Instructions for the 2020 Maryland Value Added Producer Matching Grant

Program Description

The Maryland Value Added Producer Matching Grant Program (MVAPMG) was established to make grants available to those pursuing support from the U.S. Department of Agriculture Value Added Producer Grants Program (USDA/VAPG). MARBIDCO was created with a mission to assist Maryland’s farm, forestry, and seafood businesses with achieving profitability and sustainability, promoting rural entrepreneurship, and nurturing emerging food and fiber markets. MARBIDCO will make grants available to eligible applicants to provide up to 15% of the matching funds requirement under the USDA VAPG. These funds will be required to be used for planning or working capital purposes in accordance with USDA regulations. Eligible purposes include determining appropriate marketing techniques and creating business plans or paying operating expenses before a business has sufficient cash flow from operations.

Eligible applicants must be an independent producer, agricultural producer group, farmer or ranch cooperative, or majority-controlled producer-based business venture (all defined terms under federal regulations). In addition, applicants must be making a product that is “value added”. A product that is value added is described as follows by USDA-VAPG https://www.govinfo.gov/content/pkg/CFR-2019-title7-vol15/xml/CFR-2019-title7-vol15-sec4284-902.xml

A value-added agricultural product is any Agricultural Commodity produced in the U.S., that meets the requirements specified in paragraphs (1) and (2) of this definition below:

(1) The Agricultural Commodity must meet one of the following five value-added methodologies:
   (i) Has undergone a Change in Physical State;
   (ii) Was Produced in a Manner that Enhances the Value of the Agricultural Commodity;
   (iii) Is Physically Segregated in a manner that results in the enhancement of the value of the Agricultural Commodity;
   (iv) Is a source of Farm- or Ranch-based Renewable Energy, including E-85 fuel; or
   (v) Is aggregated and marketed as a Locally-Produced Agricultural Food Product.

(2) As a result of the Change in Physical State or the manner in which the Agricultural Commodity was produced, marketed, or segregated:
   (i) The customer base for the Agricultural Commodity is expanded and
   (ii) A greater portion of the revenue derived from the marketing, processing, or physical segregation of the Agricultural Commodity is available to the producer of the commodity.

Under the USDA VAPG all applications will be screened for eligibility. The federal grant application submission deadline is Midnight March 5th, (electronic) and close of business March 10th, (hand delivered or mailed postmarked 3/10/2020), 2020. Once the application has been determined to be eligible the application will be competitively rated in a nationwide competition. Projects or ventures must be determined to be economically viable and sustainable. The applications will then be screened for technical feasibility of the value-added activity, the overall ability to operate efficiently, improvement to the rural economy, qualifications of personnel performing the proposed task and a demonstrated track record of performing similar activities, and a plan of work that incorporates the appropriate tasks to meet the stated objective. The USDA VAPG applications with the highest ratings will be funded first.

Applicants seeking to receive MARBIDCO matching funds for the USDA VAPG must submit an application to MARBIDCO at least two weeks prior to the federal deadline. The MARBIDCO application deadline is 4:00 p.m. on Thursday, February 20, 2020, Applications received in the mail with a February 17, 2020 postmark will also be accepted. Applicants must attach a completed copy of their federal application form as part of the application submission including all required attachments. All MVAPMG applicants meeting the MARBIDCO requirements will receive a commitment letter of matching funds to be included with their federal applications. The MVAPMG commitment amount cannot exceed 15% of the required non-federal match, and it may be for a lesser amount depending on the quantity of MVAPMG applications that are received and the pool of available MARBIDCO funds. MVAPMG monetary awards will only be provided to those applicants that are actually successful in obtaining USDA VAPG awards.
NOTE: The maximum cumulative amount of grant funding a single applicant may receive from all MARBIDCO grant incentive programs is $50,000.

MVAPG Conditions

Maximum Amount of Grant: $11,250 for Planning Grants
$25,000 for Working Capital Grants

Application Deadline: February 20th, 2020 no later than 4:00 p.m., OR
February 17th, 2020, for a postmarked mail submission

Disbursement of Funds: A commitment letter and the USDA “Verification of Third-Party Cash Matching Funds” Form will be provided to qualified applicants approximately seven days in advance of the federal deadline. Funds will only be disbursed to applicants that are actually awarded to 2020 USDA Value Added Producer Grants

Send Completed Applications to: MARBIDCO Programs, 1410 Forest Drive, Suite 21, Annapolis, MD 21403
Application for the 2020 Maryland Value Added Producer Matching Grant

SECTION 1: APPLICANT INFORMATION

Business/Farm Name_____________________________________________________________

Business Address__________________________________________________________County _______________________

City ________________________________________________________________State ____________ Zip Code ______________

Contact Person ___________________________________________________Title____________________________

Work Telephone ________________________________ E-mail ______________________________

Home Telephone ________________________________ Mobile Phone________________________

Grant Requested from USDA (circle one): Planning or Working Capital

Dollar Amount Requested from USDA: ________________________________

BRIEF DESCRIPTION AND HISTORY OF BUSINESS

(Include details and history of your farm operation and experience of principal business owner(s).)

SECTION 2: BUSINESS INFORMATION

BUSINESS STRUCTURE

Year & State Established/Incorporated ________________________________

☐ Corporation  ☐ Partnership  ☐ Proprietorship  ☐ LLC  (SIC/NAICS Code ________)

EMPLOYMENT DATA

# of full-time jobs current _________  # of NEW full-time jobs projected within 36 months ________

# of part-time jobs current__________  # of NEW part-time jobs projected within 36 months ________
MANAGEMENT/OWNERSHIP

1- Name ___________________________________________ Title __________________________
Social Security # ___________________________ Date of Birth ______________ % Ownership _________
Address __________________________________________________________ City _________________________
State ______ Zip Code ___________ Telephone ________________________________

2- Name ___________________________________________ Title __________________________
Social Security # ___________________________ Date of Birth ______________ % Ownership _________
Address __________________________________________________________ City _________________________
State ______ Zip Code ___________ Telephone ________________________________

3- Name ___________________________________________ Title __________________________
Social Security # ___________________________ Date of Birth ______________ % Ownership _________
Address __________________________________________________________ City _________________________
State ______ Zip Code ___________ Telephone ________________________________

4- Name ___________________________________________ Title __________________________
Social Security # ___________________________ Date of Birth ______________ % Ownership _________
Address __________________________________________________________ City _________________________
State ______ Zip Code ___________ Telephone ________________________________

DECLARATIONS
If answering “yes” to any of these questions, please provide an explanation on a separate sheet and attach.

1. Is the business or any of the top management personnel an endorser, guarantor or co-signer for obligations not listed on its/their financial statements? ☐Yes ☐No
2. Is the business or any of the top management personnel a party to any claim or lawsuit? ☐Yes ☐No
3. Has the business or any of the top management personnel ever declared bankruptcy? ☐Yes ☐No
4. Does the business or any of the management personnel owe any taxes for prior years? ☐Yes ☐No
5. Have any managers or owners received a felony conviction? ☐Yes ☐No
SECTION 3: PROJECT INFORMATION

PROJECT TYPE
(Check any that may apply.)
☐ Value-Added Food Processing  ☐ Niche Market Production
☐ Agri-Tourism/Rural Recreation  ☐ Aquaculture/Fishing/Seafood
☐ Primary/Secondary Wood Processing  ☐ Other:________________________

A) BRIEF DESCRIPTION OF THE VALUE ADDED PROJECT:

B) BRIEF DESCRIPTION OF HOW THE MVAPMG GRANT FUNDS WOULD BE USED IF THE APPLICANT IS SUCCESSFUL IN OBTAINING USDA VAPG FUNDING:

C) BEGINNING AND END DATES FOR THE PROPOSED VAPG GRANT PERIOD:

OTHER PROJECT ADVISOR(S) (If Applicable)

1-Name __________________________________________ Title________________________
Institution/Firm ________________________________________________________________
Work Telephone ______________________________ E-mail______________________________

1-Name __________________________________________ Title________________________
Institution/Firm ________________________________________________________________
Work Telephone ______________________________ E-mail______________________________
SECTION 4: SIGNATURES

EQUAL CREDIT OPPORTUNITY ACT (15 U.S.C. 1691)
The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

AUTHORITY TO COLLECT PERSONAL INFORMATION
This information is provided pursuant to Public Law 93-579 (Privacy Act of 1974). Effect of Non-Disclosure: Omission of an item means your application might not receive full consideration.

CERTIFICATION
I/We certify all information in this application and the attachments is true and complete to the best of my/our knowledge and is submitted so the MARBIDCO Loan Review Committee can decide whether to offer financial assistance.

Signature __________________________________________ Signature __________________________________________
Printed Name __________________________________________ Printed Name __________________________________________
Date __________________________ Date __________________________
Signature __________________________________________ Signature __________________________________________
Printed Name __________________________________________ Printed Name __________________________________________
Date __________________________ Date __________________________

SECTION 5: ATTACHMENTS

ATTACHMENTS CHECKLIST
1. ☑ Business plan for the project to receive financing (required for Working Capital applications).
2. ☐ Feasibility study (may be required for Working Capital applications).
3. ☐ Copy of completed USDA Value Added Producer Grant application.

Note: MARBIDCO agrees to hold Recipient's Application and Financial Reports in confidence to the extent reasonably permitted by Title 10, Subtitle 6 of the State Government Article of the Annotated Code of Maryland. Notwithstanding the foregoing, MARBIDCO shall not be obligated to maintain in confidence any information: 1) which was already known to MARBIDCO; or, 2) which is or comes into the public domain through no fault of MARBIDCO; or, 3) which is independently developed by MARBIDCO; or, 4) which comes to MARBIDCO from a third party which is not in violation of any obligation of confidentiality to Applicant or MARBIDCO.