

## FY 2019 Working Lands Enterprise Initiative

# LETTER OF INTENT: SERVICE PROVIDERS

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## 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 submitted online via WebGrants at [agriculturegrants.vermont.gov](http://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 navigating WebGrants in order to complete and submit a Letter of Intent will be posted on the Working Lands Enterprise Initiative [website](http://www.vermontworkinglands.com) at the time of application opening (see below).

For questions regarding the Letter of Intent pre-application process, please contact Lynn Ellen Schimoler at [working.lands@vermont.gov](mailto:working.lands@vermont.gov) or 802-662-0327. To speak in detail regarding your proposal, please email [working.lands@vermont.gov](mailto:working.lands@vermont.gov) to request a 15-minute appointment slot.

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 Fiscal Year 2019 Service Provider Grants in the amount of \$5,000 - \$20,000.** The applicant guide for Business Grants will be released separately on October 1, 2018.

### APPLICATION TIMELINE:

LETTER OF INTENT APPLICATION OPENS IN WEBGRANTS: September 10, 2018 at 12:00 PM

LETTERS OF INTENT DUE: Friday, September 27, 2018 at 12:00 PM

NOTIFICATION OF ACCEPTANCE/DENIAL OF LETTER OF INTENT: Late October 2018

INVITED FULL APPLICATIONS DUE: January 3, 2018 at 12:00 PM

NOTIFICATION OF FINAL AWARD DECISION: End of January 2019

ESTIMATED PROJECT START DATE: March-April 2019

## **Table of Contents:**

<b>1. About the Initiative</b>	<b>page 2</b>
<b>2. Eligibility Requirements</b>	<b>page 4</b>
<b>3. Scoring Criteria</b>	<b>page 5</b>
<b>4. Submitting a Letter of Intent</b>	<b>page 5</b>
<b>5. Review and Selection Process</b>	<b>page 6</b>
<b>6. Confidentiality Policy</b>	<b>page 6</b>
<b>7. LOI Feedback Policy</b>	<b>page 7</b>
<b>8. Receiving a Grant: Expectations</b>	<b>page 7</b>
<b>9. Tax Consequences</b>	<b>page 8</b>
<b>10. Letter of Intent Required Information</b>	<b>page 8</b>

## **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 \$5.4 million in grant funds to 184 grantees, leveraging an additional over \$8 million of matching and other funds. For a list of previously funded projects, visit <http://workinglands.vermont.gov/projects>.

## FY 2019 Program Year

This year, approximately \$700,000 is available for investment into farm, food systems, forestry, and forest products enterprises. Funds will be disbursed in (2) investment areas: Business Grants and Service Provider Grants.

**Service Provider Grants** Types of technical assistance provided may include: Market development, marketing plans, and sales; Business and financial planning; Succession planning; Access to capital; Manufacturing efficiencies or process flow; research and development; and/or pilot programs.

## 2. Eligibility Requirements

### Applicant Criteria

- Primary applicant must be headquartered in Vermont and must be registered with the Secretary of State at the time of application submission.
- 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.
- Working Lands Service Provider grantees are eligible to receive funds more than once. Applicants who have received Working Lands grants in the past must measure and report on the results of previously funded projects, and demonstrate how continued funding will be used to grow or improve the program. *Services must be provided to a new cohort of businesses for each funding period year.*

### Project Criteria

Projects eligible for funding will meet the following criteria:

- Include the provision of direct and indirect services to support development of Vermont-based working lands businesses through technical assistance and other forms of support, which may cover topic(s) such as:
  - Market development, marketing plans, and sales;
  - Business and financial planning;
  - Succession planning;
  - Access to capital;
  - Manufacturing efficiencies or process flow;
  - Research and development; and/or
  - Pilot programs
- Provides 100% (1-to-1) cash or in-kind match of total requested WLEB funds (\$5,000-\$20,000). 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 following grant agreement start date (estimated September 2020).

### 3. Scoring Criteria

Projects will be evaluated based on the following criteria:

- **Quality of Proposal and Management Team:** The proposal is comprehensible and clear. The proposal fits within the eligibility criteria outlined in the Request for Proposals Guide, and the management team demonstrates previous experience and skills necessary to conduct the proposed activities.
- **Expected Measurable Outcomes:** The proposal demonstrates how it will enhance Vermont's working landscape, with measurable performance outcomes that may include job creation and retention; increased income; increased product output; increased acres in active forestry or agricultural use; land stewardship; environmental sustainability; business creation and retention; increased access to capital, technical assistance, education, and training; higher payroll and wages; and increased quality of life.
- **Financial Need:** The LOI demonstrates a clear need for the project and the need for Working Lands Enterprise funding. The project cannot be fully funded through other sources. Without receiving 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 would be missed.
- **Collaboration:** The proposal demonstrates collaboration and partnerships among working lands businesses and service providers.

### 4. Submitting a Letter of Intent

**NOTE:** All LOIs **must** be submitted online via WebGrants at [agriculturegrants.vermont.gov](http://agriculturegrants.vermont.gov) by Friday, September 27, 2018 at 4:00 PM. Paper applications will not be accepted.

**Questions required to complete an LOI are located on page 8 of this document.**

Applicants are **strongly** encouraged to visit the WebGrants site *well in advance* of the LOI deadline to register as a new user and gain familiarity with the online system. If you are a previous grantee under Working Lands or another Vermont Agency of Agriculture, Food & Markets grant program, please complete and submit your LOI using your prior WebGrants login information. Please do not create a duplicate account.

Partially completed LOI forms can be saved in WebGrants, even when logging out, and submitted at a later time. However, forms will NOT enable saving unless required questions contain at least one character (letter or number). To avoid this issue, you may choose to complete the full LOI form by inserting a character the words “not complete” into any unanswered questions before saving. Alternatively, you may find it helpful to create and save your LOI as a Word document, then copy and paste your answers into WebGrants when complete.

For general questions about the Service Provider or Business Grants process, please contact Lynn Ellen Schimoler at [working.lands@vermont.gov](mailto:working.lands@vermont.gov) or (802) 662-0327. For technical assistance with WebGrants login/navigation/form submission, please contact Diana Ferguson at [Diana.Ferguson@vermont.gov](mailto:Diana.Ferguson@vermont.gov), or (802) 622-4094. 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.

## 5. Review & Selection Process

LOIs will be reviewed by the Vermont Working Lands Enterprise Board, subject matter experts, and/or State agency staff and assessed based on the criteria outlined. The Working Lands Enterprise Board will make the final decision on all grant awards. LOIs 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.) to inform their decision.

## 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 staff will email notification letters regarding the Board's funding decisions. These letters will not provide specific LOI feedback. If you would like specific feedback on your LOI, please email a request for feedback to [working.lands@vermont.gov](mailto:working.lands@vermont.gov) no later than two weeks after receipt of your notification email.

## 8. Grantee Expectations

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

- Currently registered and in good standing with the Vermont Secretary of State (<https://www.sec.state.vt.us/corporationsbusiness-services/start-or-register-a-business.aspx>)
- Able to enter into a grant agreement with the State of Vermont. *Costs incurred prior to signing a full grant agreement are not eligible for funding.* Prior to signing the grant agreement, recipients must:
  - a. Submit a [Federal W-9 form](#) (for tax identification purposes)
  - b. Submit a Certificate of Insurance, listing the State of Vermont as an additional insured, containing the following coverage types
    - General Liability - \$1,000,000 coverage
    - Automotive Liability - \$1,000,000 coverage
    - Worker's Compensation (unless you are a sole proprietor)
- Will complete status reports at the following intervals:
  - a. Interim report – six months after project start
  - b. Final report – no later than one month following project end
  - c. One-year post-award
  - d. Two-year post-award

Information submitted in status reports will include performance measures (e.g., number of working lands businesses served), high-resolution digital photos in .jpg format, and a narrative of accomplishments, including progress toward project goals 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). reports as well as

- Will provide financial documentation throughout the grant period, including copies of paid receipts noting expenditures of both grant and matching funds.

- Willingness to share project details, including successes and challenges, with the public, the Working Lands Enterprise Board (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 Implications

We recommend that all entities consult with a tax accountant as needed regarding how to report grant awards for tax purposes, including advising on your tax return. State of Vermont staff and Working Lands partners are not authorized to advise or provide input on tax-related information, including the completion of federal forms.

## 10. Letter of Intent (LOI) Required Information

Below is the information needed to complete an LOI, which must be entered and submitted online via WebGrants at [agriculturegrants.vermont.gov](http://agriculturegrants.vermont.gov). For an overview of LOI submission and support information, refer to Section 4 above. Technical instructions on navigating WebGrants for LOI submission will be available on the [Working Lands website](http://www.vermontworkinglands.com) beginning September 10<sup>th</sup>.

### A. Applicant Information

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

- Do you allow this program to share your contact information with other state and federal funders? (Yes or No)

## **B. Project Information**

- Project title
- Project category (drop down menu)
- Amount of Working Lands Funds requested
- Matching Funds: must equal at least 100% of Working Lands Enterprise funds requested, through either cash or in-kind sources (more details about matching funds in Section G below)
- Have you received grants for this project (not for this organization as a whole) in the past 5 years? If yes, please list.
- Are you a previous Working Lands grantee? If yes, please list grants received and reference the specific outcomes achieved for clients (1800 characters max).
- Please list other grants/loans you are applying for in conjunction with this project.
- Project Abstract (1000 characters max): 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.

**C. Organization Description** (2000 characters max): Describe your organization, its experience and success in providing similar services, and the expertise of any partner organizations expected to participate in the project. Please describe the core team of individuals involved and explain how they have the knowledge, energy, expertise, and commitment necessary to turn your project idea into a reality.

- Please describe how your management team will adjust if you see less demand than anticipated (1000 characters max)

**D. Project Summary** (2000 characters max): 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.

**E. Financial Need** (2000 characters max): Please provide an explanation of why these Working Lands Grant funds are needed, and how the project would or would not move

forward without these funds. Please be specific, and describe efforts to fund this project with other sources and why those efforts have not been sufficient. Select all/any that apply:

- Without this grant, this project would happen over a longer timeframe
- Without this grant, this project would happen in a less desirable fashion
- Without this grant, this project would have a lower probability of success
- Without this grant, this project would not happen
- This grant will not change the implementation and success of this project

**F. Impact (1800 characters max):** Outline projected measurable outcomes on working lands businesses served including impact on business sales, net income, jobs created or retained, acreage in active use, and/or product output. Briefly describe the evaluation plan.

- Will your project increase gross sales for businesses served? If yes, how much do you anticipate gross sales to increase (in aggregate dollars)?
- Will your project increase product output for businesses served? If yes, how much, on average (in percent), do you anticipate product output to increase for businesses?
- Will this project increase jobs for businesses served? If yes, how many Full Time Equivalent (FTE) Jobs are anticipated to be created?
- Will this project increase working lands acres impacted? If yes, how many additional acres will be impacted by this project? (Project Utilization includes acres directly used for production, committed for production through other producers and/or under active management by your enterprise)

**G. Budget and Narrative:** Please provide a detailed budget, including Working Lands funds requested and any other funding sources supporting the project. Costs incurred prior to the signing of the grant agreement are not eligible.

**Matching funds** should equal at least 100% of the Working Lands Enterprise funds requested (either cash or in-kind). Match sources 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 Working Lands Grant 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 x 1 = \$20,000 minimum cash or in-kind match (could include additional indirect costs)  
 \$20,000 + \$20,000 = \$40,000 total project cost (grant 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](http://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		Match Source	Details/Purpose	Total
		Cash	In-Kind			
Salaries/Wages (Personnel)						
<ul style="list-style-type: none"> <li>• Average Hourly Rate(s)</li> </ul>						
Benefits						
Travel						

Machinery/Equipment						
Supplies						
Contractual						
Other Direct Costs						
Indirect Costs						
<b>TOTAL</b>						

**Budget Narrative** (1000 characters max for each question):

- Please use this space to expand on your use of Working Lands funds. Provide further detail for all line items, as needed.
- Future Investment: Please describe how this project will drive future investment in your organization.
- Match: Indicate whether all matching funds are committed.
- If not, provide your timeline for securing such commitments
- Are you requesting a match waiver (check yes/no)
- Match Waiver: 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.***