



# Producer Grants

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## Introduction

Each year, a number of state and federal agencies, as well as private organizations, make grants of varying amounts available to individual commercial growers, grower organizations, and farm-related businesses. These are generally competitive grants, meaning growers must not only meet specific qualifications, but they are also competing with other applicants for limited funds. Grants, unlike loans, do not have to be repaid; however, they are not “free money.” Organizations offering grant programs have a specific purpose they are working to achieve. Grants are awarded for a variety of reasons including testing innovative ideas and research techniques, conducting field trials, on-farm demonstrations and market research, and promoting economic growth and diversification. Whether the project involves crop production practices or product development, results often must benefit multiple growers, not just the applicant. In general, the applicant must create a project plan, implement the plan, maintain detailed records, and then report on the results. Granting organizations reporting requirements vary depending on the stipulations of the grant.

This fact sheet discusses tips for obtaining a producer grant and provides a selective listing of some organizations that offer grants to Kentucky growers.

## Choose your project

Although some programs allow projects to benefit only one farm, others require that the project benefit a number of growers. Select a project that is within your capabilities in terms of available time, experience and finances; many grants require cash or in-kind match and will not cover



100 percent of the projected expenses. Some grant and cost-share benefits are taxable. The complexity of the project must also fit the amount of money requested.

## Finding grants

There are many resources available to help farmers and agribusinesses find funding resources in Kentucky. The Kentucky Center for Agriculture and Rural Development (KCARD) offers services that include helping agricultural businesses identify funding options and apply for funding. Visit the KCARD website at <http://www.kcard.info> to learn more.

Refer to the resources at the end of this



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fact sheet for links to funding opportunities. The table lists funding organizations and the grants they offer; refer to their websites for specific requirements and deadlines. You can also conduct a general search for grants on the internet using keywords such as “producer grants” or “grower grants.” Local agricultural groups and community organizations may offer grants of various amounts. County extension agents may be able to direct you to grants available locally. If you are retired, disabled, a veteran, or have a household income below the poverty level, you may want to seek out grants awarded to qualifying farmers in these specific groups.

KCARD publishes information on relevant grant opportunities for Kentucky agricultural projects on their [Facebook page](#), their website, and through an email list that you can join.

### **Choose the appropriate grant(s)**

Make sure you meet the eligibility requirements and that the project you have in mind qualifies for the grant. Some grant websites will indicate the types of projects that have been funded previously. This can be a good indicator of the types of projects the granting organization wants to fund.

### **Plan ahead**

The whole grant process, from application to approval, is a slow procedure. The application form can involve considerable writing, as well as the gathering of pertinent supporting documentation. In addition, it may require additional time to fine-tune a research idea or project. The entire application process can take several months. It is critical to meet the grant deadline, so allow plenty of time to complete the application process. Once submitted, the grant is generally reviewed by a committee that will also be considering other proposals. It can take several weeks to months before you know if your grant proposal has been approved.

### **Conduct a detailed business plan**

Carefully review all the financial requirements of the project you have in mind, as well as sources of income. Grants often do not cover 100 percent of the expenses required for a project. If you do not have the available funds to make up the difference, an additional funding source will be needed.

Grants go to projects that can demonstrate that they

are good investments. You demonstrate this by developing a strong business plan with financial projections. If you need help, KCARD helps producers and agricultural projects develop business plans and these financial projections.

### **Locate a technical advisor**

Some grants require that the grower work with a technical advisor on the project. However, even if one is not required, it would be beneficial to seek out a technical service provider such as KCARD, an extension agent, crop specialist, or other agricultural professional to serve as a consultant. The advisor should review your proposal to make sure it is sound and be able to provide you with suggestions on improving the project. An advisor is not only useful during the planning stages, but also throughout the course of the project.

### **Application**

Follow the grant application instructions exactly and meet the deadline. Be sure to keep within page or word limits and provide supporting documentation. For example, the Rural Energy for America Program (REAP) requires a letter from the state energy office indicating that the project meets their environmental goals. You will want your proposal to stand out among all the others, so make sure you explain your project and its implications as thoroughly as possible, within the limits of the application requirements. Multiple reviewers can be helpful in this process. If you have any questions or concerns, contact the grant organization for help well in advance of the deadline.

### **Selected Resources**

- Kentucky Center for Agriculture and Rural Development Agribusiness Grant Facilitation Program [www.kcard.info](http://www.kcard.info)
- USDA Grants and Loans <https://www.usda.gov/topics/farming/grants-and-loans>
- Beginning Farmers: Funding Resources (Grants/Loans) (Beginning Farmers.org) <http://www.beginningfarmers.org/funding-resources/>
- Building Sustainable Farms, Ranches and Communities (SARE) <https://www.sare.org/Learning-Center/Books/Building-Sustainable-Farms-Ranches-and-Communities>
- Funding Opportunities (ATTRA) <https://attra.ncat.org/funding/>
- Guide to USDA Funding for Local and Regional

Food Systems (National Sustainable Agriculture Coalition, 2010) [http://sustainableagriculture.net/wp-content/uploads/2010/05/NSAC\\_FoodSystemsFundingGuide\\_FirstEdition\\_4\\_2010.pdf](http://sustainableagriculture.net/wp-content/uploads/2010/05/NSAC_FoodSystemsFundingGuide_FirstEdition_4_2010.pdf)

- Grassroots Guide to Federal Farm and Food Programs <http://sustainableagriculture.net/publications/grassrootsguide/>
- Grants and Loans for Farmers (USDA-NAL) <https://www.nal.usda.gov/afsic/grants-and-loans-farmers>
- Grants.gov (U.S. Federal Government) <http://www.grants.gov/>

- Kentucky State University Small-Scale Farm Grant Program <http://kysu.edu/academics/cafsss/research-extension/small-scale-farm-grant-program/>
- Specialty Crop Block Grant Program <http://www.kyagr.com/marketing/crop-block-grant.html> and <https://www.ams.usda.gov/services/grants/scbgp>

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*Graphic: National Clearing House on Families and Youth, U.S. Department of Health and Human Resources*

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For additional information, contact your local **County Extension** agent

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<b>Funding Organization</b>	<b>Grant</b>	<b>Description / Types of Projects Funded</b>	<b>Additional Information</b>
<b>Appalachian Regional Commission (ARC)</b>	POWER (Partnerships for Opportunity and Workforce and Economic Revitalization)	Targets federal resources to help communities and regions that have been affected by job losses in coal mining, coal power plant operations, and coal-related supply chain industries due to the changing economics of America's energy production.	<a href="https://www.arc.gov/funding/power.asp">https://www.arc.gov/funding/power.asp</a>
<b>Fund-a-Farmer</b>	Food Animal Concerns Trust Fund-a-Farmer Project	Grants for projects that help family farmers transition to pasture-based systems, improve the marketing of their humane products, or more generally to enrich the conditions in which the farm animals are raised.	<a href="https://foodanimalconcernstrust.org/grants">https://foodanimalconcernstrust.org/grants</a>
<b>Kentucky Agricultural Development Board (KADB)</b>	Kentucky Agricultural Development Fund (KADF)	Project needs to show impact beyond the applicant's own farm or business; statewide, regional, and county projects that fit outside established programs.	<a href="https://agpolicy.ky.gov/Pages/default.aspx">https://agpolicy.ky.gov/Pages/default.aspx</a>
	KADF County CAIP	For organizations wishing to offer the County Agricultural Investment Program (CAIP), consisting of 10 eligible investment areas.	<a href="https://agpolicy.ky.gov/funds/Pages/applications.aspx">https://agpolicy.ky.gov/funds/Pages/applications.aspx</a>
	On-farm Energy Efficiency & Production Incentives/Grants	Funding for farm-related energy efficient upgrades or energy generation.	<a href="https://agpolicy.ky.gov/energy/Pages/default.aspx">https://agpolicy.ky.gov/energy/Pages/default.aspx</a>
<b>Kentucky Department of Agriculture (KDA)</b>	Horticulture Advertising and Market Development Grants	Third Party Good Agricultural Practices Audit Cost-Share Grant. To qualify, horticultural products must be Kentucky grown.	<a href="http://www.kyagr.com/marketing/advertising-market-development.html">http://www.kyagr.com/marketing/advertising-market-development.html</a>
	Kentucky Proud Promotional Grant	Reimburses eligible expenses for advertising, marketing, and reaching consumers at the point of purchase to promote Kentucky Proud products with direct Kentucky farm impact.	<a href="http://www.kyagr.com/marketing/pop-grant.html">http://www.kyagr.com/marketing/pop-grant.html</a> <a href="http://www.kyagr.com/marketing/documents/KYP_GrantApplication_Fillable.pdf">http://www.kyagr.com/marketing/documents/KYP_GrantApplication_Fillable.pdf</a>
	Kentucky Specialty Crop Block Grant	Individuals and organizations may apply to fund projects that enhance the competitiveness of Kentucky specialty crops. Projects must benefit more than one individual or organization.	<a href="http://www.kyagr.com/marketing/crop-block-grant.html">http://www.kyagr.com/marketing/crop-block-grant.html</a>
	Buy Local	Provides assistance to Kentucky restaurants and other food services that buy KY grown or raised food and farm products for resale.	<a href="http://www.kyagr.com/marketing/buy-local.html">http://www.kyagr.com/marketing/buy-local.html</a>
	Winery Wholesaler Reimbursement Program	KY wine wholesaler may be reimbursed for distributing the wine products of licensed small farm wineries.	<a href="http://www.kyagr.com/marketing/winery-grants.html">http://www.kyagr.com/marketing/winery-grants.html</a>
	<b>Kentucky Energy and Environment Cabinet</b>	State Conservation Cost Share	Helps landowners address existing soil erosion, water quality and other environmental problems associated with their farming or woodland operation.

<b>Funding Organization</b>	<b>Grant</b>	<b>Description / Types of Projects Funded</b>	<b>Additional Information</b>
<b>Kentucky State University</b>	Small-Scale Farm Grant Program	Provides assistance to Kentucky farmers and Kentucky agriculture groups including farmers markets.	<a href="https://kysu.edu/academics/cafsss/research-extension/small-scale-farm-grant-program/">https://kysu.edu/academics/cafsss/research-extension/small-scale-farm-grant-program/</a>
<b>Southern Sustainable Agriculture Research and Education (SARE)</b>	Producer Grants On-Farm Research Grants	Competitive grants for on-farm research and marketing projects that are innovative, generate useful results beyond 1 year, and produce information that many farmers can use.	<a href="http://www.southernare.org/Grants/Grant-Programs">http://www.southernare.org/Grants/Grant-Programs</a>
<b>Southern United States Trade Association (SUSTA)</b>	50% Cost Share	Designed for small businesses that desire financial support to launch a new branded export effort.	<a href="http://www.susta.org/services/map.html">http://www.susta.org/services/map.html</a>
<b>State of Kentucky</b>	Governor's Kentucky Export Initiative	Program for small businesses to help cover costs associated with export activities.	<a href="http://www.kyexports.com/">http://www.kyexports.com/</a> <a href="http://www.kyexports.com/STEP-Grants.aspx">http://www.kyexports.com/STEP-Grants.aspx</a>
<b>USDA-Agricultural Marketing Service</b>	Farmers Market Promotion Program	Helps to increase consumption of locally and regionally produced agricultural products, and to develop new market opportunities for farms and ranches.	<a href="https://www.ams.usda.gov/services/grants/fmpp">https://www.ams.usda.gov/services/grants/fmpp</a>
	Local Food Promotion Program	Offers grant funds with a 25% match to support development and expansion of local and regional food business enterprises.	<a href="https://www.ams.usda.gov/services/grants/lfpp">https://www.ams.usda.gov/services/grants/lfpp</a>
<b>USDA - Food and Nutrition Service</b>	Farm to School Grant Program	Used for training, supporting operations, planning, purchasing equipment, developing school gardens, developing partnerships, and implementing farm to school programs.	<a href="https://www.fns.usda.gov/farmentoschool/farm-school-grant-program">https://www.fns.usda.gov/farmentoschool/farm-school-grant-program</a>
<b>USDA-National Institute of Food and Agriculture (NIFA; formerly: CSREES)</b>	Community Food Projects (CFP)	Goal is to meet the food needs of low-income individuals through food distribution, community outreach to assist in participation in federally assisted nutrition programs, or improving access to food as part of a comprehensive service.	<a href="https://nifa.usda.gov/funding-opportunity/community-food-projects-cfp-competitive-grants-program">https://nifa.usda.gov/funding-opportunity/community-food-projects-cfp-competitive-grants-program</a>
	Food Insecurity Incentive Grant Program (FINI)	supports projects to increase the purchase of fruits and vegetables among low-income consumers participating in the Supplemental Nutrition Assistance Program (SNAP) by providing incentives at the point of purchase.	<a href="https://nifa.usda.gov/program/food-insecurity-nutrition-incentive-fini-grant-program">https://nifa.usda.gov/program/food-insecurity-nutrition-incentive-fini-grant-program</a>
	Small Business Innovation Research (SBIR)	Assists small businesses in conducting high quality research related to important scientific problems and opportunities in agriculture.	<a href="https://nifa.usda.gov/program/small-business-innovation-research-program-sbir">https://nifa.usda.gov/program/small-business-innovation-research-program-sbir</a>

Funding Organization	Grant	Description / Types of Projects Funded	Additional Information
<b>USDA-Natural Resources Conservation Service (NRCS)</b>	Agricultural Management Assistance (AMA)	Financial and technical assistance to agricultural producers to voluntarily address issues such as water management, water quality, and erosion control by incorporating conservation into their farms.	<a href="http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/ama/">http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/ama/</a>
	Conservation Innovation Grants (CIG)	Program intended to stimulate the development and adoption of innovative conservation approaches.	<a href="http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/cig/">http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/cig/</a>
	Conservation Stewardship Program (CSP)	Participants receive annual land use payments for operational level environmental benefits they produce.	<a href="http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/csp/">http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/csp/</a>
	Environmental Quality Incentives Program (EQIP)	Financial and technical assistance to agricultural producers through contracts. Includes: Air Quality Initiative, On Farm Energy Initiative, Organic Initiative, and High Tunnel System Initiative.	<a href="http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip/">http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip/</a>
	Regional Conservation Partnership Program	NRCS and other cooperators partner to join in efforts with producers to increase the restoration and sustainable use of soil, water, wildlife and related natural resources on regional or watershed scales.	<a href="https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/rcpp/?cid=stelprdb1242732">https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/programs/financial/rcpp/?cid=stelprdb1242732</a>
	Working Lands for Wildlife Program (WLFW)	Program to develop and improve wildlife habitat on agricultural land, private forests, and Indian land.	<a href="https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/plantsanimals/?cidd=stelprdb1046975">https://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/plantsanimals/?cidd=stelprdb1046975</a>
<b>USDA-Rural Development</b>	Advanced Biofuel Payment Program	Payments to producers to support and expand production of advanced biofuels refined from sources other than corn kernel starch.	<a href="https://www.rd.usda.gov/programs-services/advanced-biofuel-payment-program">https://www.rd.usda.gov/programs-services/advanced-biofuel-payment-program</a>
	Rural Energy for America Program (REAP)	Financial assistance for eligible applicants to install renewable energy systems, make energy efficiency improvements, and conduct energy audits and feasibility studies.	<a href="https://www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency">https://www.rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency</a>
	Rural Business Development Grants	Designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses in rural areas which will employ 50 or fewer new employees and has less than \$1 million in gross revenue.	<a href="https://www.rd.usda.gov/programs-services/rural-business-development-grants">https://www.rd.usda.gov/programs-services/rural-business-development-grants</a>
	Value-Added Producer Grants (VAPG)	Assists agricultural producers entering into value-added activities related to processing and/or marketing bio-based value-added products.	<a href="https://www.rd.usda.gov/programs-services/value-added-producer-grants">https://www.rd.usda.gov/programs-services/value-added-producer-grants</a>