

# *Connecticut Department of Agriculture*

## **Farm Transition Grant**

*For Connecticut Farmers and Agricultural Cooperatives*

### **2021 Grant Application Guidelines and Forms**

***Application Deadline:  
April 15, 2021 at 4:00pm***



**Ned Lamont, Governor**  
**Bryan P. Hurlburt, Commissioner**



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[www.CTGrown.gov](http://www.CTGrown.gov)

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**Important Dates:**

**Applications will be accepted April 8, 2021 through April 15, 2021**

**Applications must be received by:**

**April 15, 2021 at 4:00 p.m.**

**Applications will not be accepted after 4:00 p.m. on April 15, 2021**

**Please note the guidance listed in this document is for informational and planning purposes only. Details on grant application submission will be posted on [www.CTGrown.gov/grants](http://www.CTGrown.gov/grants).**

**Questions can be directed to Amanda King, [Amanda.King@ct.gov](mailto:Amanda.King@ct.gov) or 860-895-3093**

## **Grant Description:**

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

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

**NEW for 2021:** Five different grant categories, for which eligible applicants can apply, are available. This approach enables the agency to better serve the CT agricultural industry and address gaps in funding to support farmers in times of growth, change, and emergency need. Multiple grant categories also enable like projects, farm size, and years of experience to be competitively evaluated.

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

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

*Max award amount:* \$5,000

*Match requirement:* 25% of the project costs

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

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

*Max award amount:* \$20,000

*Match requirement:* 50% of the project costs

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

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

*Max award amount:* \$25,000

*Match requirement:* 40% of project costs

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

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

*Max award amount:* \$49,999

*Match requirement:* 50% of project costs

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

**Crisis and Emergency Response Grant:** In times of crisis and when emergency response is needed, the Crisis and Emergency Response Grant will be offered. This grant can provide aid in response to disasters where federal support, insurance, and loans are unavailable or have been exhausted. This grant program will be released on an as needed basis and the availability of funds to award shall vary. Such as generators, ...

**Eligible Applicants:**

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

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

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

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

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

- Be registered with the Connecticut Secretary of State, if established as a limited liability corporation or incorporation
- Possess a Farmer's Tax Exemption Permit
- Have submitted a Schedule F, Form 1120S, Form 1065, or Schedule C for the previous three years
- Tenants must include a long term written agreement (minimum 10 years) between all necessary parties regarding the submitted project.

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

Applicants who have an open agreement and a project in progress are ineligible to apply.

### **Match Requirement, Expenses, & Payment:**

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

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

The Farm Transition Grant must be paid directly to the applicant.

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

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

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

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

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

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

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

### **Project Duration & Post Award Requirements**

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

Applicants of awarded projects will be responsible for the following:

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

Grantees will have additional training on requirements once contracts are executed.

**Application Requirements:**

A complete application includes:

1. Applicant Information (Appendix A)
2. Budget Form (Appendix B)
3. Grant narrative (Appendix C)
4. Conceptual drawings, estimates/quotes, production information, etc.

**Evaluation Criteria and Process:**

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

Additional information, such as quotes, conceptual drawings, and other documentation justifying and supporting the budget and project, is strongly encouraged to present a competitive application.

**Please note the following information will be required upon application submission. Please check [www.CTGrown.gov/Grants](http://www.CTGrown.gov/Grants) for application submission details.**

**Appendix A Applicant Information:** Be prepared to answer the following questions when submitting your application:

<b>Applicant Information</b>	
<b>Applicant/Farm Name:</b>	
<b>Contact:</b>	

Full Mailing Address:			
Phone:		Website:	
Email:			
<b>New Farmer (<i>farming for fewer than 3 years</i>) Yes/No</b> <b>Veteran Farmer Yes/No If yes, branch and dates of services: _____</b> <b>Are you Black/Indigenous/Person of Color: (<i>American Indians/Alaskan Natives, Asians, African Americans, Native Hawaiians/other Pacific Islanders, Hispanics</i>) Yes/No</b>			
<b>Project Information</b>			
Project Title:			
<i>Provide a title describing your project.</i>			
Total Project Costs:			
Cash Expenses Covered by Applicant:			
<i>Amounts are dependent upon grant category.</i>			
Farm Transition Grant Funds Requested:			
<i>Amounts are dependent upon grant category.</i>			
<b>Farm Information</b>			
Owner(s) of Record ( <i>if different from Project Contact</i> )			
Property Address ( <i>where project will take place if different from mailing address</i> )			
Phone of Owner(s): ( <i>if different from Project Contact</i> )		Email of Owner(s): ( <i>if different from Project Contact</i> )	
Do you certify the farm or farm owner submitted your CT state and federal tax returns for the previous year?			Yes / No
Do you certify you're a registered business in good standing with the State of Connecticut?			Yes / No
Acres in production agriculture: _____	Do you farm: Full Time / Part Time	First Year of Production: _____	
Describe in detail the production agriculture carried out on the farm. Give acreage and			



quantities of the crops grown, the number and kinds of livestock, forest products, value added products, greenhouses, etc.			
Is any of the land in production or land associated with this project in the Farmland Preservation Program or under any other conservation restrictions?			Yes / No
If yes to above, please state under what program/what the restrictions are:			
Have you submitted an Application to Construct if land is protected through a conservation easement?		Yes / No	
Have you received other Connecticut Department of Agriculture Grants in the last five years?	Yes / No	If yes state the grant program, year received, and amount for each award.	
Do you have a written business plan for the farm?	Yes / No	If yes state the year the business plan was last updated.	

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Signature of Applicant	Title	Date
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Signature of Owner of Record	Title	Date
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*Typed name serves as signature.*

**Appendix B: Budget**

The budget template is provided below. A fillable Budget Template in Excel format can be found at [www.ctgrown.gov/Grants](http://www.ctgrown.gov/Grants).

**Appendix B: Budget Application Form  
2021 Farm Transition Grant**

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.

In addition to the itemized budget below, please also include a budget narrative that contains the following information:

- Where the match is coming from (cash, loan, other grant, etc.)
- Sufficient explanation and justification of the financial support requested and the need for a cash advance (for new farmer micro grant)

BUDGET	ITEMIZED SUBTOTALS - GRANT FUNDS	GRANT FUNDS REQUESTED	ITEMIZED SUBTOTALS - MATCH FUNDS	CASH MATCH BY APPLICANT	TOTAL COST
<b>SALARIES.</b> Employees paid to work on the project are an eligible <u>match</u> . Grant funds cannot be used to pay owners or employees to complete the project. Justification will be required in the final report.	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
<b>Salary 1:</b>	N/A		\$0.00		
<b>FRINGE.</b> Employees paid to work on the project are an eligible <u>match</u> . Grant funds cannot be used to pay owners or employees to complete the project. Justification will be required in the final report.	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
<b>Fringe 1:</b>	N/A		\$0.00		
<b>EQUIPMENT.</b> Equipment to be purchased per the project. Attaching quotes to justify the expense is highly recommended	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
<b>Item 1:</b>	\$0.00		\$0.00		
<b>*RENTAL OF EQUIPMENT.</b> Rented equipment required to complete the project (rollers, heavy duty equipment)	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
<b>Item 1:</b>	\$0.00		\$0.00		
<b>Item 2:</b>	\$0.00		\$0.00		
<b>*MATERIALS &amp; SUPPLIES.</b> A list of materials and supplies required for the project.	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
<b>Item 1:</b>	\$0.00		\$0.00		
<b>Item 2:</b>	\$0.00		\$0.00		
<b>Item 3:</b>	\$0.00		\$0.00		
<b>Item 4:</b>	\$0.00		\$0.00		
<b>Item 5:</b>	\$0.00		\$0.00		
<b>CONTRACTUAL/CONSULTANT.</b> 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 highly recommended	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
<b>Contractor 1:</b>	\$0.00		\$0.00		
<b>Contractor 2:</b>	\$0.00		\$0.00		
<b>OTHER COSTS.</b> A list, with descriptions, of each item listed as "Other Costs"	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00
<b>Other 1:</b>	\$0.00		\$0.00		
<b>Other 2:</b>	\$0.00		\$0.00		
<b>Other 3:</b>	\$0.00		\$0.00		
<b>Other 4:</b>	\$0.00		\$0.00		
<b>Other 5:</b>	\$0.00		\$0.00		
<b>PROJECT TOTALS</b>	Leave blank	\$0.00	Leave blank	\$0.00	\$0.00

\*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/Contractual* category.

**Appendix C: Grant Narrative**

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

- 1. **\*Optional\* Introduction** – Introduce your business to the reviewers. Include information such as:
  - a. How long you’ve been in business. (New Farmer Grant: One to three years of production history is required and a submission of a crop plan)
  - b. An overview of what do you produce and how many acres are in production. How/why that has changed over the years.
  - c. Summary of future project and business plans.
  - d. How does the project goal work towards the business goals for the next three to five (or more) years?

- 2. **Project Explanation** – Explain in detail what your project is doing and what it’s going to accomplish for your business. The reviewers will be looking for a statement that begins with “This project will.....”

How will the project improve your agribusiness? Provide a before and after of business operations once the project is complete. What is the thought process for pursuing the project?

*For Innovation & Diversification Grants:* Provide a summary of the research and development efforts the farm has conducted to determine the need for the project.

- 3. **Project Outcome or Impact** – Identify an outcome you strive to achieve as a result of completing this project.

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

*Example:* There will be a 7% increase in sales in 2020 as a result of the new retail farm store.

- 4. **Project Timeline** – Include all project milestones and related deadlines. Applicants must budget in three months to plan the project once the contract is executed, 12 months to execute and complete the project, and 30 days past project completion for all reporting. As a reminder no extensions will be given. No incomplete projects will be funded.

The following template will need to be used to provide the project timeline:

Task	Anticipated Timeline

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. **Financial History** – Provide a three-year profit and loss statement and current profit and loss..
  
7. **Project Summary and Conclusions** – Summarize the key points of this project and how it will transform your business.