



Funding Opportunities for Investing in Family Farm-Centered Food Systems

Right now, numerous funding opportunities from several federal agencies can be harnessed to create thriving local and regional food systems with family farmers at their center. Several of these programs are underutilized; others often award the same recipients year after year, squandering opportunities to advance the reach of the Good Food Movement. Still other programs are just now being recognized as opportunities for investing in family farmers and local and regional food systems.

The most recent Farm Bill, the **Food, Conservation, and Energy Act**, was passed in May 2008. It contains several programs that can scale up existing alternatives to the industrial food system. These also provide the initial investment needed for new, innovative value chains to take root. While still subject to annual funding appropriations and USDA implementation rules, these programs take important strides toward growing family farm-centered local and regional food systems. The more these programs are successfully utilized by farmers, ranchers and community-based organizations, the easier it will be to advocate for increased funding, improved programming, and strengthened federal commitment in subsequent farm bills.



In addition, the **American Recovery and Reinvestment Act (Recovery Act)**, passed by Congress in February 2009, is an unprecedented effort to jumpstart the American economy. While Recovery Act funds are generally not focused on food and farm endeavors, they provide important opportunities. A close look at the stimulus plan reveals pools of Recovery Act investments that can develop successful local and regional food systems through programs in education and training, health promotion, transportation, community development, and income security. Imagine, for example, transportation funds that build distribution networks, facilities dedicated to local and regional food businesses, or “green jobs” creation that acknowledges some of the greenest professions in our society: farming and ranching.

While many of the opportunities highlighted below are part of the Recovery Act, the 2008 Farm Bill, or both, we issue a challenge to think outside the box and consider funding possibilities that cross sectors and foster new collaborations. Taking advantage of these opportunities can forge regional food markets, rejuvenate “agriculture in the middle” and stimulate local economies all at once.

As a general note, interested parties are encouraged to visit the Grants.gov website, www.grants.gov/applicants/find_grant_opportunities.jsp, to research funding opportunities and guidelines. Grants.gov will also send email updates on specific programs when requested.

Working in Concert: Food Systems and Rural Development

The nuts and bolts of the industrial food system favor distribution and retail patterns that drive wealth away from rural economies. Farm Aid envisions a future far different from this, where wealth remains in the community, nourished by a base of family farmers and ranchers. Indeed, family farms can be the heart of economies, simultaneously supporting and being supported by the many rural businesses that provide inputs and equipment for their operations, market their products and transport their goods. Whether by encouraging innovative marketing strategies or through new infrastructure like food storage facilities, the following grant and loan programs, primarily administered by the Rural Development Agency of the USDA, offer great promise for utilizing family farm-centered local and regional food systems in order to spur rural economic development across the United States.

Business and Industry Loan Program

- **Description:** Through the Business and Industry (B&I) Loan program, USDA co-signs on guaranteed loans to provide rural businesses with affordable capital. USDA promises to pay a portion of any loss a business owner cannot repay, which lowers the lender's risk and allows for more favorable interest rates and terms to the borrower. B&I loans are to be used for purchasing and refurbishing assets and refinancing debt. Some B&I loan funds have been set aside for local and regional food projects, with priority given to underserved rural populations.
- **Award Type:** Guaranteed Loans
- **Maximum Award:** Up to \$10 million; some special exceptions for loans up to \$25 million
- **Who's Eligible:** Non-profit organizations that are lending institutions; other lenders to business owners in eligible rural areas. Eligible business owners may be cooperatives, non-profits, corporations, Indian tribes, public bodies¹ and individuals. Eligible rural areas include any area with 50,000 residents or less, excluding urban areas that are contiguous or adjacent to these areas. Cooperative processing facilities can be located in non-rural areas as long as the facility serves local farmers and improves the farm economy.
- **Timelines:** The B&I loan program is ongoing and groups may apply at any time. Applications for extra funds from the Recovery Act must be submitted by September 15, 2010.
- **More information:** www.rurdev.usda.gov/rbs/busp/b&i_gar.htm. Also visit the Rural Development Field Office locator at www.rurdev.usda.gov/recd_map.html to find your State Rural Development Office.

Community Facilities Program

- **Description:** The Community Facilities Program provides loans and grants for the construction, acquisition, or renovation of community facilities or for purchasing equipment for community projects. Over \$930 million in the Recovery Act funds will go toward this program, which USDA's *Know Your Farmer, Know*

Your Food initiative envisions can be used to encourage the development of farmers markets, school and community kitchens, community food banks, food storage or distribution centers and food preparation centers. The Communities Facilities Program is ideal for non-profits and cooperatives interested in building food system infrastructure, though, importantly, funds cannot be used for any commercial purpose.

- **Award Type:** Direct Loans, Guaranteed Loans, Grants
- **Maximum Award:** Varies by project and community type
- **Who's Eligible:** Non-profit organizations, local governments, tribal governments. The financing of "essential community facilities" applies to rural areas, which can have no more than 20,000 residents for the purposes of this program.²
- **Timelines:** Application deadlines vary by region. The application process is conducted via State Rural Development Offices.
- **More information:** For general information, visit www.rurdev.usda.gov/rhs/cf/cp.htm. Also visit the Rural Development Field Office locator at www.rurdev.usda.gov/recd_map.html to find your State Rural Development Office.

Economic Development Administration Programs

- **Description:** The Department of Commerce's Economic Development Administration (EDA) has many programs that support the construction or rehabilitation of public infrastructure. These projects are designed to retain jobs, attract capital and provide technical assistance and research to help communities cope with economic changes. The EDA has made investments in rural food and agriculture infrastructure projects before, and while local and regional food systems development has not been an explicit focus in the past, the EDA is interested in *any* proposal with significant job-creating potential, and with a focus on sustainable development.
- **Award Type:** Competitive Grants
- **Maximum Award:** Varies by program
- **Who's Eligible:** Non-profit organizations acting in cooperation with some public State entity
- **More Information:** For general program overviews see www.eda.gov/AboutEDA/Programs.xml or contact regional EDA offices at www.eda.gov/AboutEDA/Regions.xml.

Rural Cooperative Development Grants

- **Description:** USDA encourages the development or improvement of effective cooperative organizations through its Rural Cooperative Development Grants. These funds help establish and operate institutions, such as vegetable processing and marketing cooperatives or community development credit unions, with the purpose of improving rural economies. By strengthening marketing opportunities for agricultural producers, this program can be an important tool in developing strong family farm-centered local and regional food systems in communities across the United States.
- **Award Type:** Grants



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- **Maximum Award:** \$200,000 with a 25% matching fund requirement.
- **Who's Eligible:** Non-profit organizations and higher education institutions.
- **More information:** Visit www.rurdev.usda.gov/rbs/coops/rcdg/rdg.htm. Also visit the Rural Development Field Office locator at www.rurdev.usda.gov/recd_map.html to find your State Rural Development Office.

Rural Microentrepreneur Assistance Program

- **Description:** The Rural Microentrepreneur Assistance Program (RMAP) was created in the 2008 Farm Bill with the purpose of empowering rural entrepreneurs to establish new businesses or continue existing rural microenterprises. Through RMAP, USDA will provide grants to "Microenterprise Development Organizations" that offer training, technical assistance or small loans to new and existing rural small businesses. The program fills an important void left by other similar lending programs at the federal level, which tend to focus on non-rural communities. RMAP will have \$13 million available for 2010, at least \$4 million mandated in 2011 and \$3 million mandated in 2012.
- **Award Type:** Microloans and Grants
- **Maximum Award:** Loans of less than \$50,000; Grant limits not yet announced by USDA
- **Who's Eligible:** Non-profit organizations, Indian tribes, or public institutions of higher education
- **More information:** USDA does not yet have a website for this program, but information is available from the National Sustainable Agriculture Coalition at <http://sustainableagriculturecoalition.org/publications/grassrootsguide/local-food-systems-rural-development/rural-micro-entrepreneur-assistance> or on the Center for Rural Affairs website at www.cfra.org/policy/micro/federal-micro-program.

Rural Business Opportunity Grants Program

- **Description:** The Rural Business Opportunity Grants Program (RBOG) promotes sustainable economic development in rural communities of exceptional need through training and technical assistance for business development, rural entrepreneurs and business managers, rural business incubators, and economic development officials. Funds also assist economic development planning. The 2010 Request for Applications (RFA) explicitly highlights programs that use "USDA key strategies" for rural development, the first of which is "Local and regional food systems as a strategy for encouraging production agriculture and related industries in new wealth creation."
- **Award Type:** Competitive Grants
- **Maximum Award:** \$50,000 for projects serving one state; \$150,000 for projects serving two or more states; \$250,000 for project periods of up to two years
- **Who's Eligible:** Non-profit organizations, public bodies, Indian tribes, and cooperatives with primarily rural members. RBOG serves rural areas, which this program defines as areas with 50,000 residents or less, excluding any urban area contiguous or adjacent to such areas.

- **Timelines:** Final applications for FY 2010 are due June 28, 2010.
- **More information:** www.rurdev.usda.gov/ga/trbog.htm. Also visit the Rural Development Field Office locator at www.rurdev.usda.gov/recd_map.html to find your State Rural Development Office.

Rural Business Enterprise Grants Program

- **Description:** The Rural Business Enterprise Grants Program (RBEG) provides grants for rural projects that finance and facilitate the development of small and emerging rural businesses. They can fund distance learning networks and employment-related adult education programs, and assist with business development. Funds can also be used to acquire and develop land, or to construct buildings, plants, equipment, access roads, parking areas, and utility and service extensions. USDA's *Know Your Farmer, Know Your Food* initiative envisions RBEG funds being used for rural food processing businesses, facility planning, financing, constructing or refurbishing; or for training farmers to produce in coordination with a facility.
- **Award Type:** Grants
- **Maximum Award:** None, though priority is given to smaller projects
- **Who's Eligible:** Rural governments or public entities, Indian tribes, and non-profit organizations
- **More information:** Visit www.rurdev.usda.gov/rbs/busp/rbeg.htm. Interested applicants should contact their Rural Development Office to determine eligibility and begin the application process. Visit the Rural Development Field Office locator at www.rurdev.usda.gov/recd_map.html to find your State Rural Development Office.

Value-Added Producer Grant Program

- **Description:** Through the Value-Added Producer Grant program (VAPG), USDA provides grants to producers who process or market their raw products to add value to their businesses and retain a higher portion of the retail dollar. VAPG awards planning grants for activities like business plan development, as well as working capital grants for needs like labor, inventory, advertising and so forth. The 2008 Farm Bill includes "locally produced" marketing as an eligible activity. In addition, USDA is reserving 10% of these funds to develop local and regional supply networks. Another 10% of funds are available for both beginning or socially disadvantaged farmers and ranchers and small or mid-sized farms and ranches.
- **Award Type:** Competitive Grants
- **Maximum Award:** \$300,000 for working capital grants; \$100,000 for planning grants
- **Who's Eligible:** Independent producers, farmer or rancher cooperatives, producer groups, majority-controlled producer-based business ventures, and non-profits (which must be farmer controlled in certain circumstances).
- **More Information:** Visit www.rurdev.usda.gov/rbs/coops/vadg.htm. Applicants are strongly advised to contact their State Rural Development Office for more information, though applications can be submitted via www.grants.gov.

Linking Food Systems with Public Health & Nutrition

We know that Americans need to increase their fruit and vegetable intake for good health, but what if shifting dietary patterns also stimulated the economy? A study by the C.S. Mott Group for Sustainable Food Systems found that almost 2,000 jobs and \$200 million in new income could be created in the state of Michigan if consumers met fruit and vegetable recommendations by eating Michigan-grown produce.³ There are a number of new and existing programs that enable public health and nutrition goals to be strategically linked with the development of family farm-centered food systems. Below are some resources for exploring these important connections.

CDC's ACHIEVE Healthy Communities Program

- **Description:** The Centers for Disease Control and Prevention's (CDC) ACHIEVE (Action Communities for Health, Innovation, and EnVironmental change) Healthy Communities develop and implement strategies to prevent or manage risk factors for heart disease, stroke, diabetes, cancer, obesity, and arthritis. Through this program, the CDC funds selected national organizations, which provide technical support and funding to selected communities. In this way, ACHIEVE harnesses the experience and expertise of its national partners to strengthen community leadership and activate change around the country. This holistic approach to prevention lends itself well to local and regional food system architects.
- **Award Type:** Competitive Grants, covering three year periods.
- **Maximum Award:** Varies. Most ACHIEVE funds are split between Category A and Category B recipients. Category A recipients re-grant to local organizations while Category B recipients are responsible for promotion and dissemination of effective tools and do not re-grant.
- **Who's Eligible:** Category A recipients include the National Association of County and City Health Officials, the National Association of Chronic Disease Directors, the National Recreation and Park Association, and the YMCA of the USA, who award funding to local entities and work closely with them on program development, implementation and evaluation, and also help them network nationwide.
- **Timelines:** ACHIEVE has added 93 communities since January 2008 and aims to have 200 total participating by Spring 2013. Category A organizations will be adding approximately 40 new communities to the program each year, with the latest round of additions announced in February 2010.
- **More information:** Visit www.achievecommunities.org/Pages/default.aspx and www.cdc.gov/healthycommunitiesprogram/communities/achieve.htm. Contacts for the national organizations and for general inquiries can be accessed at www.achievecommunities.org/pages/contact.aspx.

Communities Putting Prevention to Work

- **Description:** The CDC's Communities Putting Prevention to Work program is a major new funding initiative under the Recovery Act that aims to address two leading preventable

causes of death and disability: obesity and tobacco use. The goal is to reduce disease risk factors, prevent and/or delay chronic disease, promote wellness in children and adults and provide positive, sustainable health change in communities. Those interested in promoting local and regional food systems with programs in health and wellness may be able to access this funding stream. Organizations are encouraged to contact state and local health departments to inquire about partnering on these opportunities as soon as possible.

- **Award Type:** Cooperative Agreements awarded on a competitive basis
- **Maximum Award:** Varies
- **Who's Eligible:** Funding will be awarded to health departments, but subcontracting with community groups is encouraged.
- **More information:** Visit www.cdc.gov/nccdphp/recovery and www.hhs.gov/recovery/programs/cdc/chronicdisease.html.

Farmers' Market Nutrition Program

- **Description:** In numerous states, Supplemental Nutrition Assistance Programs (SNAP), Senior Nutrition Programs and Women Infant and Children (WIC) Programs are participating in the Farmers' Market Nutrition Program (FMNP), which allows FMNP coupons to be used to purchase a variety of fresh, nutritious and locally grown produce. The central goal of the FMNP is to support local food systems through direct marketing opportunities. Special priority is granted to projects that increase access to local, fresh foods among low-income residents. When it is not practical for individual farmers to obtain a license to accept program benefits using standard Electronic Benefit Technology (EBT), a farmers' market sponsor can acquire a license to allow all eligible farmers to accept benefits through a centralized point-of-sale device.
- **Award Type:** Competitive Grants
- **Maximum Award:** \$100,000
- **Who's Eligible:** Non-profit organizations, local governments, tribes, economic development corporations, agricultural cooperatives, and regional farmers market authorities
- **More information:** For general information, visit www.fns.usda.gov/wic/FMNP/FMNPfaqs.htm and www.fns.usda.gov/fsp/ebt/fm.htm. For information on the Senior Farmers' Market Nutrition Program, visit www.fns.usda.gov/wic/SeniorFMNP/SFMNPmenu.htm. For information on the WIC Farmers' Market Nutrition Program, visit www.fns.usda.gov/wic/FMNP/FMNPfaqs.htm#3.

Fresh Fruit and Vegetable Program

- **Description:** USDA envisions the Fresh Fruit and Vegetable Program as an integral part of the larger campaign against childhood obesity and efforts to improve the eating habits of our country's youth. Created in the 2002 Farm Bill, this program introduces elementary school children to a variety of produce they may otherwise never encounter. Participating schools can purchase fruits and vegetables through several



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means, including local producers, so long as they follow proper procurement guides. The 2008 Farm Bill expanded mandatory funding for this program with an additional \$101 million in FY 2010 and \$150 million in FY 2011.

- **Award Type:** Grants
- **Maximum Award:** Funding is allocated among States using a formula that allocates half of the funds equally among states and the rest based on State population. States will re-grant the money to elementary schools that participate in the National School Lunch Program (NSLP).
- **Who's Eligible:** All 50 States, the District of Columbia and U.S. Territories. The program is generally administered through

State Departments of Education (a few states run the program through their Departments of Agriculture), via agreements with school food authorities.

- **Timelines:** Funds remain available until expended, with new funding opportunities opening in July annually.
- **More information:** For general program information, visit www.fns.usda.gov/cnd/FFVP/FFVPdefault.htm. Interested applicants should contact their state agency that manages Child Nutrition Programs. A list of appropriate state agencies is available at www.fns.usda.gov/cnd/Contact/StateDirectory.htm.

The Heart of Community Food Security

With obesity, diabetes and other chronic conditions related to poor nutrition disproportionately impacting rural, low-income and minority communities, access to affordable, healthful foods is a critical element of food security in the United States. The following programs offer unique opportunities to include family farm-centered local and regional food systems as a central strategy in achieving community food security.

Community Development Block Grants

- **Description:** For 36 years, the Department of Housing and Urban Development's (HUD) Community Development Block Grant program has offered grants geared toward poverty reduction, community revitalization and individual or community economic self-sufficiency. Those interested in promoting local and regional food systems may be able to access these grants. The following projects, if targeted to stimulate economic recovery and growth, could qualify: beginning farmer programs, community food distribution centers and integrated growing, processing, storage and distribution systems.
- **Award Type:** Grants
- **Maximum Award:** Varies
- **Who's Eligible:** Local and state governments, who grant to eligible communities
- **More information:** General information is available at www.hud.gov/offices/cpd/community_development/programs. Interested applicants should contact their local municipal or county officials for information about the program first, and can otherwise find their State Community Planning & Development Director at www.hud.gov/offices/cpd/about/staff/fodirectors.

Section 108 Loan Guarantee Program

- **Description:** The Department of Housing and Urban Development's (HUD) Loan Guarantee Program is the loan provision of the Community Development Block Grants Program (CDBG), and finances economic development, housing development, public facilities rehabilitation and construction projects that benefit low- to moderate-income people. Past funds have been used for food systems projects, such as creating farmers markets in communities with little access to fresh food.

- **Award Type:** Guaranteed Loans
- **Who's Eligible:** Metropolitan cities and urban counties (i.e. CDBG entitlement communities) and non-entitlement communities that apply with States who administer the CDBG program
- **Timelines:** Applications are accepted on an on-going basis.
- **More information:** Visit www.hud.gov/offices/cpd/community_development/programs/108 or find your State Community Planning & Development Director at www.hud.gov/offices/cpd/about/staff/fodirectors/.

Community Food Projects Competitive Grants Program

- **Description:** Since 1996, the Community Food Projects Competitive Grants Program has fought food insecurity by supporting projects that promote the self-sufficiency of low-income communities while addressing food, nutrition and farm issues. Eligible projects are designed to increase food security in communities by bringing "the whole food system" together to assess strengths, establish linkages, and create systems that improve the self-reliance of community members over their food needs. Funds can be used for infrastructure development and grants favor projects with innovative marketing strategies.
- **Award Type:** Competitive Grants
- **Maximum Award:** Total awards of \$10,000–\$300,000 for one to three years, with no more than \$125,000 to be expended per year. These one-time grants require dollar-for-dollar matching funds, though this can be achieved through in-kind donations.
- **Who's Eligible:** Grants are intended to help eligible private non-profit organizations that need a one-time infusion of federal assistance to establish and carry out multipurpose community food projects.
- **More information:** Visit www.nifa.usda.gov/nea/food/in_focus/hunger_if_competitive.html. USDA has identified the Community Food Security Coalition (www.foodsecurity.org), Growing Power (www.growingpower.org), and World Hunger Year (www.whyhunger.org) as organizations that offer appropriate assistance for completing grant applications to this program. Interested groups in need of assistance should contact these organizations. Organizations can apply for these grants directly at www.grants.gov.

Community Outreach Partnerships Centers

- **Description:** Community Outreach Partnerships Centers (COPC) grants are awarded to colleges or universities for projects that revitalize distressed communities in urban areas. Project types are diverse and have included food systems work, like the creation of a local urban agricultural enterprise.
- **Award Type:** Competitive Grants
- **Maximum Award:** Up to \$400,000 for two or three years to establish and operate COPCs. Grantees must match at least 50% of research activities costs and 25% of outreach activities costs with contributions from private sources or State and local governments.
- **Who's Eligible:** Colleges, universities and other institutions of higher education, with no restrictions on the characteristics of targeted communities.
- **More information:** Visit www.hud.gov/progdesc/copc.cfm. HUD publishes an annual Notice of Funding Availability (NOFA) and an application kit for the COPC Program. Application kits are available from the University Partnerships Clearinghouse 1-800-245-2691 or www.oup.org.

Community Service Block Grants

- **Description:** Administered by the Department of Health and Human Services (HHS), Community Service Block Grants (CSBG) work to alleviate poverty by supporting programs that provide employment, education, housing, emergency services and nutritional counseling in low-income communities. CSBG has supported several projects relevant to local and regional food systems, including community gardens, community canneries, food buying groups, food banks, nutrition and food preparation counseling, and group meal provisions.
- **Award Type:** Block Grants
- **Maximum Award:** Varies each year. HHS distributes money as mandatory block grants to States and Indian tribes, which re-grant 90% of the funds to state and local organizations on a discretionary basis.
- **Who's Eligible:** States, the District of Columbia, Puerto Rico, U.S. Territories, and Indian Tribes and tribal organizations,

all of whom may re-grant to organizations with demonstrated expertise in providing training to low-income individuals, families and communities or to organizations officially designated as a Community Action Agency.

- **Timelines:** Each July, HHS issues a notice reminding State and Indian Tribes to submit annual applications. State allocations are made in the Fall each year.
- **More information:** For general program information, visit www.acf.hhs.gov/programs/ocs/csbg/aboutus/factsheets.htm. Organizations interested in accessing funds should find their regional staff contacts at www.acf.hhs.gov/programs/ocs/csbg/aboutus/staffassignments.html.

Healthy Urban Enterprise Development Center Program

- **Description:** The 2008 Farm Bill authorized this grant program to establish and support one Healthy Urban Food Enterprise Development (HUFED) Center. The HUFED Center is meant to increase access to healthy affordable foods (including locally produced agricultural products) to underserved communities through innovative marketing and distribution systems. USDA recently announced its grant award to the Wallace Center at Winrock International to establish and maintain the center. The HUFED Center will provide training and technical assistance for food enterprises and award sub-grants to eligible entities for healthy food enterprise development over the next several years. In providing technical assistance and grants, the HUFED Center shall give priority to applications that include projects to benefit underserved communities and develop market opportunities for small and mid-sized farms and ranches.
- **Award Type:** Sub-grants, Technical Assistance
- **Who's Eligible:** Non-profit organizations
- **More information:** Visit www.nifa.usda.gov/fo/healthyurbanfoodenterprisedevelopmentcenter.cfm or www.wallacecenter.org/our-work/current-initiatives/healthy-urban-food-enterprise-development-center. Contact the Wallace Center at hufed@winrock.org.

Agriculture and the Green Economy

It is a natural fit for those interested in family farm-centered local and regional food systems to work in tandem with the larger movement toward a green economy. Numerous opportunities exist to bolster on-farm income with renewable energy endeavors, establish a new “green” workforce, and expand community infrastructure to support more sustainable food systems founded on the hard work of family farmers.

Biomass Crop Assistance Program

- **Description:** The Biomass Crop Assistance Program (BCAP) was established by the 2008 Farm Bill to promote the cultivation of highly energy-efficient bioenergy crops that show exceptional

promise and to develop those new crops and cropping systems in a manner that preserves natural resources. BCAP provides financial assistance to producers or entities that deliver eligible biomass material to designated biomass conversion facilities for use as heat, power, bio-based products or biofuels. With the prospect of adding new on-farm income streams for producers, this program could be an important strand in a web of programs that restore the prosperity of family farms and build local and regional energy options for their communities.

- **Award Type:** Direct Payments, Cost-share Payments, and Matching Payments



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- **Maximum Award:** Farmers will be eligible to enter a five-year agreement with USDA for annual or perennial crops or a 15-year agreement for woody biomass.
- **Who's Eligible:** Farmers and ranchers or entities that deliver eligible biomass material to conversion facilities
- **Timelines:** Check the Farm Service Agency (FSA) website for updates on Notice of Funding Availability.
- **More Information:** Visit www.fsa.usda.gov/FSA/webapp?area=home&subject=cops&topic=bcap.

Brownfields Development Program

- **Description:** Through the Recovery Act, the Environmental Protection Agency (EPA) provided \$100 million to its Brownfields Development Program. This program turns once-contaminated properties into productive community assets, awarding eligible applicants through grants in job training, assessment, revolving loan fund and cleanup programs. While not typical of this program, the following projects that foster family farm-centered local and regional food systems could be eligible: farmland reclamation, urban greenhouses, community garden or farm sites, organic transition, rebuilding food processing and manufacturing facilities, and renovating buildings to become community food distribution centers.
- **Award Type:** Grants in Job Training, Assessment, Revolving Loan Fund and Cleanup categories
- **Maximum Award:** Job Training Grants are funded up to \$200,000 over two years. Brownfields Assessment Grants are funded up to \$200,000 over three years or for coalitions, up to \$1,000,000 over three years. Brownfields Revolving Loan Fund Grants are funded up to \$1,000,000 over five years. Brownfields Cleanup Grants are funded up to \$200,000 over three years.
- **Who's Eligible:** State, local and tribal governments; land clearance authorities; quasi-governmental agencies; regional council or redevelopment agencies; states or legislatures; non-profit organizations
- **More information:** Visit www.epa.gov/brownfields/grant_info/index.htm for program information and application deadlines.

Rural Energy for America Program

- **Description:** Administered by USDA's Rural Development Agency, the Rural Energy for America Program (REAP) is a new 2008 Farm Bill program that amends and combines previous Farm Bill energy programs. REAP provides cost-share awards for energy audits and renewable energy technologies, as well as grants and loans for energy efficiency improvements and renewable energy systems. Eligible projects include systems that may be used to produce and sell electricity, offering exciting opportunities for additional on-farm revenue while contributing to energy needs at the local and regional level.
- **Award Type:** Cost-share awards, grants and loans
- **Maximum Award:** Varies
- **Who's Eligible:** Farmers and ranchers who gain 50% or more of their gross income from agricultural operations, small rural businesses, and rural electric cooperatives. For the energy audit program, the following are also eligible: state, tribal and local governments; land-grant colleges or universities and other institutions of higher education; and rural electric cooperatives or public power entities. Grants to agencies or groups who assist farmers with energy audits and assessments are also available.
- **Timelines:** Applications are due by June 30, 2010.
- **More information:** Visit www.rurdev.usda.gov/rbs/farbill/index.html. Also visit the Rural Development Field Office locator at www.rurdev.usda.gov/recd_map.html to find your State Rural Development Office.

Training Grants for Green Jobs and Emerging Industry Sectors

- **Description:** The Recovery Act dedicates \$60 billion to "green jobs" and dedicates \$750 million to a competitive grant program in job training for "high growth and emerging industry sectors." While alternative energy tops the administration's agenda, family farm-centered local and regional food systems have an important role to play in green job generation. The Department of Labor (DOL) plans to use Recovery Act funds to prepare workers for green jobs.
- **Award Type:** Training Grants
- **Maximum Award:** Varies
- **Who's Eligible:** Beginning farmers, immigrant farmers, those interested in fresh food processing or marketing positions and sustainable agriculture training initiatives are potential beneficiaries of these funds.
- **Timelines:** Solicitations for Grant Applications administered by the Employment and Training Administration (ETA) will be published on www.grants.gov and in the Federal Register.
- **More information:** Visit www.doleta.gov/brg/GreenJobs.

From the Ground Up: Support For Farmers and Ranchers

At the heart of every food system is the individual farmer or rancher. Investments at the farm level are essential for the stability and prosperity of local and regional food systems, which in turn contribute to the economic and social fabric of their communities. The following programs are available for farmers and ranchers, or are otherwise targeted in a way that directly enhances farmer and rancher livelihoods.

Beginning Farmer & Rancher Development Program

- **Description:** Beginning farmers are defined as producers who have 10 years or less of experience, and according to 2007 estimates they account for approximately 21% of family farmers. To address the needs of a new generation of farmers and ranchers entering the agricultural sector, the Beginning Farmer and Rancher Development Program funds initiatives that provide beginning farmers and ranchers with the knowledge and skills they need to succeed. USDA targets 25% of funding to projects that address the needs of limited resource and socially disadvantaged farmers and ranchers, including minorities, immigrants, women, and farm workers who want to become farmers.
- **Award Type:** Competitive Cooperative Agreements
- **Maximum Award:** \$300,000
- **Who's Eligible:** State, tribal and local governments; non-profit organizations; colleges and universities; cooperative extensions; other appropriate partners
- **Timelines:** Request for Applications (RFAs) are posted at <http://www.nifa.usda.gov/funding/rfas/bfrdp.html>. Applicants can also apply directly at www.grants.gov.
- **More information:** Visit www.nifa.usda.gov/fo/beginningfarmerandrancher.cfm or www.nifa.usda.gov/funding/bfrdp/bfrdp.html.

Farm Service Agency's Farm Loan Programs

- **Description:** Many existing and aspiring farmers and ranchers lack the sufficient assets or repayment capacity to qualify for commercial loans. The Farm Service Agency's (FSA) Farm Loan Program offers direct and guaranteed loans to producers to purchase land, construct or refurbish buildings, purchase equipment or livestock, establish permanent crops or finance annual crops. Loans can be used to refinance debts in some cases. In addition, the program targets some funding for beginning and socially disadvantaged farmers and ranchers.
- **Award Type:** Direct and guaranteed loans for ownership and operation.
- **Maximum Award:** \$300,000 for direct loans; \$1,094,000 (adjusted annually) for guaranteed loans.
- **Who's Eligible:** Farmers and ranchers who are not ready to obtain financing from commercial lending sources. Targeted funds are available for beginning farmers and ranchers and for socially disadvantaged farmers who are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans or Pacific Islanders. Retiring farmers may use this program to transfer land to new generations of farmers.

- **More information:** Visit www.fsa.usda.gov/FSA/webapp?area=home&subject=fmlp&topic=bfl or contact your local or state FSA office. Contact information for state FSA offices is available at www.fsa.usda.gov/FSA/stateOffices?area=stoffice&subject=landing&topic=landing.

Farm Storage Facility Loans

- **Description:** On-farm storage can help farmers maximize profits, particularly for producers growing fruits and vegetables for fresh markets. USDA's Farm Storage Facility Loans program finances the purchase, construction, or refurbishment of farm storage facilities and new cold storage buildings, including prefabricated buildings with a useful life of at least 15 years. Financing may also cover site preparation and cooling and electrical equipment.
- **Award Type:** Direct loans
- **Maximum Award:** \$500,000, with terms of 5, 7, 10 or 12 years. Down payment and security requirements vary with loan sizes, and interest rates are fixed with rates comparable to Treasury Securities.
- **Who's Eligible:** Individuals and businesses that produce eligible commodities, including fresh fruits and vegetables as well as hay and renewable biomass. Applicants must meet additional requirements.
- **Timelines:** Check with you local FSA office for specific application deadlines.
- **More information:** To read more about eligible commodities, facilities, upgrades, cost items, and other requirements, visit www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=flp-fp. Contact information for state FSA offices is available at www.fsa.usda.gov/FSA/stateOffices?area=stoffice&subject=landing&topic=landing.

Farmers' Market Promotion Program

- **Description:** The Farmers' Market Promotion Program (FMPP) was created through an amendment of the Farmer-to-Consumer Direct Marketing Act of 1976 and is administered by the Agricultural Marketing Service. In the 2008 Farm Bill, the FMPP became mandatory for the first time and now has \$30 million in funds for fiscal years 2009–2012. The grants authorized by the FMPP are targeted to help communities support local food systems and farmers through the improvement or expansion of domestic farmers markets, roadside stands, community supported agriculture programs and other direct producer-to-consumer market opportunities. A minimum of 10% of funds will be targeted for low-income communities.
- **Award Type:** Competitive Grants
- **Maximum Award:** \$100,000. Applicants are limited to no more than one grant in a fiscal year, and starting in FY 2011, grantees cannot receive grants in two consecutive years.
- **Who's Eligible:** Non-profit organizations, local governments, Indian tribes, economic development corporations, agricultural and producer cooperatives, regional farmers market authorities



= denotes funding opportunities for which farmers and ranchers are eligible

- **More information:** Visit www.ams.usda.gov/AMSV1.0/FMPP for application guidelines each year.

Specialty Crop Block Grant Program

- **Description:** This flexible grant program, administered by USDA's Agricultural Marketing Service, provides state assistance for the production of specialty crops. Funds are used to enhance the competitiveness of fruits and vegetables, tree nuts, dried fruits, and nursery crops. This program is a tool to strengthen family farm-centered local and regional food systems by increasing the viability of "buy local" programs, establishing premium markets for organic produce, improving

the efficiency and cost-effectiveness of distribution systems, bolstering marketing programs and establishing producer cooperatives for specialty crop growers.

- **Award Type:** Block Grants to State Departments of Agriculture
- **Maximum Award:** Varies by state
- **Who's Eligible:** Departments of Agriculture in all fifty states, the District of Columbia and the Commonwealth of Puerto Rico who often re-grant to local organizations.
- **Timelines:** Applications for FY 2010 are due by July 29, 2010.
- **More information:** Interested parties should contact their State Department of Agriculture and visit www.ams.usda.gov/AMSV1.0/SCBGP.

Knowledge Is Power: Research, Extension and Information Services

Many resources are available to support research initiatives that can be utilized to grow the body of knowledge that supports family farm-centered local and regional food system development. They can also better equip individuals and organizations to do the legwork of building these systems from the ground up.

Agriculture and Food Research Initiative

- **Description:** The Agriculture and Food Research Initiative (AFRI) is a new, overarching competitive grant program to provide funding for fundamental and applied research, extension and education to address the food and agricultural sciences. Grants address priorities in the following broad research areas: plant health and production and plant products; animal health and production and animal products; food safety, nutrition, and health; renewable energy, natural resources, and environment; agriculture systems and technology; and agriculture economics and rural communities. Several of the programs under AFRI can be creatively harnessed to build strong local and regional food systems.
- **Award Type:** Competitive Grants, which may have terms of up to 10 years
- **Maximum Award:** Varies
- **Who's Eligible:** State agricultural experiment stations, colleges and universities, university research foundations, other research institutions and organizations, Federal agencies, national laboratories, private organizations or corporations, individuals, and any group consisting of two or more of the aforementioned entities.
- **Timelines:** For updates on deadlines for various AFRI programs, visit www.csrees.usda.gov/funding/afri/afri_program_deadline_dates.html
- **More Information:** Visit www.nifa.usda.gov/fo/agriculturalandfoodresearchinitiativeafri.cfm.

practices, encouraging their adoption as a way to maintain or improve profits, produce high quality food and reduce adverse environmental impacts of farm operations. A number of high quality publications have been issued by ATTRA. ATTRA can also provide technical assistance for producers interested in developing marketing cooperatives.

- **Award Type:** This is not an award program, but offers valuable information and technical assistance
- **Who's Eligible:** Farmers, ranchers, market gardeners, extension agents, researchers, educators, farm organizations, and others involved in commercial agriculture. Particularly emphasis is given to economically disadvantaged or traditionally underserved communities.
- **More information:** Visit www.attra.org.

Federal-State Marketing Improvement Program

- **Description:** The Federal-State Marketing Improvement Program (FSMIP) is a matching grant program that provides funds to State Departments of Agriculture and other appropriate State agencies to explore barriers, challenges and new market opportunities for food and agricultural products and to encourage research and innovation that improves the performance of the marketing system. FSMIP funds support a wide range of applied research projects. The program's broad flexibility lends itself to a variety of programs that can bolster family farm-centered food systems.
- **Award Type:** Matching funds for State Departments of Agriculture and other State agencies
- **Maximum Award:** Approximately 25 projects are funded each year, and the average grant is \$50,000. In recent years, grants have ranged from \$25,000 to \$135,000.
- **Who's Eligible:** State Departments of Agriculture, who may re-grant to local organizations
- **More information:** Applications are usually completed through State Departments of Agriculture. Interested applicants should contact their State Departments of Agriculture for deadline and application information. General program guidelines are posted at www.ams.usda.gov/AMSV1.0/FSMIP each fiscal year.

Appropriate Technology Transfer for Rural Areas

- **Description:** Funded by USDA's Rural Business-Cooperative Service, the Appropriate Technology Transfer for Rural Areas (ATTRA) program provides information to farmers, ranchers and other individuals on a variety of sustainable agricultural

Small Business Innovation Research Program

- **Description:** Eleven federal agencies participate in the Small Business Innovation Research (SBIR) Program each year. USDA's program is administered by the National Institute of Food and Agriculture (NIFA) and awards competitive grants to qualified small businesses to support research endeavors that address scientific problems and opportunities in agriculture. SBIR does not award funds to establish businesses. Instead, it aims to stimulate private sector technical innovation, strengthen small businesses, increase private sector commercialization of USDA-supported innovations, and encourage innovation in women-owned and socially- or economically disadvantaged small businesses.
- **Award Type:** Competitive Research Grants
- **Maximum Award:** SBIR Phase I grants are limited to \$80,000 and a duration of 8 months and are open to any small business meeting SBIR eligibility requirements. SBIR Phase II grants are limited to \$350,000 and for 24 months and are only open to previous Phase I awardees.
- **Who's Eligible:** Small businesses, with no more than 500 employees. See the NIFA website for more information on eligibility requirements.
- **More information:** Visit www.nifa.usda.gov/funding/sbir/sbir.html.

Sustainable Agriculture Research and Education

- **Description:** The Sustainable Agriculture Research and Education (SARE) Program is a competitive grant-making and outreach program with the mission of advancing sustainable innovations to the whole of American agriculture. The sharing of project results is a cornerstone of the SARE program, with field days, workshops and conferences in every region, and an Outreach office producing an ever-growing library of books, bulletins,

online resources and a vast archive of know-your-farmer profiles of SARE grantees. SARE is uniquely grassroots, with four regional offices administering the program and local experts guiding SARE through administrative councils. Some regions offer Graduate Student, Sustainable Community Innovation and Planning grants.

- **Award Type:** Competitive Grants
- **Maximum Award:** Varies by program; awards range between \$30,000 - \$150,000+
- **Who's Eligible:** Non-profit organizations, researchers and individual producers
- **More information:** Visit www.sare.org or contact Regional SARE Offices for more information. Contact information is available at www.sare.org/about/regions.htm.

Volunteers

- **Description:** The Corporation for National and Community Service (CNCS) is an independent government agency that runs the AmeriCorps Volunteer in Service to America (VISTA) and Learn and Serve America (LSA) programs. Communities and organizations across the United States have utilized both of these programs to help launch local and regional food systems projects.
- **Award Type:** Volunteers, whose compensation and living expenses are supported by CNCS
- **Maximum Award:** For VISTA, grants may cover the full volunteer stipend, but not the administrative expenses of operating the program. LSA funds draw from non-competitive grants to State Education Agencies based on a statutory formula.
- **Who's Eligible:** Non-profit organizations, colleges and universities, local, state, or federal agencies
- **More information:** Visit www.americorps.gov/for_organizations/apply/vista.asp or www.learnandserve.gov.

Conclusion

Farm Aid maintains that an investment in family farm-centered local and regional food systems is an investment in the health and prosperity of all Americans, the communities in which they reside, and the economies that keep them afloat and profitable. The list above is by no means exhaustive, but covers a wide range of programs that traditionally were designed for and utilized by narrow audiences. The challenge before us is to think creatively about funding resources, prospects for cross-sector collaboration and community mobilization strategies that can leverage these opportunities. This is a critical element to growing the Good Food Movement and a needed step in building a better future for us all.



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Resources

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Endnotes

- 1 Term used in some states to denote legislative, executive, administrative or advisory bodies of government at State or local levels, and can include school districts, municipal corporations, boards, bureaus, committees, commissions, etc.
- 2 Essential community facilities include, but are not limited to: community health services (such as health clinics, assisted-living facilities, and hospitals); fire, rescue, and public-safety facilities; educational and cultural facilities (such as schools, libraries, museums, and theaters); transportation facilities; community support services (such as child or adult day care); and public buildings and improvements (including community centers).
- 3 Cantrell, P, Conner, D., Erickcek, G., Hamm, M. W. (2006). Eat Fresh and Grow Jobs, Michigan. Beulah, Michigan, Michigan Land Use Institute, C.S. Mott Group. September 2006.

If you're a farmer looking to get involved with local and regional food systems, check out Farm Aid's Farmer Resource Network. Farm Aid's Farmer Resource Network connects you to more than 500 organizations developing innovative approaches to producing, processing and marketing food from family farms. When you go to www.FarmAid.org/ideas, you can search for farmer resources by location, subject and type of farm. You can also email us at FarmHelp@FarmAid.org or call **1-800-FARMAID to speak to us directly about fresh ideas for family farms.**





Funding Opportunities for Investing in Family Farm-Centered Food Systems

Now is the time to invest in a future—a future in which American family farmers and ranchers are recognized as key resources in solving the surmounting economic, environmental and public health challenges facing our nation. Right now, numerous funding opportunities from several federal agencies can be harnessed to create thriving local and regional food systems with family farmers at their center. Ultimately, an investment in family farm-centered food systems is a critical investment in our economy, our communities, and our future: an investment that returns in spades.



Farm Aid Board members Neil Young, Willie Nelson, John Mellencamp and Dave Matthews.

“In 1985, we started out to save the family farmer. Now it looks like the family farmer is going to save us. As our nation continues to endure an historic economic downturn, America’s family farmers offer us much hope.”

— Willie Nelson, Farm Aid President

To download a PDF of this guide, go to www.farmaid.org/opportunities.

To download a PDF of *Rebuilding America’s Economy with Family Farm-Centered Food Systems*, go to www.farmaid.org/es.