

FY 2016 Working Lands Enterprise Initiative

LETTER OF INTENT: SERVICE PROVIDERS

Applicant Guide

IMPORTANT NOTES – PLEASE READ!

It is imperative that applicants read the entire guide before developing and submitting a Letter of Intent (LOI). All LOIs **must** be electronically submitted online at agriculturegrants.vermont.gov. Paper applications will not be accepted. Applicants are **strongly** encouraged to log onto the website well in advance of the LOI deadline to register as a new user and gain familiarity with the online system. A detailed guide for entering information in the online application can be found here: <http://workinglands.vermont.gov/apply/rfp>. Contact Noelle Sevoian (working.lands@vermont.gov or 802-585-9072) if you need additional assistance.

A Letter of Intent is required in order to be considered for the submission of a full application. Not all applicants will be invited to submit a full application.

This is the applicant guide for Service Provider Grants. More information on Business Grants may be found at: <http://workinglands.vermont.gov/apply/rfp>.

APPLICATION TIMELINE:

RFP RELEASED: Thursday, October 1, 2015

APPLICANT INFORMATION SESSIONS: October 9th and 14th, 2015 (see <http://workinglands.vermont.gov/webinar>)

LETTERS OF INTENT ARE DUE: Friday, December 4, 2015 at noon

APPLICANT NOTIFICATION OF ACCEPTANCE/DENIAL OF LETTER OF INTENT: Late January 2016

INVITED APPLICATIONS ARE DUE: Friday, March 4, 2016 at noon

APPLICANT NOTIFICATION: Late April 2016

ESTIMATED PROJECT START DATE IS NO EARLIER THAN: Late May, 2016

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1. About the Initiative

The backbone of Vermont’s heritage and economic viability is our working landscape. Over 97 percent of Vermonters value the “working landscape” which consists of agriculture, food systems, forestry, and forest products based businesses. Approximately 20 percent of Vermont’s working land is used for agricultural purposes and 75 percent is forested. The Findings section of [Act 142](#) outlines nine goals of the Working Lands initiative.

Mission

The mission of the Vermont Working Lands Enterprise Initiative is to grow the economies, cultures, and communities of Vermont's working landscape. The Working Lands Enterprise Board achieves this by making essential, catalytic investments in critical leverage points of the Vermont farm and forest economy, and facilitating policy development to optimize the agricultural and forest use of Vermont lands.

Vision for Future Success

Vermont prospers and its unique sense of place thrives in large part because of intelligent investment in the people and enterprises that comprise its farm, food, and forest based systems. Strong community engagement and support for the farm and forest sectors leads to enhanced quality of life for Vermont citizens and working lands business owners.

Approach (our change theory about what systemic factors will create progress towards our mission and vision)

1. **Access to capital:** Ability of an enterprise to secure the right match of capital to meet its financing needs for its stage of growth and scale.
2. **Technical assistance:** Availability of services to develop business plans, identify risk management strategies, and implement financial management systems, as well as provide topic, product, and process expertise.
3. **Workforce development:** Access to training that allows Vermonters who want to work in the working lands sector – and by extension, the employers they choose – to be at a world-class level.
4. **Smart policy:** Rules and statutes that optimize the agricultural and forest use of Vermont lands, while protecting human, environmental and animal health.
5. **Value chain and sector collaboration:** Relationships between different actors along the chain, as well as across industry sectors, that strengthen the system as a whole.
6. **Public awareness:** Communities’ understanding of and support for the businesses and organizations that contribute to our working landscape.

History of Success to Date

The WLEB began operations in August 2012 and today has awarded over \$3 million in grant funds to 110 grantees, leveraging an additional \$4.3 million of matching and outside funds. For a list of previously funded projects, visit <http://workinglands.vermont.gov/projects>.

FY 2016 Program Year

This year, approximately \$550,000 is available for investment into farm, food systems, forestry, and forest products sectors. Again in FY2016, \$30,000 of Local Food Market Development (LFMD) grant funds will be made available through the Working Lands grant process. The focus of LFMD funding is to increase Vermont producers' access to institutional and wholesale markets, promote consumption of local food, and encourage scaling up through new market development opportunities across the state.

Funds will be disbursed in two investment areas: Business Grants and Service Provider Grants.

Service Provider Grants – Projects should demonstrate direct impacts on Vermont Working Lands businesses. If selected, service provider grantees will be required to survey their clients on metrics including jobs created, increased sales, and increased output (business data will be kept confidential and reported in aggregate). Types of technical assistance provided may include:

- Scaling up
- Market development, marketing plans, and sales
- Business and financial planning
- Succession planning
- Access to capital and financial literacy
- Manufacturing efficiencies or process flow
- Developing sector benchmarks

Applicant Information Sessions are scheduled for October 9th and 14th. Please see <http://workinglands.vermont.gov/webinar> for more information.

2. Eligibility Requirements – Service Provider Investment Area

Applicant Criteria

- The applicant must be in compliance with state regulations (i.e. land, water, unemployment compensation, taxation, child support) and in good standing with the state of Vermont at the time of application and must remain so during the entire grant period.
- Primary applicant must be headquartered in Vermont and must be registered with the Secretary of State at the time of application submission.
- Working lands Service Provider grantees are eligible to apply for multiple years. Applicants who have received Working Lands grants in the past must report on the results of previously funded projects, and demonstrate how continued funding will be used to grow or improve the program.

Project Criteria

- Provides a budget that uses between \$15,000 - \$75,000 of Working Lands Enterprise Funds.
- Provides 100% (1-to-1) cash or in-kind match of total requested WLEB funds. Indirect or overhead costs are allowed for up to 10% of requested WLEB funds (additional indirect or overhead may be used as match). Under limited circumstances, match requirements may be reduced or waived for projects that can justify the need for a reduced match (see budget narrative for further detail).
- Project must be completed within 18 months after grant agreement start date.
- Nonprofit projects that compete with for-profit working lands businesses are ineligible.
- This year, WLEB will not be funding research projects unless they include direct technical assistance to working lands businesses.

3. Scoring Criteria

Projects will be evaluated based on the following criteria:

- **Quality of Proposal and Concept** –The proposal is clear and complete. The applicant is ready to receive funds and begin promptly and demonstrates previous experience and skills necessary to conduct the proposed activities. The project, as described, identifies relevant performance measures and is likely to accomplish the stated outcomes.
- **Impact** - The project demonstrates how it will have a direct impact on working lands businesses, with measurable outcomes (e.g., increase in gross or net income, improved

product value/quality, increase in new customers or access to new markets, increase in product output, increase in acres in active use, and/or jobs creation/retention) and a strong evaluation plan. Priority will be given to projects that help businesses innovate, access new markets, and have value chain impacts.

- **Need**— The application demonstrates a clear need for the project and the need for Working Lands Enterprise funding. The requested funds leverage other funds, and the project cannot be fully funded through other sources. Without these particular funds in this form, the project would happen more slowly, in a less desirable fashion, with a lower probability of success, or would not happen; and/or an urgent window of opportunity to advance a business, value chain, or industry as a whole would be missed.
- **Sustainability** - The project contributes to long-term sustainability/viability of working landscape businesses, builds partnerships, and demonstrates a plan for long term financial viability beyond the Working Lands grant period. Projects that credibly outline anticipated positive impacts based on measurable financial, social, and environmental criteria will be given preference.
- **Leveraging Funds** - Applicant must provide a cash or in-kind match equal to at least 100% of the amount of Working Lands Enterprise grant requested. Match must be identified at the time of proposal application and verified as in hand at the time of the award.

4. Submitting your Letter of Intent

NOTE: All LOIs **must** be electronically submitted online at agriculturegrants.vermont.gov. Paper applications will not be accepted. Applicants are **strongly** encouraged to log onto the website well in advance of the LOI deadline to register as a new user and gain familiarity with the online system. Contact Noelle Sevoian at working.lands@vermont.gov or 802-585-9072 if you need additional assistance. We cannot guarantee that a staff person will be able to return your call in the final hours before the deadline, so please plan in advance.

LOI questions can be found on page 8 of this document. You may find that it is helpful to create your LOI as a Word document and then copy and paste into the agriculturegrants.vermont.gov system.

5. Review & Selection Process

Applications will be reviewed by the Vermont Working Lands Enterprise Board and its partners, subject matter experts, and/or state agency staff and assessed based on the criteria outlined. The Working Lands Enterprise Board makes final decisions on all grants. Applications will not be reviewed by those with conflicts of interest. The review committee may request additional information about your project (e.g. additional financial information, project clarification, etc.).

6. Confidentiality Policy

Working Lands Enterprise Initiative, as a public instrumentality, is subject to the Vermont Public Records Law, 1 VSA § 315 - 320. The statute contains specific exemptions for tax-related information of persons, financial information of an individual or business, and trade secrets. This information will be held in confidential files by the Working Lands Enterprise Board and will not be available for public inspection under the Public Records Law.

The Working Lands Enterprise Board and the state of Vermont consider the following information about applicants to be subject to public record: contact information of applicants; names, description, and contact information of applying enterprise or organization; the purpose and amount of any Working Lands Enterprise Funds received; and grantee communications. Other information may be shared in aggregate form (without identifying individual business info).

7. LOI Feedback Policy

The Working Lands Enterprise Board will email notification letters on funding decisions. These letters will not provide specific feedback on your proposal. If you would like specific feedback on your proposal, we ask that you email us a [request for feedback](#) no later than two weeks after you receive your notification email.

8. Receiving a Grant – Expectations

Organizations selected for grant award funding are expected to meet the following requirements:

- Must be registered with the Secretary of State
<https://www.sec.state.vt.us/corporationsbusiness-services/start-or-register-a-business.aspx>

- Enter into a grant agreement with the State of Vermont - *costs incurred prior to signing a full grant agreement are not eligible.*
- Prior to receiving the grant agreement, recipients must:
 - Submit a W-9 (for tax identification purposes)
 - Submit a Certificate of Insurance, listing the State of Vermont as an additional insured:
 - Worker's Compensation (unless you are a sole proprietor)
 - Insurance Certificate with a minimum coverage of:
 - General Liability - \$1,000,000 coverage
 - Automotive Liability - \$1,000,000 coverage
- Provide interim, final, and one year post-grant reports as well as financial documentation which will include: number of working lands businesses served, paid receipts noting expenditures of both grant and matching funds, high-resolution digital photos in jpg format, and a narrative of accomplishments which will include project goals, performance measures, and outcomes accomplished to date. Grantees will also be required to survey their clients on metrics including (but not limited to) jobs created, increased sales, and increased output (business data will be kept confidential and reported in aggregate).
- Willingness to share project details, including successes and challenges with the public, the WLEB, and the media, which tell the broader story of how the grant is impacting the working lands economies of Vermont. This sharing may take place by way of media inquiries, possible press events on location, and site visits from WLEB members and/or their partners.

9. Tax Consequences

We recommend that all entities consult with a tax accountant with any questions on how to report grant awards on tax returns.

10. The Letter of Intent

The LOI process allows the Working Lands Enterprise Board to narrow the volume of applications and focus on proposals most in line with the mission and goals of the program. The process also allows Working Lands staff to make connections between LOI applicants that may have similar project focus for greater impact.

Below is the information requested in the LOI. All LOIs **must** be electronically submitted online at agriculturegrants.vermont.gov. You may find that it is helpful to create your LOI as a Word document and then copy and paste into the agriculturegrants.vermont.gov system.

1. Applicant Information

- a) Organization name:
- b) Type of legal entity (e.g. sole proprietorship, LLC, cooperative, 501(c)3, etc.)
- c) Contact:
- d) Title:
- e) Phone Number:
- f) Email:
- g) Physical Address:
- h) County:
- i) Where did you learn about this grant opportunity?
- j) Applicant must be in compliance with state regulations and in good standing with the State of Vermont – signature line and date.
- k) Are you interested in receiving Working Lands related e-news/events/funding opportunities updates by email?

2. Project Information:

- a) Project title:
- b) Project category (drop down menu):
- c) Working Lands Funds requested:
- d) Matching Funds:
- e) Have you received grants for this project in the past 5 years? If yes, please list:
- f) Please list other grants you are applying to in conjunction with this project:
- g) Project Abstract (150 words/1000 characters): Abstracts will be provided to Board members to give a broad overview of each project. Please provide a brief overview of your project for Board member review, including key impacts.

3. Organization Description (250 words/1675 characters): Describe your organization, its experience and success in providing similar services, and the expertise of any partner organizations expected to participate in the project. Include the names and titles of the core team of individuals involved.

4. **Project Summary** (300 words/2000 characters): Please provide an overview of your project and how requested and matching funds will be used. Please explain why your project is being proposed, and what makes it timely, important, innovative and/or sustainable. Describe the need for the services to be provided and how need was determined.

5. **Impact** (250 words/1675 characters): Outline projected measurable outcomes on working lands businesses served including increased sales, increased net income, jobs created or retained, increase in acres in active use, and/or increased product output. Briefly describe the evaluation plan.

6. **Budget and Narrative:** Please provide a detailed budget, including Working Lands funds requested and any other funding sources supporting the project. Cost incurred prior to the signing of the grant agreement are ineligible.

Matching funds should equal at least 100% of the Working Lands Enterprise funds requested (either cash or in-kind). Match must be identified by the time of full application submission, and in place by the time of grant agreement execution.

- Examples of **cash match** include: funds in the bank, third party funds, and applicant labor directly associated with the proposed project.
- Examples of **in-kind match** include: goods or services provided during the grant period for which no expenditure is made (e.g. contractors, consultants, or equipment provided pro bono for the project, volunteer labor, and/or donated supplies that are not part of the normal cost of doing business).
- **Indirect costs** (i.e. Facilities/administrative costs) are allowed for up to 10% of requested WLEB funds. Additional indirect costs may be used as match.

Example:

\$20,000 Working Lands grant request (up to \$2,000 could be indirect costs)

$\$20,000 \times 1 = \$20,000$ minimum cash or in-kind match (could include additional indirect costs)

$\$20,000 + \$20,000 = \$40,000$ total project cost (WLEB request + match amount)

Under limited circumstances, match requirements may be reduced or waived for projects that can justify the need for a reduced match. Waiver requests must outline the impact of the project and indicate if the project benefits an underserved sector of the working lands economy. For consideration, waiver requests must be outlined in the budget narrative.

Budget Template: Enter each line item of your budget into the appropriate field in the agriculturegrants.vermont.gov system. You may wish to utilize the budget template below to construct your budget. We understand the budget and use of funds may be different should you be invited back for the full application. Your budget should include any other funding sources supporting the proposal and a match totaling 100% of Working Lands funds requested.

Project Sources and Uses	Working Lands Request	Applicant Contribution		Total
		Cash	In-Kind	
Personnel				
Benefits				
Travel				
Machinery/Equipment				
Supplies				
Contractual				
Other Direct Costs				
Indirect Costs				
TOTAL				

Budget Narrative (max 100 words for each question/675 characters):

- **Need:** Describe efforts to fund this project with other sources, and why those efforts have not been sufficient. Note why the project would happen more slowly, in a less desirable fashion, with a lower probability of success, or would not happen without WLEB funds.
- **Leverage:** Please provide the source(s) for all matching funds listed in the template. Be sure to indicate whether all matching funds are committed, or if not, your plan and timeline for securing such commitments.
- If match waiver requested, please provide justification here.

Thank you for the time and effort put into this application. While not everyone can be offered the opportunity to submit a full application or receive a grant, your contributions to Vermont's working landscape are greatly appreciated.