



## Grant Funding Basics

For general information—visit links and speak with program staff as guidelines change.

This list is representative of ag grant options, but not exhaustive.

A grant is **funding which does not have to be repaid**, as long as the terms of the award are fulfilled. Some grants require a **match**—a percentage of the total project cost that you must contribute. For example, a 10% match on a \$50,000 project means you put up \$5K while the funder provides \$45K.

**Government grants often in the news** (like Beginning Farmer/Rancher Grants) **are usually to institutions like universities or large non-profits with the capacity to carry out research or broad programming. However, some federal grants are available to individual farmers or farms** such as Value Added Producer Grants (VAG) for planning and production. These grants have specific timelines for applications and usually require a match.

With a few exceptions (such as VAPG grants), the most critical sections of a grant application are **need** and **sustainability**. You must be able to document the need for your project, and how it will be continued once the grant funding is used up. Sustainability may include how you'll continue to provide a service, or how equipment will be maintained, for example.

**Cost share programs** are similar to grants in that they don't require repayment but require you to invest in an on-farm project. NRCS funding for [High Tunnels](#) and USDA funding for up to 75% cost share for farms [going certified organic](#) are examples.

See our [website](#) for more info on loans, etc.

	For Individuals	For organizations
<b>Federal</b> <i>Most large federal grants are sizeable, however with some exceptions, go mainly to states, universities (especially land grant higher ed such as Penn State), or researchers.</i>	<a href="#">[Farm Loans: <b>NOT GRANTS</b></a> - Farm Services Agency (FSA) makes direct and guaranteed farm ownership and operating loans to family-size farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lender. FSA loans can be used to purchase land, livestock, equipment, feed, seed, and supplies. Loans can also be used to construct buildings or make farm improvements. FSA does <b>NOT</b> provide farmer <b>grants</b> .]	<b>USDA Beginning Farmer/Rancher Grants</b> are made to non-profit organizations or higher ed to provide education to beginning farmers. They are <b>NOT</b> available to individuals.
<b>UDDA</b>	Farmers Market Promotion Program grants are <b>very competitive</b> . Eligible applicants include	



	<p>Agricultural businesses, Agricultural cooperatives, Community Supported Agriculture (CSA) networks, and CSA associations. Grants fund developing new markets and increasing access to locally-grown food. <b>No match</b> is required. The 2018 application deadline is Monday, May 7, 2018, at 11:59 p.m. Details <a href="#">here</a>.</p>	
<p><b>USDA Rural Development</b></p>	<p><b>Value Added Producer Grants</b> (not currently taking applications) Competitive grant to generate new products, create and expand marketing opportunities, and increase producer income. Typically require a 50% match. <i>For example, if you are a dairy farmer interested in making cheese, or keep bees and want to process your honey or beeswax into another form, this the VAPG could be a fit.</i></p>	
<p><b>USDA Rural Development</b></p>	<p><b>Rural Energy for America Program Renewable Energy Systems &amp; Energy Efficiency Improvement Loans &amp; Grants</b> Farmers who need to update their energy systems may apply year round but this spring's closing date is <b>April 30, 2018</b>. Grants are for <b>up to 25% of total eligible project costs</b>—see funding amounts and other detail at the link above or the <a href="#">factsheet</a>. Eligible: Agricultural producers with at least 50% of gross income coming from agricultural operations, and small businesses in eligible rural areas (look up your address at <a href="https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do">https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do</a>) You must have no outstanding delinquent federal taxes, debt, judgment or debarment. Penn State Extension has funding to work with farmers to develop plans for REAP funded renewable energy solutions or energy efficiency improvements for their operations. They can develop a report that will provide some of the background info needed for the REAP application.</p> <p>Contact Amanda Hope, PA's READ coordinator, for more info on applying (717) 237-2289 <a href="mailto:amanda.hope@pa.usda.gov">amanda.hope@pa.usda.gov</a></p>	
<p><b>SARE</b></p>	<p><b>Sustainable Agriculture Research &amp; Education</b> grants are available to farmers to try out innovative projects in sustainable ag. Applications typically are accepted in early winter for spring awards. <a href="#">Learn more</a>. Grants <b>can</b> be used for your time, project-related materials, consulting fees or soil tests, and outreach expenses associated with telling others about project results. Funds <b>cannot</b> be used to start a farm, purchase durable equipment like tractors or computers, or other costs that would be there in the absence of the project; or for capital costs associated</p>	<p>For research or</p>



	with building a barn, greenhouse, or other major farm fixture. The Northeast SARE site has a <a href="#">search feature</a> to see the types of projects they've funded.	
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**Private Foundation:** A nonprofit organization with funds usually from a single source, managed by trustees or directors. Foundations aid social, educational, religious or other charitable activities. Private foundations are generally founded by an individual, a family or a group of individuals, and are organized either as a nonprofit corporation or as a charitable trust. (Think "Farmer Veteran Coalition [Fellowship Fund](#)".)

**Family Foundation:** Funds from members of a single family; usually run by family members who serve as trustees. (Think "Mellon")

**Corporate Foundation:** Foundation that awards funds from a profit-making business. Tied to the business or corporation but run as a separate entity. (Think "Home Depot" funding home improvements for disabled veterans.)

**Community Foundation:** Made up of funds from donors in a defined geographic area (often a county or metro area). They often fund programs or services that government doesn't have the resources to support.

Other funders offer **loans for innovative projects** and assistance with developing financial sustainability, such as [Progress Fund](#), which has funded agritourism and farm-to-table enterprises in western PA.

For smaller projects, consider **crowd funding** such as GoFundMe or Kiva, if you have the skills to connect with friends and family, especially on social media. If you go this route, be sure to read all the fine print about service fees and transaction percentages the company collects from donors or from the contributions you receive.