

# MSU Organic Farmer Training Program **Farm Credit Options**

1. Mark credit options with an “X” that may make sense to try.
2. Then select one credit option to research.
3. Share what you learned and whether it could work for you

## **Loans Note:**

- How comfortable are you with debt?
- How capable is your farm or personal income to pay off a loan?
- Will this loan improve profitability, work-life balance or happiness of farmers, employees etc?
- The 5 C's of Credit: Character, Capacity, Capital, Collateral, & Conditions; to set loan rates/terms

## **FSA Loan Programs** (October 1 until September 30, funds often run out, apply early)

- **FSA Microloan** - \$50,000 max - 1 Year Farm Management experience - Business Plan
- **FSA Direct Farm Ownership** - \$300,000 max - 3 Years Farm Management experience - Business Plan
- **FSA Down Payment Assistance** (For Direct Farm Ownership Loans, Guaranteed Loans, etc.) 5% down payment
- **Farm Storage Facility Loans** - Microloans up to \$50,000 - Loans up to \$500,000
- **Disaster Loans** (for designated disaster areas only)
- **Guaranteed Loan Program** - USDA will guarantee a loan with a bank partner

## **Greenstone Loan Programs**

- **Young, Beginning & Small Farmer** – 5% down payment; GreenStone loans 50%, FSA loans 45% at 1.5%, 30-year
- **Farm Operating Loans**

## **USDA Rural Development** - Home loans - Interest as low as 1% - No down payment – communities under 30,000 people

## **Local Banks & Credit Unions**

- Traditional Home Mortgages - Home Construction Loans
- Business Loans - Few banks will offer loans based on your farm business plan

## **Good Food Fund** - High interest rate – good if turned down by FSA & Greenstone – Mission to get healthy food to people

## **Listings of Loan and Funding Options**

- Food Business Funding [https://www.canr.msu.edu/resources/food\\_business\\_funding\\_sources](https://www.canr.msu.edu/resources/food_business_funding_sources)
- Loans, grants and funding in Detroit [https://migooodfoodfund.org/wp-content/uploads/2017/10/MGFF\\_Detroit-Ecosystem\\_Reference-Guide\\_Final-1.pdf](https://migooodfoodfund.org/wp-content/uploads/2017/10/MGFF_Detroit-Ecosystem_Reference-Guide_Final-1.pdf)

## **Family & Personal Loans** - In writing! (Loan amount, Interest, land use stipulations) - Charge interest - File with County

## **Land Contract** - Seller finances the sale & holds deed until paid in full - Max 11% interest (could be 2% or lower)

- **FSA Land Contract Guarantee Program** - Guarantees up to 90% - Interest rate at/below FSA Direct Farm Ownership Rate + 3%
- Buyer pays seller directly (Monthly, Annually or Balloon payment – Large payment after several years)

## **Your Savings, Retirement, Off-farm income...**

## **Crowdfunding Options**

- **Loans! - Kiva US** - 0% interest - \$15,000 max - 15 days to invite funders + 30 days to fundraise - 3 years to repay
- **Campaigns - Kickstarter, GoFundMe, etc.** - Rewards Campaigns vs Donation Campaigns
- Success – Photo/Video – Plan daily postings BEFORE – Donors pledge BEFORE (Track \$ - Contact if don't donate)

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- Expenses – Rewards (Veggies, T-shirts, etc.), Fees - Cost of video production, Time to market campaign

**Creative Credit Card use** – Use 0% interest promos & transfer before APR increase (be careful, can go as high as 24%!)

## **Veterans –**

- **FSA loans:** “farming experience” = military leadership; Longer microloan term; Lower operating loans interest
- **Value-Added Producer Grants** - Priority to veteran applicants
- **EQIP & CSP** - 90% cost-share for veterans - Advance payments of up to 50% - Preference to veterans
- **Farmer Veteran Coalition** - Farmer Veteran Fellowship Fund

## **Socially Disadvantaged Applicants**

- Women, African-Americans, Alaskan & Hawaiian Natives, American Indians, Hispanic, Asian, Pacific Islanders
- % **FSA loan** funds for SDAs = % of total rural population of that minority OR state % female farmers
- % **FSA operating loans** for SDAs = statewide % of total farmers from minority OR state % female farmers

**Youth – FSA Youth Loans** for 10 – 20 years old (need parent consent, but no co-sign) - Up to \$5000

**Limited Resource** Under \$174k in sales AND (HH income below US poverty OR under 50% county median HH income)

**Beginning Farmers - FSA** reserves 40 – 75% of loan funds for beginning farmers, depending on loan type

## **NRCS**

- EQIP - High Tunnel System (Up to ~\$15,000 for a 30x96 ft. hoophouse)
- Others = Organic Initiative - On-farm Energy Initiative - Air Quality Initiative
- CRP (Conservation Reserve Program) - Field Border Buffer Initiative & CSP (Conservation Stewardship Program)

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## **Grants for Farmers:**

**EQIP** – Cost-share for on-farm conservation, such as hoophouses, pollinator plantings, fencing for rotational grazing, composting, etc., *Example: If approved for a hoophouse, you would sign a contract, purchase & build the hoophouse, then be reimbursed up to 90% of the expenses to a max of \$7,500 – Go to your Farm Service Agency office to sign up!*

**SARE: Sustainable Agriculture Research and Education** (USDA) These are easier grants for farmers or educators new to grant writing. Free grant-writing assistance from MI SARE coordinator Sarah Fronczak [froncza3@msu.edu](mailto:froncza3@msu.edu) or Katie Brandt [brandtk7@msu.edu](mailto:brandtk7@msu.edu)

- Farmer Rancher: Individual (\$9K max), team of two or more independent farms (\$27K max); Projects may last up to 24 months; Proposals due in December
- Research and Education: \$10K to \$250K; Pre-proposal due in November, Full Proposal April
- Professional Development Program; \$30K - \$75K; Proposals due in April
- Graduate Student; \$12K Max; Proposals due in April
- Youth Educator; \$6K max; Proposals due in November
- Partnership; \$40K Max; Proposals due in October

**Farmer Veteran Fellowship Fund** - \$1-5K for farm equipment, supplies or education

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**Brighter Future Fund** – American Farmland Trust - \$5K for professional services, equipment or infrastructure <https://farmland.org/brighter-future/>

**Rodale BIPOC Farmer Mini-Grants** \$500 to \$2,000 for education or farm uses

<https://rodaleinstitute.org/education/bipoc-farmer-micro-grants/>

**National Young Farmers Coalition** Young Farmer Grants \$5,000

<https://www.youngfarmers.org/youngfarmergrants/>

**Association of Specialty Cut Flower Growers** <https://www.ascfg.org/research/grower-research/>

**Community Impact and Innovation Grant (Shipt)** \$1,000 to \$25,000

<https://corporate.shipt.com/news/shipt-now-accepting-community-impact-and-innovation-grant-applications>

**Awesome Foundation** <https://www.awesomefoundation.org/en/submissions/new>

<https://www.awesomefoundation.org/en/chapters/ann-arbor> (1) \$1,000 grant offered monthly

**Xerces grants for pollinator gardens**

**National Black Food & Justice Alliance** <https://blackfoodjustice.org/>

**Increasing Land, Capital, and Market Access Program** - projects to improve access to land, capital, and markets for underserved farmers

<https://www.fsa.usda.gov/programs-and-services/increasing-land-access/index>

**Organic Farmer Research Foundation** Farmer Led Trials Program, up to \$1,500 for farmer time & supplies on organic or transitional farms <https://ofrf.org/research/farmer-led-research-trials/>

**VAPG: Value Added Producer Grant (MDARD)**

- Research for value added products; Planning Grants \$75,000; Working Capital Grants: \$250,000; Matching Funds: 50% of project costs

**REAP – Rural Energy for America** – Funding for alternative energy and efficiency on farms (except farms in cities with population over 50,000).

- Grants under \$20,000 due October 31, 2019 or March 31, 2020; Applications for Unrestricted Grants due March 31, 2020; Energy Audit and Renewable Energy Development Assistance Grants due January 31, 2020; Guaranteed Loans anytime
- \$1,500 to \$250,000 grants (up to 25% of total project cost), \$5,000 to \$25 Million loans (25% down payment)

**Loans for farmers** – see the Farm Credit Options Cheat Sheet document in the OFTP workbook

## **Farmer Training & Education Funds:**

**Greenstone Cultivate Growth Grant** \$500 for anyone/\$1,000 for Greenstone customers; grants for beginning farmers to attend OFTP, conferences, etc. or get professional services

**Organic and Transitional Education and Certification Program (OTECF)** - \$200 in USDA assistance for educational programs for certified or transitioning organic farmers

**Land Advocacy Fellowship** - National Young Farmers Coalition - \$6K over 2 years

**Michigan SARE Travel Scholarships** to in-state and out-of-state conferences and classes

**UM Transformative Food Systems Fellowship** - \$48K scholarship + \$37K stipend for underrepresented students applying for a Masters degree in Urban and Regional Planning, or Nutritional Sciences or degrees within the School for Environment and Sustainability

**Castanea Fellowship** - \$40K stipend for 2 years; funds established food systems leaders to build on their work for just, sustainable, equitable food systems; Apply by mid-September

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## **Land Funds**

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**Detroit Black Farmers Land Fund** - <https://www.detroitblackfarmer.com/apply> announce land fund recipients and release the application each year on Juneteenth.

**Washtenaw County Black Farmers Fund**

**West Michigan Farmers of Color Land Fund**

## **Grants for Farm Advocacy Organizations:**

**Michigan SARE Mini-Grants** - \$1,500 to support conferences or workshops on sustainability that reach farm educators (and farmers!)

**Michigan SARE Farmer Forum** - \$6,000 to host an event featuring SARE grantees

**BFRDP:** Beginning Farmer & Rancher Development Program; Due March; \$600K total; very competitive

**2501** - Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers Program – \$750K

**Michigan Works!** – Funding for job-skills training of high schoolers and adults

**Specialty Crop Block Grant (MDARD)** Funds for 1. Market Enhancement 2. Research 3. Training & Education; \$100,000 max; Proposals due in February

**Local Foods Promotion Program** – Planning Grants - \$25-\$100K; Implementation or Farm to Institution Grants - \$100 - \$500K; 25% matching funds

**Urban Agriculture Innovation Program** – Planning grants \$50-\$300K; Implementation grants \$50-\$300K; Due July/Aug; No matching funds required

**CDBG – Community Development Block Grants**

**Farm Business Management and Benchmarking (FBMB) Competitive Grants Program** – up to \$500K, Due early June; No matching funds required

**Farmers Advocating for Organic (FAFO)** - \$5,000 to \$50,000 (average \$20K) research, education, or advocacy grants to promote organic

**SARE Fellows** – re-starting March 2023; funds Extension professionals to learn about sustainable ag in all SARE regions in the US

## **Grants for Neighborhood and Community Projects**

**Urban Awareness** <https://urbanawarenessusa.org/founders-grant/>

**Entergy Microgrants** <https://www.entergy.com/communities/micro-grants/#>

**Need to add more to this section!!**

## **Grants for Detroit, Hamtramck and/or Highland Park**

**DBFLF Detroit Black Farmer Land Fund** (Non profit) (for profit)

**CoAct KIP: D** (For Profit)

**Prosper Us Detroit Cohort.** (\$15,000 end of program)

**DCDC Detroit Conceptual Design Center** – Offers free architectural quality site designs for a few organizations each year – they design for growing spaces and buildings through a group design process over about 6 months. Led by U of Detroit Mercy professors & students.

**Grow Detroit Young Talent** – Reach out to Perfecting Community Development Corporation or Youth Connection to hire youth to work on a farm and learn leadership, job skills, etc. - They pay youth \$2,000 for 120 hours, typically 20 hours/week for 6 weeks

**Waterwise Rainwater Collection Systems** – Apply for support installing water catchment at your farm by contacting Kido at Keep Growing Detroit [www.detroitagriculture.net/infrastructure](http://www.detroitagriculture.net/infrastructure)

## **Grant for Businesses**

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Small Business Growth Fund (5,000 - \$25,000)

NAACP Entrepreneurs Powershift Grant (\$25,000)

The American Dream awards (\$1,000 in funding, access to a small business accelerator, media coverage, and various other perks)

## **Grants for Non-Profits**

Walmart Community Grant (\$5,000)

Autism Speaks Local Impact Grant (\$5,000)

Meijer Community Donations

## **Grants for Schoolyard Gardens and Youth Education:**

- Food and Agriculture Service Learning Program (FASLP)
- SARE Youth Educator; \$6,000 max; Proposals due in November
- [SNAP-ED](#) funds nutrition ed for youth
- [FoodCorps](#) places nutrition/gardening educators in schools and could be a good partner or program host
- List of grants below with links at <https://kidsgardening.org/grant-opportunities/>
- [Patrick Leahy Farm to School Program](#) helps child nutrition program operators incorporate local foods in the [National School Lunch Program](#), the [Summer Food Service Program](#) and [Child and Adult Care Food Program](#) and all associated programs. In addition, USDA staff work with tribal communities by promoting food sovereignty and the integration of traditional food ways into tribal meal programs. Grants up to \$500,000 and up to 2 years, Schools, childcare centers, non-profits, governments, tribes and [farmers or groups of farmers](#) can apply.
- Game time Recreation equipment Grant
  - Up to 100% Matching Funds on Play Systems
  - Up to \$50,000 in Funds for Challenge Course
  - Up to \$15,000 in Funds for THRIVE Fitness Systems
- Kennys Kids youth enrichment grant (\$10,000)

**Technical Assistance** – Experts to help with farm and marketing questions, sometimes also have funding

- **Conservation Districts** – check in to see about programs in your county
- **MSU Extension** – Extension educators, MI Strips program, Detroit Partnership for Food Learning & Innovation, UPREC North Farm, Tollgate Farm, soil testing, 4H, etc.
- **MSU Product Center** – Advise farmers on food products (recipes, food safety, cottage food law, etc) and marketing options
- **MSU Food SPICE** -

## **Grants & Fundraisers for Youth Educators**

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- Youth Garden Grant
- Budding Botanist
- Carton 2 Garden
- Gro More Good Grassroots Grant by The Scotts Miracle-Gro Foundation and KidsGardening
- American Heart Association Teaching Gardens
- Annie's Garden Funder™ on CrowdRise

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- Annie's Grants for Gardens
- The Bee Cause Grant
- Big Green
- Bonnie Plants 3rd Grade Cabbage Program
- Captain Planet Foundation, Project Learning Garden
- The Donald Samull Classroom Herb Garden Grant from The Herb Society of America
- Fiskars Project Orange Thumb Grants
- Greenworks Grants – from Project Learning Tree
- National Head Start Association Gro More Garden Grants
- KaBOOM! Playground Grants
- Let's Move Salad Bars to Schools
- Lowe's Toolbox for Education Grants
- National Wildlife Federation Trees for Wildlife
- Nature Works Everywhere from The Nature Conservancy
- Seed Money - A Maine-based 501c3 nonprofit that is helping public food gardens
- Seeds of Change® Grant Program
- Shade Structure Grant Program - From the American Academy of Dermatology
- Sponsor-a-Hive Award - offered by The Honeybee Conservancy
- Tractor Supply Company Grants for Growing - Available for FFA Chapters
- Wild Ones Lorrie Otto Seeds for Education Grant
- Whole Kids Foundation Garden Grants

Foundations - Local companies, community foundations, Walmart, CS Mott, Kellogg,

- <https://www.johnnyseeds.com/about-us/charitable-giving/charitable-giving.html>
- Thriving Neighborhood Fund – up to \$25K - Gilbert Foundation funds youth educators or supplies for youth gardening activities, summer camps, etc.

## **Fundraisers for Youth Ed.**

Seed Sale Fundraisers - <https://www.highmowingseeds.com/fundraisers> , <https://www.fedcoseeds.com/seeds/fundraiser.htm> , <https://www.southernexposure.com/fundraisers/> , <https://www.ufseeds.com/root/about-urban-farmer.html> ,

Seed Sale - buy in bulk and repackage - Need time, space, packets and labels, but could be profitable  
Seed donations to youth/community gardening <https://www.seedsavers.org/seed-donation-program>  
etc.

Transplant Sale – Grow yourself (Need growing space, skill, seeds, labor, pickup site) or partner with a grower

Pumpkin Patch - Can be profitable, especially in a park, school, church or other community gathering space

Summer Camp - Parents with means can afford this + funding for scholarships for others

Crowdfunding (See previous page)

## **Grant Assistance**

**Michael Fields Institute**

**State SARE Coordinator (for SARE only)**