USDA

Rural Development

Value Added Producer Grants - to stimulate value-added agricultural ventures

Used to conduct feasibility analyses, develop business and marketing plans, and conduct other studies to help establish a viable value-added business venture. Can also be used to fund working capital if feasibility studies, business plans and other supporting documentation are already in places. Eligible applicants – agricultural producers and producer organizations. Matching funds must be pledged by applicant.

Contact Bobbie Morrison, East Lansing Office, USDA 517 324-5222

Renewable Energy and Energy Efficiency Program

Also known as Section 9006 of the Farm Bill. USDA Rural Development offers grants, guaranteed loans, and combination grant/guaranteed loans to help agriculture producers and rural small businesses purchase and install commercially available renewable energy systems and make energy efficiency improvements in rural areas.

Contact Rick Vanderbeek, East Lansing Office, USDA, (517) 324-5218
OR
Paula Gromak, Caro Office, USDA, (989) 673-8173 ext. 120

Business and Industry Loan Guarantees - to create jobs and stimulate rural economies by providing financial backing for rural businesses. Uses include acquisition, start-up, and expansion of rural businesses that create employment. Business applies through federal or state-chartered banks, credit unions or savings and loan associations.

Alan Anderson, Traverse City Office, USDA 231 941-0951

Farm Services Agency

Farm Loan Programs

FSA makes direct and guaranteed farm ownership (FO) and operating loans (OL) 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. Our loans can also be used to construct buildings or make farm improvements.
Emergency Loans

USDA’s Farm Service Agency (FSA) provides emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine.

Emergency loans may be made to farmers and ranchers who:

- Own or operate land located in a county declared by the President as a disaster area or designated by the Secretary of Agriculture as a disaster area or quarantine area (for physical losses only, the FSA Administrator may authorize emergency loan assistance);
- Are established family farm operators and have sufficient farming or ranching experience;
- Are citizens or permanent residents of the United States;
- Have suffered at least a 30-percent loss in crop production or a physical loss to livestock, livestock products, real estate, or chattel property;
- Have an acceptable credit history;
- Are unable to receive credit from commercial sources;
- Can provide collateral to secure the loan; and
- Have repayment ability.

Federal Disaster Assistance Program

When there is a region-wide natural episode that damages crops, a Federal Disaster Emergency may be declared by Congress and producers who have previously registered with the Farm Service Agency (FSA) of USDA with production history on file, and reported to FSA location and acreages of crops may receive compensation for losses.

Crop Insurance Program

There are two types of crop insurance programs available:

- FSA offers crop insurance for ALL crops which are not insurable through private companies. The level of coverage for NAP is 50% of your yield at 55% of the established price. The cost of this program is $100 per crop up to $300 per farm.
- Formal crop insurance which until recently was not available in Michigan, but USDA is allowing pilot policies to be written for wine grapes based on New York data. Premiums are based on local crop history that must be documented by the applicant.

Contact FSA Office in your area:  Grand Traverse Area FSA Office 
1501 Cass ST Suite A 
Traverse City, MI 49685 
231-941-0951 
www.usda.gov/mi

For other offices, look under USDA in the blue pages of your phone book.
State-Federal Partnership Program

FSMIP Grants

These grants focus on market research and feasibility study needs of groups of producers. The Washington Department of Agriculture partnered with Washington State University and Washington Wine Grape Growers on a grant to develop a “Marketing Information Program” for regional wineries and affiliated businesses, including a website, brochure and map.

Proposals may deal with barriers, challenges or opportunities present at any point in the marketing chain, including direct, wholesale, and retail. Proposals reflecting a collaborative approach between states, academia and the farm sector are of particular interest.

www.ams.usda.gov/tmd/fsmip.htm

State of Michigan

21st Century Jobs Fund


http://www.michigan.org/medc/ttc/tricorridor/?m%20=14;1
http://www.michigan.org/medc/ttc/FundingOpportunities/?m=14;2

Julian – Stille Value-Added Grants

The Michigan legislature created a grant program in 2006 called “Innovation through Agriculture” (also known as the “Julian-Stille Value-Added Program”). Deadline for proposals is July 13 and awards are expected be effective in October or November 2006. MDA has scheduled grant writing workshops to assist potential applicants in developing sound proposals.

http://www.michigan.gov/mda/0,1607,7-125--137119--,00.html

MSU Product Center

Funded by Federal grants and supported by MSU, the Product Center provides entrepreneurship training, one-on-one business counseling and information on financing.

http://www.aec.msu.edu/product/index.htm