provide an estimate of the dollar value of Minnesota agricultural products to be used by your business in the first full calendar year after your project is complete.

## **Increasing sales**

Describe how this project plans to increase the sales of Minnesota agricultural products. (2,000 characters, including spaces)

Estimate how this project will impact your gross revenue. (2,000 characters, including spaces)

## **Sources of Minnesota agricultural products**

List your current or anticipated sources of Minnesota agricultural products. (1,000 characters, including spaces)

*Examples: Vista Acres Vineyards, New Ulm, MN (2021 - \$50,000 grapes); Happy Plants Inc., Thief River Falls, MN (2021 - \$3,000 hops and \$15,000 barley); Big Harvest Cooperative, Chaska, MN (2021 - \$10,000 corn)*

## **Market outlets**

Estimate the number of market outlets currently used by your business between January 1, 2021, and December 31, 2021. Examples of market outlets include wholesale distributors, direct-to-consumer channels, retail stores, and farmers markets. (2,000 characters, including spaces)

## Market expansion and diversification

Describe how this project plans to diversify and expand access to markets in Minnesota. (2,000 characters, including spaces)

- Describe how the project plans to diversify markets and/or increase market access.
- If you expect to increase the number and/or types of market outlets from this project, estimate the increase(s) and explain how the project will achieve these goals.

*Example: In 2021 we sold to 10 schools and with the grant we expect to be able to sell to 20 schools across the Twin Cities metro area.*

## Measuring outcomes

Describe how you plan to measure the outcomes of your project including impact on your business, increased sale of Minnesota agricultural products, and number of market outlets. (1,000 characters, including spaces)

## (Optional) Agricultural impact letters

Submit letters of support written by:

- Current or potential sources of Minnesota grown products
- Current or potential buyers expressing support for the project
- Organizations citing the potential of your project to impact many farmers

## Project plan

### Work plan and timeline

Create a workplan and timeline using the example format below. You should include the steps that you will take to successfully complete your project. For example, you might include target dates for requesting quotes, installing and testing equipment, and full launch of the equipment.

Timeframe	Description of Task/Action Item	Responsible Party
<i>Ex: June 2022</i>	<i>Request bids for cheesemaker</i>	<i>Project director</i>
<i>Ex: June 2022</i>	<i>Sign contract with Cheese Marketers Association</i>	<i>CEO</i>

## Budget

Create a budget using the example format below. If specific contractors are named in the application, grantees will not need to undergo a formal bidding process as long as you use these contractors for your project. This can save you time and effort later.

Item	Quantity	Cost Per Unit	Total Estimate	Source of Estimate
<i>Ex: Pasteurizer</i>	<i>1</i>	<i>\$15,000</i>	<i>\$15,000</i>	<i>Cheesy Equipment Dealers</i>
<i>Ex: Contractor Hours</i>	<i>50</i>	<i>\$100</i>	<i>\$5,000</i>	<i>Cheese Marketers Association</i>

## **Budget narrative**

Justify your budget and explain how you plan to pay for your project. *(2,000 characters, including spaces)*

- Explain how the equipment and services in the budget table will help you process more Minnesota agricultural products into value-added products or diversify/expand your market outlets.
- Explain how you plan to pay for your project (financing, other grants, private investment, personal investment, or organization funds, etc.). Other state funds cannot be used to provide the funding used to pay for this project.

## **(Optional) Documents showing project costs and ability to pay for project**

Submit documents such as:

- Quotes or estimates from businesses for equipment or services
- Letters of commitment written by financial institutions or other organization that will be providing funding through loans or credit
- Letters from bank demonstrating sufficient cash available to fund project