

Developing Markets for Continuous Living Cover Crops- Grant Program Fiscal Year 2023 Request for Proposals

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Grant Summary

Overview

In 2022, the State Legislature provided funding to the Minnesota Department of Agriculture (MDA) for “grants to organizations in Minnesota to develop enterprises, supply chains, and markets for continuous living cover crops and cropping systems in the early stage of commercial development, including but not limited to regenerative poultry silvopasture systems, Kernza® perennial grain, winter camelina, and elderberry.”

Funding availability

The MDA anticipates awarding \$420,000 using a competitive review process. We expect 8-10 grants will be awarded, but the final number depends on the size of awards. The maximum award is \$50,000 and the minimum award is \$10,000. There will be one round of funding available as this is currently one-time funding.

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 organizations. Organization is broadly defined as: *A group of people, structured in a specific way to achieve a series of shared goals. The term organization includes a company, government, tribe, urban American Indian Community, partnership, and any type of civil or political association of people.* An individual is not considered an organization.

During this round of funding, this grant will prioritize:

- projects that develop enterprises, supply chains, and markets for continuous living cover crops and cropping systems in the early stage of commercial development
- 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

How to submit questions

All questions should be submitted through writing by email (Jen.Schaust@state.mn.us) by **3:00 p.m. Central Time on April 6, 2023**, with "Developing Markets for CLCs" 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 emailing Jen.Schaust@state.mn.us with "Developing Markets for CLCs" in the subject line.

How to apply

Grant applicants are required to submit proposals through our [online application system](#). Applications must be received by **April 13, 2023, at 3:00 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 3:00 p.m. Central Time	April 6, 2023
Applications due no later than 3:00 p.m. Central Time	April 13, 2023
Applicants notified of decisions; grant agreement negotiations begin	May 8, 2023

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 organization. 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

Eligible applicants

Applicants must:

- Be an organization in Minnesota (including a company, government, tribe, urban American Indian Community, partnership, and any type of civil or political association of people).
- Focus on continuous living cover (CLC) crops and cropping systems as defined: Continuous Living Cover (CLC) refers to agricultural systems in which there are living plants and roots in the ground throughout the year. This can take many forms, from winter annual crops sown between summer annuals to agroforestry practices, perennial forage crops, perennial biomass crops, and perennial grain production.
- 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 (if applicable).
 - Compliant with current state regulations.
- Be located in Minnesota
- Not be an employee or spouse of an employee of the MDA.

Examples of applicants:

- Organizations engaged in work related to CLC crops and cropping systems.
- For-profit businesses: companies (including LLCs and S, C, and Benefit corporations) whose primary function involves the production, processing, or marketing of CLC crops and cropping systems.
- Agricultural cooperatives: member-owned business entities that provide, offer, or sell CLC agricultural products or services for the mutual benefit of the members.
- Local government entities involved in the production, commercialization, marketing, or related activity of CLC crops and cropping systems.
- Economic development organizations and non-profit organizations involved in the production, commercialization, marketing, or related activity of CLC crops and cropping systems.
- Tribes and urban American Indian Communities involved in the production, commercialization, marketing, or related activity of CLC crops and cropping systems.

Collaboration

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

Eligible projects and expenses

Projects must:

- Aim to develop and accelerate enterprises, supply chains, and markets for CLC crops and cropping systems in the early stage of commercial development in Minnesota.
- Not start until the grant contract is signed by all parties and has reached its start date.
- Be completed in approximately two years or less. Contracts cannot be extended beyond May 2025.
- Be conducted by an organization in Minnesota and limited to one (1) grant per organization.

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

- Customized harvesting, seed cleaning and storage, processing and equipment to make food products, developing markets, and bringing these products to consumers.

Ineligible expenses

Funding is provided to the Minnesota Department of Agriculture from the Legislative Citizen Commission on Minnesota Resources (LCCMR). **Please refer to this [LCCMR webpage](#) for eligible, generally ineligible expenses -unless explicitly approved, and prohibited expenses.**

Matching funds

No match funding is required for this grant.

Application Review Policies

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 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 this Request for Proposals. 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

Pre-award financial review

If a non-profit organization applies, 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.

Accountability and reporting

Follow-up surveys may be done to help us determine the long-term impacts of the grant. MDA may request follow-up information from grantees beyond the term of the grant agreement.

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 end by or before May 2025.

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. Biannual 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 may perform a monitoring visit for all grantees with awards of \$25,000 or more before a final payment is approved. 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. 168.98, 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](#)).

Background and Program Goals

In the 2022 Legislative Session, the State Legislature provided funding to the Minnesota Department of Agriculture (MDA) for “grants to organizations in Minnesota to develop enterprises, supply chains, and markets for continuous living cover crops and cropping systems in the early stage of commercial development, including but not limited to regenerative poultry silvopasture systems, Kernza® perennial grain, winter camelina, and elderberry.” The source of this one-time funding is provided by the Legislative-Citizen Commission on Minnesota Resources (LCCMR) and administered by the Minnesota Department of Agriculture (MDA). Requirements and eligibility for this grant include guidance from both the LCCMR and MDA. More information is available at: www.mda.state.mn.us/developing-markets-clc-crops.

Project Evaluation Profile

Evaluation Criteria	Maximum Score
<p>Project Addresses Goals of the Grant</p> <ul style="list-style-type: none"> Applicant clearly and compellingly describes how the project contributes to commercialization, supply chain and /or market development of CLC crops and cropping systems in Minnesota 	15
<p>Organization Readiness, Financial Sustainability, and Experience</p> <ul style="list-style-type: none"> Applicant describes how this grant project relates to their organizational business plan and mission, including current work on CLC crops and cropping systems Applicant demonstrates sound business management, financial aptitude, and stability 	15
<p>Impact on Minnesota Agriculture and the Environment</p> <ul style="list-style-type: none"> Plan to increase supply chains, markets and or sales of CLC crops and cropping systems is achievable Expected amount of Minnesota agricultural products to be increased is realistic Meaningfully adds resiliency in the supply chain or market Project has the potential to drive and scale up the demand for growing perennial and winter annual crops on agricultural lands in Minnesota Clear environmental benefit statement provided for the project 	30
<p>Measurable Objectives</p> <ul style="list-style-type: none"> Objectives of project are measurable and clearly stated Describes how the project will achieve objectives of the grant program and benefit the organization 	10
<p>Work Plan and Timeline</p> <ul style="list-style-type: none"> Work plan is thorough and realistic A description of each step of the grant project is provided with estimated dates 	10
<p>Budget</p> <ul style="list-style-type: none"> Budget clearly details all project costs Budget is cost effective and planned purchases are backed by quotes or other sources 	10
<p>Priority Areas (Diversity, equity, and inclusion)</p> <ul style="list-style-type: none"> 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 	10
<p>Total</p>	100

Application Questions

Applicant information

- Applicant Name
- Organization Name
- Organization Mailing Address
- Organization County
- Organization Telephone
- Organization 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)).

Authorized representative

If awarded a grant, the person that will sign the 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)

Project summary

Grant request

- Project Name
- Total Project Cost
- Total Grant Request. Maximum of \$50,000, minimum \$10,000.
- 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 should be signed in May 2023.
- Expected Project End Date
 - Contracts must be completed by May 2025.
 - You will have up to one month (30 days) 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.

Please note: Length of question responses to the questions below is limited to a certain number of characters. For example, the "Background and Program Goals" paragraph on page 10 of this RFP is 807 characters.

Project description

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

Business readiness and financial sustainability

Business summary

Provide a summary of your organization *(2,000 characters, including spaces)*. The summary should stand alone to describe work related to continuous living cover crops and cropping systems:

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

Organization plan summary

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

- What previous investments or commitment to CLCs have your organization made?
- How is your business looking to grow or remain competitive?

Impact on Minnesota agriculture and the environment

Current CLC or cropping systems

Does your organization currently work with CLC crops and cropping systems? (Yes/No)

Scale of CLC crops and cropping systems

How will the scale of CLC crops and cropping systems your organization works on change because of this grant project (by crop or system)? Please provide a before and after estimate. *(2,000 characters, including spaces)*

Example: In 2022, we were able to XXXXXX. After we complete the grant project in May 2025, we estimate we can do XXX.

Supply chain and market development

Briefly describe who you collaborate with and/or sell products to. Estimate the number of market partners and outlets used by your organization between January 1, 2022, and December 31, 2022. 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 or supply chains 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.

Increasing sales

Describe how this project plans to increase the sales of CLC agricultural products in Minnesota. (1,000 characters, including spaces)

Sources of Minnesota agricultural products

Where do you plan to source your agricultural products from? This grant will prioritize Minnesota grown CLC crops and CLC cropping systems. 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)

Impact on Minnesota's environment

Briefly describe the environmental benefit of your project and how your project will protect, conserve, preserve, and enhance Minnesota's air, water, land, fish, wildlife, or other natural resources? (1,000 characters, including spaces)

Measuring outcomes

Describe how your organization plans to measure the outcomes of your project including impact on your organization, increased sales or market and or supply chain outlets for CLC agricultural products, and environmental outcomes. (1,000 characters, including spaces)

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 or product.

Timeframe	Description of Task/Action Item	Responsible Party
<i>Ex: June 2023</i>	<i>Request bids for grain processing equipment</i>	<i>Project director</i>
<i>Ex: June 2023</i>	<i>Sign contract with Improved Grain Processors</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 process¹ 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: Hammer Mill</i>	<i>1</i>	<i>\$15,000</i>	<i>\$15,000</i>	<i>Improved Grain Processors</i>
<i>Ex: Contractor Hours</i>	<i>50</i>	<i>\$100</i>	<i>\$5,000</i>	<i>Minnesota Grain Growers</i>

Budget narrative

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

- Explain how the equipment and services in the budget table will help you develop and accelerate commercialization, supply chains and markets for CLC agricultural products into value-added products or diversify/expand your market outlets.
- Briefly explain if you will leverage other funding sources (financing, other grants, private investment, personal investment, or organization funds, etc.) related to this project.
(Note: Match funding is *not* required)

¹Grant Bidding Requirements ([Office of Grants Management](#), Department of Administration)

[For nongovernmental organizations]

Any grant-funded services and /or materials that are expected to cost:

- \$100,000 or more must undergo a formal notice and bidding process.
- Between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.
- Between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quote or bids or awarded to a targeted vendor.

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.

Is your business owned and operated by these stakeholders? Please explain how these priorities are reflected in your organization, if at all. (2,000 characters, including spaces)