

Ninth Edition

Funding Sources For Food-Related Businesses

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MICHIGAN STATE
UNIVERSITY

Center for
Regional Food Systems

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RACIAL EQUITY STATEMENT OF THE MSU CENTER FOR REGIONAL FOOD SYSTEMS

The MSU Center for Regional Food Systems (CRFS) recognizes that racism in the food system is historic, ongoing, and systemic. As we collaborate with partners to advance food systems rooted in local regions and centered on food that is healthy, green, fair, and affordable, we emphasize racial equity as a foundation of our work. Read the full statement: <https://foodsystems.msu.edu/racial-equity-statement>

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Introduction

PURPOSE OF THIS DIRECTORY

The *Funding Sources for Food-Related Businesses* is a directory created to support and benefit food-related business. The directory includes sources of local, regional, and national finance opportunities that may be available to producers, distributors, food hubs, and food-related businesses. The directory is a partial listing of what may be available across the United States; some examples may not be a good match with your particular circumstances. Initially informed by a list of funding resources for food-related businesses found on the [Food+Tech Connect website](#), a media and research company building a network for food innovators and entrepreneurs, this listing has been expanded and updated by the Michigan State University Center for Regional Food Systems to help support local food systems.



HOW THE DIRECTORY WORKS

The directory is divided into four types of funding sources:

- Crowd funding
- Accelerator
- Miscellaneous
- Michigan and federal government resources

For each funding entity included, details are provided to help guide your decisions:

- Description
- Funding focus
- Funding limit
- Qualifications
- Geographical region of focus
- Website

At the end of the list of funding entities, a selection of resources on writing grant and loan applications is provided. Writing a robust, effective grant and/or loan application can help you successfully obtain the funding you need for your business. Look to the tips provided as you determine which type funding source is right for your business.

A COVID-19 PANDEMIC STATEMENT FROM THE AUTHOR AT TIME OF PUBLICATION

The COVID-19 pandemic continues to impact thousands of small businesses across the United States. Active business owners reported a 22% decline in business during the first three months of the pandemic. Businesses owned by women and people of color have been especially impacted. Women-owned businesses have reported a 25% decline, Latinx-owned businesses a 32% decline and Black-owned businesses a 41% decline.¹ Nearly 73,000 restaurants permanently closed due to the pandemic.²

In Michigan and across the U.S., we have seen food and farm businesses change business models to offer more take-out meals, sell online and sell direct to consumers. Federal, state and many private organizations responded by offering new funding opportunities for businesses. Some of these organizations have changed their focus in order to support local businesses or a specific business sector. We have not included these new funding opportunities in this resource because it is likely that these are temporary changes. For nationally available COVID-19 pandemic relief opportunities, we suggest following the United States Department of Agriculture (USDA), your local economic development agencies and Small Business Development Centers to learn of any new funding opportunities to support your business.

The link included below offers pandemic specific funding across the U.S.

— [List of national funding sources and food industry support resources](#) specific to COVID-19.

In Michigan, keep updated by following the MSU Center for Regional Food Systems (@MSUCRFS) on Facebook and Twitter.

BEFORE YOU BEGIN, DO YOU HAVE A BUSINESS PLAN?

At any stage of a business's growth and development, an essential component of continuing success is having an updated 3- to 5-year plan that outlines how a company will grow its business and generate revenue. A good plan will outline a business's current state, market analysis, and owner experience as well as a vision of where, when, and how the business is to grow. The business plan serves as a guiding document, allowing all employees and shareholders to have a unified vision of the business goals, a trajectory for goal achievements, and a framework for assessment and evaluation.

Having a comprehensive business plan is especially important when seeking new lenders and investors. A plan should show the company's long-term ability to generate profit in order to meet debt obligations and become self-sufficient. Potential investors, whether large or small, will want reassurance that your business has a plan for financial stability in the future. It will also help you better assess what type and size of funding is necessary.

While this directory is not intended to serve as a business planning guide, there are several resources food business owners can access to create a business plan:

- [Loan Readiness Toolbox for Food and Farm Businesses](#)
- [How to write a business plan for a food business](#)
- [United States Small Business Administration](#)
- [State of Michigan Business Support](#)
- [Michigan Small Business Development Center](#)

¹ Fairlie, R. (2020). The impact of COVID-19 on small business owners: Evidence from the first three months after widespread social-distancing restrictions. *Journal of Economics & Management Strategy*, 29(4), 727-740. <https://doi.org/10.1111/jems.12400>

² : Repanich, J. (June 27, 2022). More than 70,000 restaurants closed because of the pandemic, a new report estimates. Retrieved on December 202, 2022 from <https://robbreport.com/lifestyle/news/how-many-restaurants-closed-pandemic-1234694652/>.

WHAT TYPE OF FINANCING DO YOU NEED?

Before using this directory, you should have a clear idea of the type of financing that is best for your business. Use educational tools like [Capital Compass](#), created by the New Hampshire Community Loan Fund, to help understand types of financing. These tools are not intended to be a financier or make decisions for the business owner.

USEFUL DEFINITIONS FROM CAPITAL COMPASS

- **Debt:** Traditional method of a lender offering a certain dollar value of credit (loans)
- **Royalty:** Growth financing structured as a revenue-sharing agreement
- **Equity:** Selling shares of your company



THE DIRECTORY THAT FOLLOWS IS STRUCTURED AROUND THE FOLLOWING CATEGORIES:

CROWDFUNDING

START-UP ACCELERATOR RESOURCES

MISCELLANEOUS RESOURCES

ADDITIONAL SOURCES OF FUNDING INFORMATION

Crowdfunding



Crowdfunding is the practice of funding a project or venture by raising small amounts of money from a large number of people, typically via the Internet.¹ Crowdfunding can also attract business investors seeking to support a moral agenda. The platform expands accessibility to investors with varying levels of financial resources, as it allows funders to make both large and small contributions. In addition, it increases the support base of parties with a vested interest in the success of a business.

There are several models of crowdfunding: donation, debt, equity, and reward-based. Donation-based models depend on investors having a shared belief in the business cause. Debt-based models promise a return of investment to funders. Equity crowdfunding guarantees a share of the business for investors. Many business start-ups employ reward crowdfunding as well, which offers investors services or goods from their business. Most crowdfunding resources are best suited for small to medium-sized investments.

Crowdfunding is a fundraising platform that is changing rapidly, so it is recommended that those interested in using it to develop or grow their business do their own research first to make sure they have the most up-to-date information, particularly pertaining to terms of use, laws, and regulations. The [State of Michigan's Licensing and Regulatory Affairs](#) offers ideas on what to keep in mind as you consider if crowdfunding is right for your business.

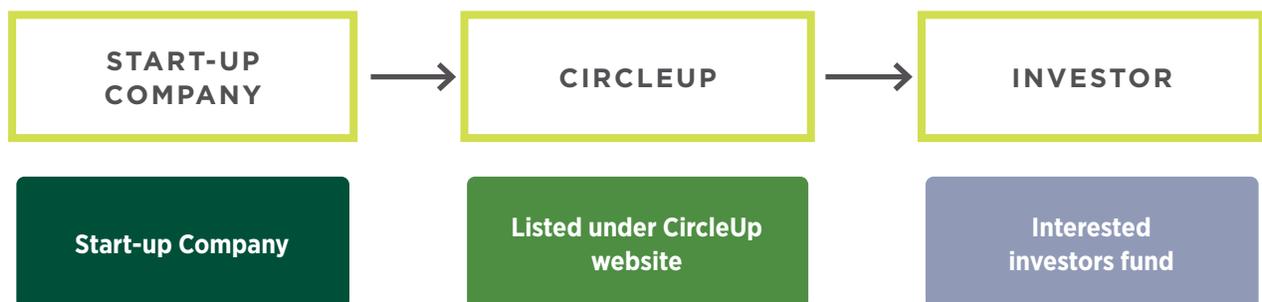
¹ Merriam-Webster. (n.d.) Crowdfunding. In *Merriam-Webster.com dictionary*. Retrieved March 16, 2022, from <https://www.merriam-webster.com/dictionary/crowdfunding>

CircleUp

circleup.com

HOW IT WORKS

CircleUp is a crowdfunding platform connecting accredited investors with innovative consumer and retail companies.



FUNDING FOCUSES ON

Branded, tangible consumer products and retail companies; typically, but not limited to, food and health related products.

FUNDING LIMIT

\$500,000–\$3,000,000 (This range is based on previously funded companies.)

QUALIFICATIONS

Must have at least \$500,000/year revenue; CircleUp Seed Program accepts companies with less than \$500,000 revenue.

FINANCING GEOGRAPHIC AREA

United States

Credibles

credibles.co

HOW IT WORKS

Businesses receive crowdfunding in exchange for store credits to their funders (one credit = \$1). Continuous funding is also available for working capital, equipment, staff, etc.



FUNDING FOCUSES ON

Small, sustainable food-related businesses.

FUNDING LIMIT

\$1,000,000

QUALIFICATIONS

Not specified

FINANCING GEOGRAPHIC AREA

Worldwide

FundRazr

fundrazr.com

HOW IT WORKS

FundRazr is a crowdfunding platform for a variety of campaigns, including small businesses and entrepreneurs. Applicants create a campaign, choose a funding model, and share their story to collect funds.

FUNDING FOCUSES ON

Non-profits and for-profit businesses.

FUNDING LIMIT

Not specified

QUALIFICATIONS

Must be 18 years old or if 13 – 17, must have the consent of an adult. Recipient must have a PayPal or Stripe account. Must also have a personal Facebook, Google+, or LinkedIn account or a valid email address. Recipient pays service fee is 5% for each transaction plus a payment provider fee of 2.9% and 30 cents per transaction.

FINANCING GEOGRAPHIC AREA

Worldwide

Indiegogo

indiegogo.com

HOW IT WORKS

Indiegogo is a crowdfunding portal for creative, entrepreneurial projects for community change. Entrepreneurs have the option of choosing flexible funding or fixed funding for their project.

FUNDING FOCUSES ON

Creative projects including those related to food and beverages.

FUNDING LIMIT

Not specified

QUALIFICATIONS

Must be 18 years old to register. Ability to film a short video (1–3 minutes) for your project's campaign. Service fees apply. Some discounts on fees available for select non-profits. Indiegogo does not currently support startup businesses.

FINANCING GEOGRAPHIC AREA

Worldwide

inKind

inkind.com

HOW IT WORKS

inKind is an online platform providing a vehicle through which restaurateurs can raise capital from members of their local community using a site specifically tailored to the food and beverage service industry. The restaurateurs have complete control and responsibility over their concept. Each concept has a projected funding goal and deadline. If the community likes the concept, they can invest money to help meet the goal in exchange for food and beverage credit. Once a restaurateur has shown demand for their concept by raising food and beverage credit (Phase One), they are able to take larger investments in exchange for equity, as well as continue to sell investments.

FUNDING FOCUSES ON

Restaurants

FUNDING LIMIT

\$10,000,000

QUALIFICATIONS

To use iKind's services, the restaurateur must be willing to share details to help market the business. Restaurants must be within 30 days of opening or currently in business to qualify.

FINANCING GEOGRAPHIC AREA

US and Australia

In Our Backyard (IOBY)

www.ioby.org

HOW IT WORKS

Crowdfunding program that focuses on local projects for community change.

FUNDING FOCUSES ON

Non-profits and city governments working on public good. Individuals and businesses could also obtain a sponsor to help with the crowdfunding.

FUNDING LIMIT

\$400,000

QUALIFICATIONS

Decisions for financing based on business credit score, no collateral is required. Service fees for donation processing are 4% and increase to 8% if fiscal sponsorship is necessary to participate.

FINANCING GEOGRAPHIC AREA

United States with a focus on Arkansas, Cincinnati, Cleveland, Detroit, Memphis, New York, Pittsburgh, and Sacramento.

Kickstarter

kickstarter.com

HOW IT WORKS

Kickstarter is a fundraising platform for creative projects, including those related to food, with clear goals and deadlines. If the project succeeds in reaching its funding goal, backers are charged at the end; if the project does not reach its funding goal, backers are not charged.

FUNDING FOCUSES ON

Creative projects, including those related to food, farming, and food retail.

FUNDING LIMIT

No limit. Project creator must meet funding goal by deadline in order to receive funding.

QUALIFICATIONS

Must honestly represent business to create an all or nothing campaign. (If campaign does not achieve fundraising goal, no money is provided to the business). Nonprofits and charitable organizations can use Kickstarter to raise funds for specific projects or endeavors making something new and shareable, but not for general support for their cause or mission. Energy food and drink based-businesses are not accepted. Fees apply.

FINANCING GEOGRAPHIC AREA

Worldwide

Patronicity

patronicity.com/puremichigan

HOW IT WORKS

Patronicity is a civic crowdfunding platform that supports community and economic improvement projects in Michigan, Massachusetts, and Indiana.

For Michigan residents, the Michigan Economic Development Corporation (MEDC) partners with Patronicity to offer the Public Spaces Community Places grant. For this unique state government crowdgranting initiative, communities, nonprofits and other business entities use Patronicity to raise funds for their community improvement projects. Those that meet their fundraising goals can receive a matching grant from the MEDC of up to \$50,000.

FUNDING FOCUSES ON

Community development and improvement projects, including food-based initiatives such as farmers markets, community kitchens, popup retail shops, and “incubator spaces.”

FUNDING LIMIT

Not specified. For Public Spaces Community Places grant, MEDC may provide matching funds of up to \$50,000.

QUALIFICATIONS

In the U.S., participants must live in Michigan, Massachusetts or Indiana and be 18 or older. Service fees apply.

FINANCING GEOGRAPHIC AREA

United States, Canada, and United Kingdom



Republic

republic.com

HOW IT WORKS

Startup businesses are connected to vetted investment opportunities.

FUNDING FOCUSES ON

Startup businesses with a marketable product that has potential to fill gaps in the industry.

FUNDING LIMIT

No funding limit.

QUALIFICATIONS

Only businesses registered as C-corps and LLCs qualify. Business owners are required to work with a pre-assigned attorney and submit their business financials. Service fees apply.

FINANCING GEOGRAPHIC AREA

Worldwide

StartEngine

startengine.com

HOW IT WORKS

StartEngine provides access to private investors for all types of businesses.

FUNDING FOCUSES ON

Building capital for high growth businesses including real estate acquisition.

FUNDING LIMIT

Up to \$75,000,000

QUALIFICATIONS

StartEngine works with high growth, professional, and early-stage businesses. When applying, you must provide financial information and a slide deck. Service fees apply.

FINANCING GEOGRAPHIC AREA

United States

Wefunder

wefunder.com

HOW IT WORKS

An investment platform that connects financial backers with startup businesses. The program is not specific to the food and agriculture industry. Investment starts at \$100. Wefunder provides business owners with support from campaign marketing to investor relations. It is available as a mobile app.

FUNDING FOCUSES ON

Newly forming small businesses.

FUNDING LIMIT

\$5,000,000

QUALIFICATIONS

Wefunder is available to startup businesses. There is no charge to start fundraising and once funds have been raised, business owners are charged 7.9%. Businesses must be comfortable with sharing their business financials with the public. Fees range from 5-20%.

FINANCING GEOGRAPHIC AREA

United States

Start-up Accelerator Resources



Start-up accelerators provide support through small amounts of seed capital, and offer services like mentoring, training, and events for a finite period—usually 3 to 4 months—in exchange for single-digit chunks of equity. Also known as seed accelerators, these funding sources are unique because they can lead to mentorships with business experts willing to share their knowledge. Unlike most funding sources, accelerators have the added benefit of creating mentor partnerships with business experts willing to share their knowledge. Funding is not necessarily guaranteed, though businesses are exposed to already established networks of investors, thus giving them access to larger potential funders.¹

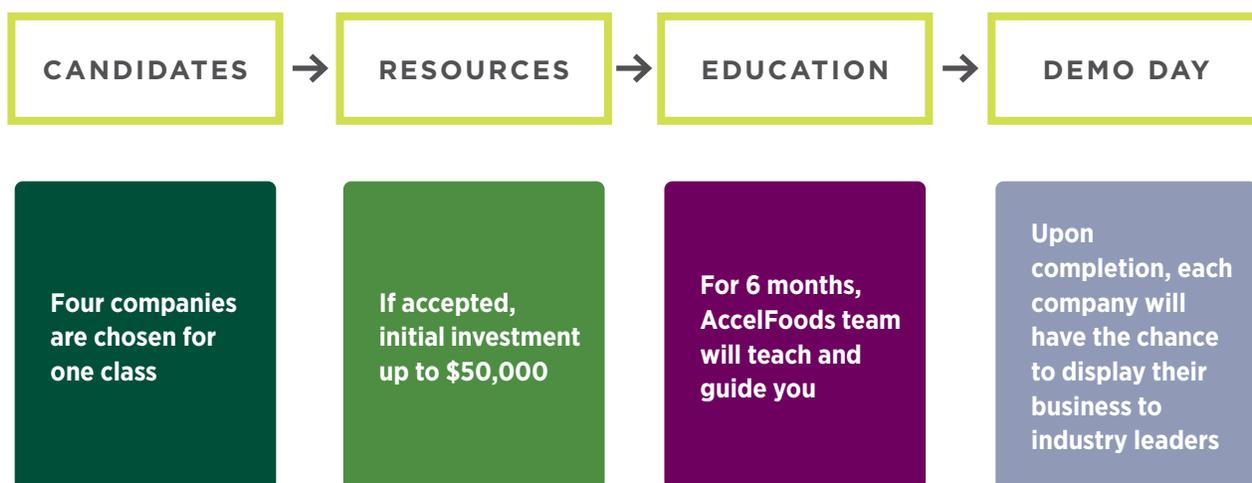
¹ Get2Growth. (2013, October 12). *Defining Startup Accelerator, Business Incubator...?* Retrieved from get2growth.com/startup-program-definitions

AF Ventures

afventures.vc

HOW IT WORKS

AF Ventures is venture capital fund investing for consumer packaged goods. They provide functional and financial support to help businesses accelerate their growth.



FUNDING FOCUSES ON

Food and beverage brands plus health, wellness, beauty, personal care, and pet categories.

FUNDING LIMIT

If accepted, initial investment of \$18,000–\$50,000 depending on annual revenue upon entry. Upon completion of the program, most companies will be eligible to receive additional investment of \$100,000–\$200,000.

QUALIFICATIONS

Must be positioned to sell your product through retail or foodservice channels and have an annual income of \$100,000–\$500,000. Generally, the investment and technical assistance provided is in return for equity in a prospective entrepreneur's business.

FINANCING GEOGRAPHIC AREA

United States

Brandjectory

brandjectorynow.com

HOW IT WORKS

Brandjectory is a fundraising networking platform that connects early-stage food and beverage consumer packaged goods (CPG) businesses to the food and beverage investment community. The platform allows CPG business owners to network with some of the nation's best investment professionals, access learning tools, schedule coaching sessions and download best-practice CPG investment content from successful industry experts.

FUNDING FOCUSES ON

Startup and emerging food and beverage businesses (under \$10 million in sales) looking to raise funding and connect with potential investment partners.

FUNDING LIMIT

Funding limits and structure are based on need and negotiated amount between CPG brand and investor(s).

QUALIFICATIONS

Brands have a viable product in-market or at prototype stage. Service fees apply.

FINANCING GEOGRAPHIC AREA

United States, Canada, and Mexico

Food Hatch

foodhatch.co

HOW IT WORKS

Food Hatch is a food-focused accelerator that provides seed and early stage funding to food-related businesses. Companies apply through their website and, if accepted, a Food Hatch team will guide and mentor the company to become a successful business (five companies will be accepted at any given time within the program).

Food Hatch offers:

- Funding
- Guidance & execution
- Marketing
- Branding strategy
- Product design & development
- Sales strategy
- Operational efficiencies
- Corporate law & legal
- Technology
- Corporate finance

FUNDING FOCUSES ON

Seed and early stage food-related businesses.

FUNDING LIMIT

\$18,000–\$35,000 with a 6-8% equity in each business accepted into the program.

QUALIFICATIONS

Must be food-related businesses.

FINANCING GEOGRAPHIC AREA

Worldwide

Miscellaneous Resources

This section includes funding sources like competitive loans and grants. For assistance writing a loan application or grant application, refer to [Section 6: Grant and Loan Application Writing Tips](#) at the end of this document.

Ben and Jerry's Foundation, Grassroots Organizing for Social Change Program

benandjerrysfoundation.org/the-grassroots-organizing-for-social-change-program

HOW IT WORKS

The Grassroots Organizing for Social Change Program offers project support to nonprofit organizations that strive to commit to the broader goals of social and environmental justice, and sustainable and just food systems.

FUNDING FOCUSES ON

The Grassroots Organizing for Social Change Program states that the project priority strategies must include:

- Community and ally outreach
- Leadership development
- Constituent empowerment and decision-making
- Popular education
- Root cause analysis
- Power analysis
- Campaign development
- Mobilizing constituents & allies
- Coalition building
- Direct action

FUNDING LIMIT

\$30,000

QUALIFICATIONS

Organizations must have 501(c)3 status or have a fiscal agent with this status, and have an operating budget less than \$350,000.

FINANCING GEOGRAPHIC AREA

United States

Black Farmer Fund

blackfarmerfund.org

HOW IT WORKS

The Black Farmer Fund offers loans, grants, and royalty financing to Black farmers, herbalists, distributors, restauranteurs, caterers, composters, and other food-related businesses. Entrepreneurs receive technical assistance, networking, and policy support for their business.

FUNDING FOCUSES ON

The community driven fund focuses on creating a racially equitable, economically thriving, environmentally sustainable, and regional food system.

FUNDING LIMIT

Not specified

QUALIFICATIONS

Black-owned food and farm businesses in the Northeast United States.

FINANCING GEOGRAPHIC AREA

Northeast United States

Capital Impact Partners

capitalimpact.org

HOW IT WORKS

Capital Impact Partners is a national community development financial institution (CDFI), a non-profit financial institution that offers capital solutions to support a wide variety of organizations providing critical social services, including food enterprises, that grow, process, distribute, and sell healthy food.

FUNDING FOCUSES ON

Real estate-backed projects that increase access to healthy food in underserved communities.

FUNDING LIMIT

Loans range from \$1,000,000 to \$10,000,000+ with loan terms varying based on asset type.

QUALIFICATIONS

For-profit or non-profit real estate developers. Proceeds to be used for acquisition, construction, and/or short-term financing.

FINANCING GEOGRAPHIC AREA

United States



CDC Small Business Loans

cdcloans.com

HOW IT WORKS

A non-profit small business lender offering SBA and non-SBA loans accompanied by business advising for customers. Other creative lending strategies to create social and economic justice in the communities that they serve are also deployed.

FUNDING FOCUSES ON

Lower-cost financing with special consideration to businesses in low-to-moderate income communities or to veteran, early stage, or African American-owned small businesses. Increased flexibility with credit eligibility on certain products.

FUNDING LIMIT

\$10,000-\$350,000

QUALIFICATIONS

Loans to for-profit business to be used for working capital, inventory, equipment, business acquisition, business debt refinancing, startups, commercial real estate purchases, and building improvements.

FINANCING GEOGRAPHIC AREA

Wayne, Oakland, and Macomb Counties in Michigan. Available in several other states across the U.S.

Clif Family Foundation

cliffamilyfoundation.org

HOW IT WORKS

Small grants for general organizational support or specific projects. Grant application open two times each year.

FUNDING FOCUSES ON

Funding is focused operational support for projects that build stronger communities, have a clear vision for positive change, and address two or more of these priorities: 1) Strengthen our food system; 2) Enhance equitable community health outcomes; 3) Safeguard our environment and natural resources.

FUNDING LIMIT

\$4,000

QUALIFICATIONS

Non-profit businesses only. Project must have a distinct mission with measurable goals.

FINANCING GEOGRAPHIC AREA

United States

The Conservation Fund

conservationfund.org

HOW IT WORKS

The Conservation Fund provides loans and grants across America to small businesses that conserve land and water resources. In particular, the fund works with underserved communities.

FUNDING FOCUSES ON

Entrepreneurs who work in sustainable forestry and forest products, small-scale agriculture, ecotourism, natural food and medicines, biomass, renewable energy and energy efficiency, value-added and sustainable agriculture, water conservation and treatment, recycling and composting, and essential community services.

FUNDING LIMIT

\$1,000,000

QUALIFICATIONS

- Both the applicant and the business must be located in the United States
- Registered in a commercial or credit union account to process payments
- Access to Internet
- Application fees apply.

FINANCING GEOGRAPHIC AREA

United States with a focus on Partner Community Capital's core geography (WV, NC, VA, MD, KY, OH, TN, GA, and SC).

Note: Outside of this service area, the fund works to leverage capital support from banks and community-based lenders prior to exclusively moving forward with a project.

Credibly

credibly.com

HOW IT WORKS

Small and large loans available. Quick approval time (24 hours) is available.

FUNDING FOCUSES ON

Small and medium businesses, not limited to food.

FUNDING LIMIT

\$400,000

QUALIFICATIONS

Decisions for financing based on business credit score, no collateral is required. Must be in business for a minimum of six months, have a credit score above 500, and be generating \$15,000+ in revenue per month.

FINANCING GEOGRAPHIC AREA

United States

Crosshatch

crosshatch.org/micro-loan

HOW IT WORKS

Crosshatch offers no interest, microloans, annually, to food and farm businesses working expand the local food system.

FUNDING FOCUSES ON

Food and farm businesses looking for funding for marketing, equipment, professional development, etc.

FUNDING LIMIT

\$10,000

QUALIFICATIONS

Must be in specific regions of Michigan. Applicants using sustainable growing practices are encouraged to apply.

FINANCING GEOGRAPHIC AREA

Specific regions of Michigan. See website for details.

Detroit Black Farmer Land Fund

detroitblackfarmer.com

HOW IT WORKS

Annual grant funding for Black farmers to purchase and/or make improvements to land in the Detroit area. The program goals include creating a community of Black farmers and generational land ownership.

FUNDING FOCUSES ON

Ensuring that current and future Black farmers have access to land.

FUNDING LIMIT

\$2,000

QUALIFICATIONS

Must provide a plot plan, budget, and letter of support. Including videos and photos in the application is optional.

FINANCING GEOGRAPHIC AREA

Detroit, Hamtramck, and Highland Park, Michigan

Detroit Development Fund

detroitdevelopmentfund.com

HOW IT WORKS

Detroit Development Fund's mission is to improve the quality of life in underserved Detroit neighborhoods and for Detroit residents.

FUNDING FOCUSES ON

Focused on supporting Detroit-based businesses, especially those owned by entrepreneurs of color and by women. DDF is an intermediary lender for the Michigan Good Food Fund.

FUNDING LIMIT

\$250,000

QUALIFICATIONS

Businesses must be located in Detroit, Highland Park, or Hamtramck and unable to meet their financing requirements from conventional sources (banks).

FINANCING GEOGRAPHIC AREA

Detroit, Highland Park and Hamtramck, Michigan

Fair Food Fund

fairfoodnetwork.org/projects/fair-food-fund

HOW IT WORKS

Fair Food Network's Fair Food Fund provides holistic support—weaving together catalytic capital and wrap-around business assistance. Fair Food Fund provides patient, customized financing to match entrepreneurs' business needs. Products include loans, royalty financing, convertible debt, or equity investments. The Fund also offers a credit enhancement product that unlocks financing provided by other lenders. In addition to financing, the Fund provides wrap-around business assistance that meets entrepreneurs where they are. This includes one-on-one support, immersive trainings, access to industry expertise, and mentorship.

FUNDING FOCUSES ON

As a mission-driven fund, Fair Food Fund focuses its investments on businesses that are increasing healthy food access, supporting family farms, and creating quality jobs. The Fund is also committed to advancing racial and social equity by supporting enterprises led by women and Black, Indigenous, and people of color. Fair Food Fund also serves as an intermediary lender for the Michigan Good Food Fund.

FUNDING LIMIT

\$300,000

QUALIFICATIONS

Fair Food Fund looks for food and farm businesses that are profitable or can demonstrate a path to profitability. Fair Food Fund works primarily with businesses that increase access to healthy food, create economic opportunities, support regional farmers, and increase environmental regeneration or sustainability. The Fund has a special interest in businesses that are creating jobs and ownership opportunities in their communities for women and people of color. Businesses that engage with Fair Food Fund typically have at least \$50,000 in annual revenue.

FINANCING GEOGRAPHIC AREA

Michigan; Camden, New Jersey; and the Northeastern United States

Farm Aid Grant Program

farmaid.org/our-work/grants

HOW IT WORKS

The Farm Aid Grant Program aims to aid “on-the-ground partners” in the movement to keep farmers producing good food for all.

FUNDING FOCUSES ON

The grant program has three areas:

- Helping farmers thrive
- Taking action to change the system
- Growing the good food movement

A prospective food-related organization or business has the potential to fall under any of these three project areas.

FUNDING LIMIT

\$50,000

QUALIFICATIONS

Only IRS 501(c)(3) tax-exempt nonprofit organizations may apply. An applicant must submit a full proposal by the dates included on the website.

FINANCING GEOGRAPHIC AREA

United States

FedEx Small Business Grant

fedex.com/en-us/small-business/grant-contest

HOW IT WORKS

An annual application for small businesses looking to enhance their business.

FUNDING FOCUSES ON

Small for-profit businesses

FUNDING LIMIT

\$50,000

QUALIFICATIONS

Must be a FedEx business customer, have been in business six months or more and have less than 99 employees.

FINANCING GEOGRAPHIC AREA

United States

Greenstone Farm Credit Services

greenstonefcs.com

HOW IT WORKS

Greenstone Farm Credit Services provides loan programs, financial services, and small grants to the agricultural industry.

FUNDING FOCUSES ON

Agriculture industry for rural communities. Greenstone has a new program for loans for urban and young, beginning, small farmers.



LOAN PROGRAMS

Operating
Real estate
Equipment
AgDirect (agricultural equipment)
AgriBusiness
Leasing
Young, beginning, and small farmer

FINANCIAL SERVICES

Crop insurance
Life insurance
Disability insurance
Tax services
Accounting services & software
Commercial credit card
Farm cash management
Funds held
Customer IT services

CULTIVATE GROWTH

Up to \$40,000
Available for accounting, tax services, technology, consultants, education

FUNDING LIMIT

Varies by programs and eligibility.

QUALIFICATIONS

Varies by programs and services.

FINANCING GEOGRAPHIC AREA

Michigan and Northeast Wisconsin

Grow

growbusiness.org

HOW IT WORKS

Grand Rapids Opportunities for Women is a community development financial institution focused on entrepreneurs at various stages of business ownership. Grow empowers women (and men) entrepreneurs to launch, advance, and sustain their businesses.

FUNDING FOCUSES ON

Lending options including microloans backed by the Small Business Administration are available to support business equipment, inventory, working capital, and leasehold improvements. Rates are determined by loan size. Grow is an intermediary lender for the Michigan Good Food Fund.

FUNDING LIMIT

\$50,000

QUALIFICATIONS

Must provide credit history and personal guarantee in the form of personal and/or business assets as well as evidence the loan can be repaid.

FINANCING GEOGRAPHIC AREA

West Michigan

Honeycomb Credit

honeycombcredit.com

HOW IT WORKS

Honeycomb Credit is an online loan crowdfunding platform where small businesses borrow funds directly from everyday people, repaying them with interest.

FUNDING FOCUSES ON

Small businesses looking to expand or refinance high-interest loans. Not limited to food.

FUNDING LIMIT

\$500,000+

QUALIFICATIONS

Business must have at least six months of operating history and a supportive community around them. Must be able to create online site with video and images.

FINANCING GEOGRAPHIC AREA

Multiple states across the U.S.

Kalamazoo Micro Enterprise Grant from United Way of South-Central Michigan

changethestory.org/micro-enterprise-grants

HOW IT WORKS

Change the Story is a program from the United Way of South-Central Michigan for microbusinesses in Kalamazoo, Michigan. The program offers \$5,000 grants on an annual basis.

FUNDING FOCUSES ON

The funding focuses on microbusinesses located in Kalamazoo, Michigan to help break down barriers encountered by Black, Indigenous, and People of Color and women-owned businesses.

FUNDING LIMIT

\$5,000

QUALIFICATIONS

Live in the Kalamazoo, Michigan region.

FINANCING GEOGRAPHIC AREA

Kalamazoo, Michigan

Kiva

kiva.org

HOW IT WORKS

The Kiva community provides access to 0% interest loans and a community passionate about helping entrepreneurs in the United States and the world. Kiva is a nonprofit organization that allows people to finance loans individually or in teams. The loans are offered at affordable interest rates to low-income or underserved populations in the United States and over 80 other countries around the world.

FUNDING FOCUSES ON

A variety of categories including food and food-related businesses.

FUNDING LIMIT

Up to \$15,000

QUALIFICATIONS

Varies by programs and services. For Kiva U.S. loans, you must:

- Live in the U.S.
- Be older than 18
- Use the loan for business purposes
- Not currently be in foreclosure, bankruptcy or under any liens
- Be willing to demonstrate social capital by making a loan to another fundraising entrepreneur and by having a number of your friends and family make a loan to you

FINANCING GEOGRAPHIC AREA

Worldwide

Lake Trust Credit Union

laketrust.org

HOW IT WORKS

Lending options including microloans from \$500-\$50,000, lines of credit, and term, real estate, and SBA loans.

FUNDING FOCUSES ON

Real estate refinance or purchase, as well as equipment financing and working capital.

FUNDING LIMIT

\$2,500,000

QUALIFICATIONS

Varies depending on loan type. Microloan is based on personal credit, rather than business credit. Other loans require historical cash flow to support debt or financial projections.

FINANCING GEOGRAPHIC AREA

Michigan

Lending Club

lendingclub.com

HOW IT WORKS

Lending Club is a large online marketplace connecting borrowers and investors, where consumers and small business owners lower the cost of their credit.



FUNDING FOCUSES ON

Business loans can be used for a variety of purposes including purchasing equipment or expanding your location.

FUNDING LIMIT

Up to \$500,000

QUALIFICATIONS

- 12 months in business
- At least \$50,000 in annual sales
- You own at least 20% of the business and have a least fair or better personal credit

FINANCING GEOGRAPHIC AREA

United States

Lendio

lendio.com

HOW IT WORKS

Business submits a free application and is provided with a list of lender options. Lendio funding managers work with applicant, explaining each loan option and advising which one is best for the business.

FUNDING FOCUSES ON

Small business loans

FUNDING LIMIT

Varies by loan plan. Up to \$5 million for some loan programs.

QUALIFICATIONS

Qualifications vary depending on the type of loan.

FINANCING GEOGRAPHIC AREA

United States

Metro Community Development (Flint Area)

metrocommunitydevelopment.com

HOW IT WORKS

Metro Community Development helps create partnerships for businesses in Flint and Genesee County to help underserved people in their communities. MCD has two overarching goals: maintaining community stability and stimulating community economic development.

FUNDING FOCUSES ON

Market niches that are underserved by traditional lenders. They have partnered with Michigan Corps to do Kiva loans.

FUNDING LIMIT

Loans up to \$50,000

QUALIFICATIONS

Must be a small business in the Flint or Saginaw areas of Michigan. Business should focus on community development.

FINANCING GEOGRAPHIC AREA

Flint or Saginaw, Michigan

Michigan Good Food Fund

migoodfoodfund.org

HOW IT WORKS

The Michigan Good Food Fund (MGFF) is a statewide food financing initiative with a mission to build healthier communities, close wealth gaps, and contribute to a more connected, equitable, and sustainable food economy. MGFF offers financial and non-financial (or “integrated”) capital resources to support good food businesses and local food systems from farm to fork in Michigan. As a collaborative of entrepreneurs, capital and technical assistance providers, food system practitioners, and community partners, MGFF uses diverse tools, networks, and approaches to drive individual impact as well as wider systems change.

FUNDING FOCUSES ON

MGFF prioritizes investments into under-resourced communities, particularly to Black, Indigenous, and people of color, and women-led businesses, to address locally expressed needs, increase access to healthy food, and fill gaps in the food ecosystem. MGFF is for growers, food hubs and aggregators, processing facilities, distributors, incubators/commercial kitchens, value-added product makers, food service businesses, grocery stores, corner stores, co-ops, mobile markets, farmers markets, and farm stands.

MGFF loans can be used for:

- Permanent working capital
- Inventory
- Equipment purchase
- Construction and property upgrades
- Facility expansion or upgrades
- Business process upgrades

BUSINESS ASSISTANCE FOCUSES ON

MGFF provides a range of business assistance including one-on-one consulting, workshops and trainings, and networking events aimed at growing the success of good food businesses. MGFF also connects entrepreneurs with external consulting resources through its statewide referral network.

FUNDING LIMIT

\$2,500 - \$6,000,000

QUALIFICATIONS

Vary by financing option. See migoodfoodfund.org/eligibility for further qualifications.

FINANCING GEOGRAPHIC AREA

Michigan

Michigan Women Forward

miwf.org/grow-your-business/apply-for-a-loan/

HOW IT WORKS

The Michigan Women Forward Fund is a financing program available to women entrepreneurs and small business owners.

FUNDING FOCUSES ON

Purchase inventory, working capital, start-up costs, purchase of equipment, loan subordination, business acquisition (with expectation of 50% financing by applicant), contract financing. Washtenaw County entrepreneurs can access the Endurance Loan Program that offers loans from \$2,500 to \$20,000 paired with 50% grant funding.

FUNDING LIMIT

Microloans range from \$2,500-\$50,000.

QUALIFICATIONS

- Legally established and registered with the State of Michigan
- A privately held company
- Majority owned by a resident of Michigan
- Planning to use funds for future expenses

FINANCING GEOGRAPHIC AREA

Michigan

Motor City Match

motorcitymatch.com

HOW IT WORKS

Motor City Match works with Detroit area businesses to offer funding, locate available Detroit real estate, and provide entrepreneurial support.

There are two competitive application tracks — the building owner track, for Detroit property owners and the business owner track, for business owners looking to start or expand in Detroit.

Two types of awards are available for technical assistance plus grant funds awarded four times per year. Lending options are also available for small business and construction loans. These funds help to meet the objectives of the organization: 1) Benefit low to moderate-income persons; 2) Remove slum or blight.

FUNDING FOCUSES ON

Detroit area entrepreneurs starting or expanding businesses that benefit the community. Not limited to food.

FUNDING LIMIT

\$100,000

QUALIFICATIONS

Business must have been in operation in Detroit for two years prior to applying. Only for-profit businesses who provide a benefit to the city are eligible. More qualifications can be found online.

FINANCING GEOGRAPHIC AREA

Detroit, Michigan

Northern Initiatives

northerninitiatives.org

HOW IT WORKS

Northern Initiatives is a community development financial institution (CDFI), a private financial institution that provides loans and business services to small business owners, entrepreneurs, and community organizations that might not qualify for loans from traditional banks for a variety of reasons. Many times, lending is focused on communities often underserved and considered low-income. CDFIs are certified by the Community Development Financial Institution Fund (CDFI Fund) and the U.S. Department of the Treasury, which provides funds to CDFIs through a variety of programs. There is at least one CDFI in each state.¹

Business Services	Loan Programs
Capital to expand and launch businesses	Microloans: \$50,000 or less
Market expansion guidance	
Counseling for financial and operational aspects of businesses	Small Business Administration Loans (SBA): Less than \$250,000
Online marketing services	Other small business loans: \$50,000–\$500,000
eCommerce solutions	USDA Business and Industry Loans
Training	CDC/504 Loan: Equipment and real estate
Process support for manufacturers	

FUNDING FOCUSES ON

Small business owners, entrepreneurs, and community organizations that enable the people and communities to thrive. Northern Initiatives is an intermediary lender for loans less than \$250,000 for the Michigan Good Food Fund.

FUNDING LIMIT

Loans range from \$1,000–\$1 million with varying terms

QUALIFICATIONS

Varies by programs and regions

FINANCING GEOGRAPHIC AREA

Michigan and Northeast Wisconsin

¹ Community Development Financial Institution Fund. (2011, October 11). *Overview of What We Do*. Retrieved from cdfifund.gov/Pages/default.aspx

Olga Loizon Memorial Foundation Grant

olgas.com/foundation

HOW IT WORKS

The Olga Loizon Memorial Foundation offers \$50,000 grants for Michigan women-owned restaurant businesses on an annual basis.

FUNDING FOCUSES ON

The founder of Olga's Kitchen, Olga Loizon's, Memorial Foundation offers grant funding to women-owned restaurateurs who exhibit passion, ambition, and vision for their business.

FUNDING LIMIT

\$50,000

QUALIFICATIONS

Must live in Michigan, identify as a woman, and be able to provide a formal business plan and write a personal statement demonstrating financial need.

FINANCING GEOGRAPHIC AREA

Michigan

Opportunity Resource Fund (OppFund)

oppfund.org/small-business-loans

HOW IT WORKS

OppFund provides loans for the start-up or expansion of small businesses, including food businesses in Michigan. This will include pre-development costs, acquisition of land and renovation of buildings, inventory, and working capital.

FUNDING FOCUSES ON

Market niches that are underserved by traditional lenders. They have partnered with Michigan Corps to do Kiva loans.

FUNDING LIMIT

Loans from \$10,000–\$250,000, require 10–15% equity investment

QUALIFICATIONS

- Exhibit community control or local self-determination
- Demonstrate alternative business practices
- Loans available for nonprofit 501(c)(3) or 501(c)(4) organizations, for-profit entities, individuals, and current OppFunds borrowers

FINANCING GEOGRAPHIC AREA

Michigan

Patagonia

patagonia.ca/environmental-grants.html

HOW IT WORKS

Patagonia supports small, grassroots, activist organizations working to address the root causes of concerning environmental issues.

FUNDING FOCUSES ON

Environmental-related work in alternative energy, biodiversity, forests, media/publications, resource extractions, social activism, sustainable agriculture, toxics/nuclear, water/marine.

FUNDING LIMIT

Typically range from \$5,000–\$20,000

QUALIFICATIONS

Must be a 501(c)(3) organization. Patagonia funds work that is action-oriented, builds public involvement and support, is strategic, focuses on root causes, and accomplishes specific goals and objectives. Annual deadlines vary by program.

FINANCING GEOGRAPHIC AREA

Worldwide

Power of We

organicvalley.coop/why-organic-valley/power-of-we/cooperative-giving

HOW IT WORKS

A farmer-funded grant program dedicated to strengthening food economies; developing and supporting local, organic food systems; and impacting communities. A letter of intent must be submitted in order to be invited for a full proposal.

FUNDING FOCUSES ON

Improving and supporting organic farming practices.

FUNDING LIMIT

\$50,000

QUALIFICATIONS

Projects must benefit family farmers producing organic dairy, egg, meat, produce, or grain as well as projects that focus on organic soil health.

FINANCING GEOGRAPHIC AREA

United States

The Proofing Station

proofingstation.org

HOW IT WORKS

This non-profit initiative provides technical assistance and flexible financing options through farm credit to community development financing institutions for small- and mid-sized food and agriculture businesses. Businesses interested in learning more should complete an intake form on their website.

FUNDING FOCUSES ON

The Proofing Station offers financial products to increase access to capital for small- and mid-sized food and agriculture businesses in the Midwest. The program has four main focus areas:

- Engage excluded market players
- Increase access to land and real assets
- Expand infrastructure across the region
- Advance sustainable cultivation

FUNDING LIMIT

\$1,000,000

QUALIFICATIONS

Production, processing, storage, logistics, and retail-type food and farm businesses who fit the mission of the Proofing Station (increasing ecological sustainability, social and racial equity, and economic resilience) and help the organization meet its social impact goals.

FINANCING GEOGRAPHIC AREA

Illinois, Indiana, Iowa, Michigan, Minnesota, and Wisconsin

Prosper

prosper.com

HOW IT WORKS

Prosper is a peer-to-peer lending entity—an alternative to traditional loans and investing options.



FUNDING FOCUSES ON

Loan types: debt consolidation, home improvement, personal or business use, auto & vehicle, short term & bridge, energy efficiency initiative loans, and more.

FUNDING LIMIT

\$2,000–\$50,000

QUALIFICATIONS

Loan options are based on applicants' personal financial history. Service fees apply.

FINANCING GEOGRAPHIC AREA

United States

ProsperUS Detroit Lending Program

prosperusdetroit.org

HOW IT WORKS

ProsperUS Detroit Lending Program provides financing for start-up and small businesses that may have been turned away by traditional lenders including minority- and immigrant-owned businesses. Also provides entrepreneur training.

FUNDING FOCUSES ON

Start-ups and small businesses requiring funds for working capital, equipment, marketing, construction, furniture, etc.

FUNDING LIMIT

\$15,000–\$50,000

QUALIFICATIONS

Must be a graduate of a ProsperUs training program or an existing business doing good for the community. Also must be a for-profit business licensed with the state of Michigan and have an Employer Identification Number.

FINANCING GEOGRAPHIC AREA

Detroit, Hamtramck, or Highland Park, Michigan

RCV Front Line

rcvfrontline.com

HOW IT WORKS

After completing a simple online form, food and beverage entrepreneurs can receive assistance starting with product launch, working through finding investors all the way to planning business succession. The program offers businesses seed and series financing options and is open to SAFE agreements.

FUNDING FOCUSES ON

RCV Frontline is a venture capital firm helping underserved early-stage food and beverage founders navigate the challenges of building their business.

FUNDING LIMIT

Not specified

QUALIFICATIONS

Food and beverage brands with an annual production rate of \$1,000,000 to \$5,000,000.

FINANCING GEOGRAPHIC AREA

Worldwide

Revalue Investing

revalueinvesting.com

HOW IT WORKS

Revalue brings individual investors to individual business owners. The business owner submits an online application, Revalue's team reviews the details, completes an analysis, and presents it to the investor(s). If the investor selects the business, the investor will reach out to the business.

FUNDING FOCUSES ON

Mission-driven businesses that focus on people, planet, and profit are best suited for this program. Investors will have specific values in mind as they review businesses in which to invest. Not exclusive to food and beverage.

FUNDING LIMIT

Not specified

QUALIFICATIONS

The business must be registered with a registered the SEC or Michigan's MILE Act for fundraising purposes.

FINANCING GEOGRAPHIC AREA

Michigan with consideration for other locations

RSF Social Finance

rsfsocialfinance.org

HOW IT WORKS

LOANS

Several loan options to provide financing and lines of credit for mortgage, construction, equipment, and working capital to qualified for-profits and non-profits.

FUNDING FOCUSES ON

Food and agriculture, education and the arts, ecological stewardship.

FUNDING LIMIT

Loans range from \$50,000–\$5,000,000

QUALIFICATIONS

- Alignment with RSF mission and focus area
- Annual revenue of at least \$750,000
- 501(c)(3) status for grants
- Two years or more of operating history varies per loan fund
- Strong collateral
- Profitable, or can demonstrate a path to profitability in 12 months
- Excellent history of repayment on debt

FINANCING GEOGRAPHIC AREA

United States and Canada

Venture North

venturenorthfunding.org

HOW IT WORKS

Venture North offers small business and loans along with mini-grants for growth. Loan terms are up to 84 months depending on the type of financing and the Energy Efficient Microloan offers 0% interest. Complete a simple online form to get connected.

FUNDING FOCUSES ON

Venture North is a Community Development Financial Institution focused on supporting small businesses in northwest Michigan.

FUNDING LIMIT

\$350,000

QUALIFICATIONS

Varies depending on the loan type, but all require a business plan with financial projections.

FINANCING GEOGRAPHIC AREA

Northwest Michigan

Washtenaw County Black Farmers Fund

wblackfarmers.fund

HOW IT WORKS

A grant program specifically for Black farmers producing healthy foods who reside in specific Michigan counties. Funding is provided to assist with the purchase of farmland. Interested parties must apply for consideration.

FUNDING FOCUSES ON

Creating more equitable and just food systems through increasing access to land and supporting food sovereignty.

FUNDING LIMIT

Funding provided is based on the amount requested and funds available.

QUALIFICATIONS

Current and future Black farmers residing or farming in Washtenaw, Jackson, Ingham, Livingston, Oakland, Wayne, Monroe, or Lenawee counties.

FINANCING GEOGRAPHIC AREA

Multiple counties in Michigan: Washtenaw, Jackson, Ingham, Livingston, Oakland, Wayne, Monroe, and Lenawee.

Whole Foods Market, Local Producer Loan Program

wholefoodsmarket.com/mission-values/caring-communities/local-producer-loan-program

HOW IT WORKS

Whole Foods Market lends money through the Local Producer Loan Program to small, local, independent producers to help them expand their businesses. Applications are accepted online and at any time.

FUNDING FOCUSES ON

Capital expansion or expenditures (e.g. buy more animals, expand crops, or invest in new equipment or infrastructure)

FUNDING LIMIT

\$1,000–\$100,000

QUALIFICATIONS

- Must meet Whole Foods Market’s quality standards and standards for animal welfare
- Have a viable business plan and adequate cash flow to service debt
- Loan amount must not exceed 80% of the total project cost
- Collateral required
- Be a local producer of a high-quality product

DESIRED QUALIFICATIONS

- Be expanding or broadening production, as opposed to starting a new venture or simply covering existing operating expenses
- Be located within a few hours’ drive time of a Whole Foods Market store
- Be an organic or animal compassionate producer
- Have an existing, positive relationship with Whole Foods Market

FINANCING GEOGRAPHIC AREA

United States

Additional Sources of Funding Information

BEGINNING FARMERS

A compilation of information resources on farm financing, finding land, business planning, agricultural production, marketing, and more for farmers, researchers, and policy makers. Farm financing includes the following grants and loans resources:

- USDA loan programs
- Other federal financial options
- Public and private organizations funding
- State loan programs
- Farm Credit Cooperative system
- Commercial lenders

www.beginningfarmers.org/funding-resources



SUSTAINABLE AGRICULTURE & FOOD SYSTEM FUNDERS

Hosts a website with links to several resources intended to help non-government organizations (NGO's) navigate the philanthropic world, including:

- [Candid](#): Training, tools, and resources for non-profit funding
- Sustainable Agriculture and Food Systems Funders: Offers grant search assistance to NGO's based on areas of impact

www.agandfoodfunders.org

FOOD+TECH CONNECT

A resource center for innovators and entrepreneurs in food, agriculture, health, and technology. The website provides information of the latest news, analysis, potential new funding sources, and research as well as listing training and networking events for food entrepreneurs.

foodtechconnect.com

Department of Agriculture and Rural Development State of Michigan

FOOD AND AGRICULTURE INVESTMENT FUND

michigan.gov/mdard/business-development/grantfund/food-and-agriculture-investment-fund-grants

HOW IT WORKS

Food and farm businesses apply for the grant through their local Michigan Department of Agriculture and Rural Development Specialist. If project is deemed appropriate for funding, entrepreneur presents idea at an in-person presentation.

FUNDING FOCUSES ON

Growth of food and agriculture companies to allow businesses to begin or expand processing operations for value-added products for greater impact on Michigan's agricultural industry.

FUNDING LIMIT

No maximum

QUALIFICATIONS

For-profit businesses

FINANCING GEOGRAPHIC AREA

Michigan

Department of Agriculture and Rural Development State of Michigan

RURAL DEVELOPMENT FUND GRANTS

michigan.gov/mdard/business-development/grantfund/rural-development-fund-grants

HOW IT WORKS

These MDARD grant funds are available for projects that address expansion and sustainability of land-based industries; worker training related to land-based industries; and energy, transportation, communications, water and wastewater infrastructure to benefit rural communities, and micropolitan statistical areas. Land-based industries include:

- Food and agriculture
- Forestry
- Mining, oil and gas production
- Tourism

This grant is a cost reimbursement program, meaning grantees must cover all project costs until MDARD receives and approves all required documentation (reports, invoices, receipts). Grantees are eligible for reimbursement up to three times (at specified dates) during the 24-month grant cycle, with the final reimbursement at the end of the project.

FUNDING FOCUSES ON

- Infrastructure development
- Rural capacity building
- Business development
- Talent development and training

FUNDING LIMIT

\$100,000 maximum limit

QUALIFICATIONS

- Eligible applicants include individuals, organizations, businesses, local units of government, federally recognized tribes, and educational institutions. Applicants must be located in an eligible county to apply.
- Applicants must provide a minimum of 30% matching funds of the grant amount requested (cash match is required).
- All applicants must be registered as a vendor in the Contracts and Payments system with the State of Michigan prior to submitting an application.
- Preference will be given to projects in Marquette county.

FINANCING GEOGRAPHIC AREA

Michigan (see above for counties given preference)

Department of Agriculture and Rural Development State of Michigan

SPECIALTY CROP BLOCK GRANT PROGRAM

michigan.gov/mdard/business-development/grantfund/specialty-crop-block-grants

HOW IT WORKS

This is a grant administered by each state's Department of Agriculture. The State Department of Agriculture will grant funds to competitive specialty crops. Specialty crops are described as fruits, vegetables, tree nuts, dried fruits, horticulture, and nursery crops (including floriculture). Food hubs or food hub related businesses working with a specialty crop may consider applying for this grant program.

FUNDING FOCUSES ON

The program aims to improve the competitiveness of specialty crops pertaining to the issues of:

- Food Safety
- Marketing
- Nutrition
- Plant health
- Value added/industry development

FUNDING LIMIT

\$100,000 for research and \$125,000 for marketing

QUALIFICATIONS

Funds will only be awarded to stakeholders who focus on the promotion of specialty crops.

FINANCING GEOGRAPHIC AREA

Michigan (for Michigan's program—each state has its own program)

Department of Agriculture and Rural Development State of Michigan

VALUE-ADDED AND REGIONAL FOOD SYSTEMS GRANTS

michigan.gov/mdard/business-development/grantfund/value-added-and-regional-food-systems-grant

HOW IT WORKS

This MDARD grant program is for projects that will establish, retain, expand, attract, or develop value added agricultural processing in Michigan, or that will expand or develop regional food systems or access the healthy food. This grant is a cost reimbursement program, meaning grantees must cover all project costs until MDARD receives and approves all required documentation (reports, invoices, receipts). Grantees are eligible for reimbursement up to three times (at specified dates) during the 18-month grant cycle, with the final reimbursement at the end of the project.

FUNDING FOCUSES ON

- Value added food processing
 - Innovation and equipment
 - Technical assistance/feasibility studies that lead to jobs and investment
 - Outreach and training
- Food hub development
- Food access, including access to fresh/nutritional foods

FUNDING LIMIT

\$100,000 per 18 month cycle

QUALIFICATIONS

Applicants must provide a minimum of 30% matching funds of the grant amount requested (cash match is required; in-kind contributions will not be counted as part of the required match).

Salaries may only be included as cash match. Travel costs must be covered by the matching funds.

All applicants must be registered as a vendor in the Contracts and Payments system with the State of Michigan prior to submitting an application.

FINANCING GEOGRAPHIC AREA

Michigan (Other states may have similar programs)

National Resources Conservation Service

CONSERVATION INNOVATION GRANTS

nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/cig/

HOW IT WORKS

This grant is available to public and private enterprises for funding the development of innovative tools, technology, and strategies for conservation of agricultural land and natural resources.

FUNDING FOCUSES ON

Innovation techniques to conserve farmland and resources.

FUNDING LIMIT

\$1,000,000–\$2,000,000

QUALIFICATIONS

For-profit, non-profit, government agencies, tribal groups, and individuals are eligible to apply. Requires equal match to funding (1:1). Special considerations are given to applicants of color, veterans, and tribal entities.

FINANCING GEOGRAPHIC AREA

United States

Small Business Education and Entrepreneurial Development

SMALL BUSINESS INNOVATION RESEARCH (SBIR) AND SMALL BUSINESS TECHNOLOGY TRANSFER (SBTT)

seed.nih.gov

HOW IT WORKS

Investing in small businesses looking to conduct innovative research and development. It is a highly competitive award program focused on technology to create innovative opportunities for businesses. Funds are established through set-aside dollars of various Federal agencies for the sole purpose of advancing commercially available technologies.

FUNDING FOCUSES ON

Innovation by business used to advance commercialization of new technology.

FUNDING LIMIT

Depending on National Institutes of Health (NIH) and NIH Centers available funding.

QUALIFICATIONS

For-profit and research-intensive businesses with fewer than 500 employees. More than 50% US ownership.

FINANCING GEOGRAPHIC AREA

United States



USDA, Agricultural Marketing Service

FARMERS MARKET PROMOTION PROGRAM (FMPP)

ams.usda.gov/services/grants/fmpp

HOW IT WORKS

This grant program seeks to increase domestic consumption and access to locally and regionally produced agricultural products by developing direct producer-to-consumer market opportunities. This may include the establishment or improvement of a food hub or a food hub related business.

FUNDING FOCUSES ON

The development of new opportunities for farmers and ranchers working with:

- The improvement of domestic farmer’s markets
- Roadside stands
- Community-supported agriculture programs
- Agro-tourism activities
- Other direct producer-to-consumer market opportunities

FUNDING LIMIT

- Capacity Building (CB) projects, maximum \$250,000 for 36 months
- Community Development Training and Technical Assistance (CTA), maximum \$500,000 for 36 months
- Turnkey Marketing and Promotion, maximum \$100,000 for 24 months

QUALIFICATIONS

Agricultural businesses, agricultural cooperatives, community support agriculture networks and associations, economic development corporations, nonprofit corporations, public benefit corporations, etc. 25% match is required.

FINANCING GEOGRAPHIC AREA

United States

USDA, Agricultural Marketing Service

LOCAL FOOD PROMOTION PROGRAM (LFPP)

ams.usda.gov/services/grants/lfpp

HOW IT WORKS

LFPP offers grant funds with a 25% match to support the development and expansion of local and regional food business enterprises (i.e. food hubs or food hub related businesses) to increase domestic consumption and access to locally and regionally produced agricultural products, and aids in developing new market opportunities for farm and ranch operations serving local markets.

FUNDING FOCUSES ON

The program is divided into two types of grants—a “planning” grant and a “implementation” grant. For more information regarding what category you would fall under, visit the website noted above.

FUNDING LIMIT

- Planning project, maximum \$250,000 for 24 months
- For the new Turnkey Marketing and Promotion project, maximum \$100,000 for 24 months
- Implementation and Farm to Institution project maximum, \$750,000 for 36 months

QUALIFICATIONS

Agricultural businesses, agricultural cooperatives, community support agriculture networks and associations, economic development corporations, nonprofit corporations, public benefit corporations, etc. 25% match is required.

FINANCING GEOGRAPHIC AREA

United States

USDA, Agricultural Marketing Service

REGIONAL FOOD SYSTEM PARTNERSHIP PROGRAM

ams.usda.gov/services/grants/rfsp

HOW IT WORKS

Applicants work with partners to leverage and catalyze efforts to build stronger local and regional food systems. Once funded, grantees coordinate the efforts by the partners engaged in the program to meet their common objectives.

The program is divided into two types:

- Planning and Design, and
- Implementation and Expansion.

FUNDING FOCUSES ON

The program is focused on expanding collaboration among public and private organizations to impact local and regional food systems. Key areas of interest include:

- Connecting and cultivating food economies
- Business support for increasing value-added production
- Strengthening capacity and regional food system development through community collaboration and mid-tier value-chain expansion
- Improving economic opportunities through job creation

FUNDING LIMIT

Planning and Design: \$100,000-\$250,000 for 24 months

Implementation and Expansion: \$250,000-\$1,000,000 for 36 months

QUALIFICATIONS

Eligible applicants include farmers, producers, food councils, governments, non-profits, Tribal governments, and others. The required match is at least 25% and must include investment from partner agencies.

FINANCING GEOGRAPHIC AREA

United States

USDA, Farm Service Agency

fsa.usda.gov/programs-and-services/farm-loan-programs

HOW IT WORKS

Farm Service Agency offers multiple lending options for farmers unable to obtain financing from other sources. Rates are typically low and are short term. Applications are submitted through a local FSA office. To find a local agency, visit fsa.usda.gov/state-offices.

Types of loans available	Description
Direct Farm Loans	Available to help start, purchase, or expand a farming operation.
Farm Ownership Loans	Financing to purchase or expand an existing farm; can also be used for soil and water conservation efforts
Guaranteed Farm Loans	Guaranteed loans provided by commercial lenders, banks, farm credit institutions.
Farm Operating Loans	Operating loans can be used to purchase livestock, seed, or equipment, as well as for property improvements and refinancing.
Down Payment Program	Financing option for the purchase of a farm. The program is aimed at socially disadvantaged and beginning farmers.
Youth Loans	Up to \$5,000, Youth Loans are available to assist youth in exploring experience and education in farming.
Emergency Loans	This funding is accessible in response to emergencies including natural disasters. The farmer must have experienced a 30% loss in income from a single farm business.
Conservation Loans	Available to farmers who want to improve conservation methods on their farm.
Loans for Beginning and Socially Disadvantaged Farmers	For farmers who have experienced difficulty obtaining financing. Several different types of loan programs are available through this program.
Land Contract Guarantees	For socially disadvantaged and beginning farmers, the program offers guarantees for land sold under land contract.

FUNDING FOCUSES ON

Creating more equitable and just food systems through increasing access to land and food sovereignty. FSA can often help farmers obtain the credit they seek in the absence of conventional credit. FSA also has targeted funding for youth, minority and women farmers and ranchers, and beginning farmers and ranchers. Visit the following websites to learn more about various loans offered by FSA.

- [Microloans](#)
- [Farm Ownership Loans](#)
- [Operating Loans](#)
- [Underserved and Beginning Farmers Loans](#)
- [Native Tribal Loans](#)

FUNDING LIMIT

\$600,000

QUALIFICATIONS

Applicants must own or operate an eligible farm enterprise and meet all general eligibility requirements specified for each loan program. Applicants must also have U.S. citizenship and a satisfactory credit score. Additionally, farmers cannot have any outstanding judgements or have received debt forgiveness from FSA in the past.

FINANCING GEOGRAPHIC AREA

United States

USDA, Farm Service Agency

FARM STORAGE FACILITY LOAN PROGRAM

fsa.usda.gov/programs-and-services/price-support/facility-loans/farm-storage

HOW IT WORKS

FSFL is an excellent financing program for on-farm storage and handling for small and mid-sized farms, and for new farmers. Loan terms vary from three to 12 years. The maximum loan amount for storage facilities is \$500,000. The maximum loan amount for storage and handling trucks is \$100,000. In 2016 FSA introduced a new loan category, the microloan, for loans with an aggregate balance up to \$50,000. Microloans offer a 5% down payment requirement, compared to a 15% down payment for a regular FSFL, and waive the regular 3-year production history requirement.

FUNDING FOCUSES ON

Eligible commodities include:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats, or barley harvested as other-than-whole grain
- Other grains (triticale, speltz, and buckwheat)
- Pulse crops
- Hay
- Honey
- Renewable biomass commodities
- Fruits and vegetables
- Floriculture
- Hops
- Maple sap
- Milk, cheese, butter, yogurt
- Eggs, meat/poultry (unprocessed)
- Rye
- Aquaculture (excluding systems that maintain live animals through uptake and discharge of water)

Additionally, the loan will also cover the equipment needed to wash, treat, and pack fruits and vegetables.

FUNDING LIMIT

Loans range from \$50,000–\$500,000. Loan terms vary 3 – 12 years.

QUALIFICATIONS

An extensive and complete eligibility fact sheet may be found at: fsa.usda.gov/Internet/FSA_File/fsfl09.pdf

FINANCING GEOGRAPHIC AREA

United States

USDA, Food and Nutrition Service

FARM TO SCHOOL GRANT PROGRAM

fns.usda.gov/farmtoschool/farm-school-grant-program

HOW IT WORKS

The purpose of the USDA Farm to School Grant Program is to assist eligible entities in implementing farm to school programs that improve access to local foods in eligible schools. On an annual basis, USDA awards up to \$7.5 million in competitive grants for training, supporting operations, planning, purchasing equipment, developing school gardens, developing partnerships, and implementing farm to school programs.

FUNDING FOCUSES ON

Bringing local and regional produce into the school cafeterias; non-formal educational activities such as the implementation of school gardens, visits to local farms, and culinary classes; and the establishment of education related to food in the classroom.

FUNDING LIMIT

Planning awards range from \$20,000–\$50,000; implementation and support service awards range from \$50,000–\$100,000; training awards range from \$20,000–\$50,000. Matching funds of 25% are required for all four grant types.

QUALIFICATIONS

Eligible school may apply, as well as state and local agencies, Indian Tribal Organizations, agricultural producers or groups of agricultural producers, and nonprofit entities. For more details on qualifications refer to website above.

FINANCING GEOGRAPHIC AREA

United States



USDA, National Institute of Food and Agriculture

AGRICULTURE AND FOOD AND RESEARCH INITIATIVE (AFRI): AGRICULTURAL ECONOMICS AND RURAL COMMUNITIES

nifa.usda.gov/grants/programs/agriculture-food-research-initiative-afri

HOW IT WORKS

This grant supports projects related to agricultural and rural economies, specifically in the areas of research, education, extension, entrepreneurship, and markets and trade. Although the application targets universities and nonprofits, food businesses can benefit by being collaborators or partners.

FUNDING FOCUSES ON

Research focusing on the benefit of small to mid-sized farms and rural communities. Examples include developing farm decision making tools, identifying the effects of input costs, and developing sustainable business strategies.

FUNDING LIMIT

Maximum of \$1,000,000 over a 5-year period

QUALIFICATIONS

Universities may apply as well as other organizations depending on the project. For more information, refer to the website above.

FINANCING GEOGRAPHIC AREA

United States

USDA, National Institute of Food and Agriculture

AGRICULTURE AND FOOD AND RESEARCH INITIATIVE (AFRI): IMPROVED SUSTAINABLE FOOD SYSTEMS

nifa.usda.gov/program/agriculture-and-food-research-initiative-afri

HOW IT WORKS

This grant funds projects related to research, education, and extension related to sustainable local and regional food systems seeking to improve U.S. food safety and security, support the local economy, combat childhood obesity, improve rural economies, increase food production, and train the next generation of the agricultural workforce. A food hub or food hub-related business aiming to research its role as a sustainable actor would be a good candidate for this grant.

FUNDING FOCUSES ON

Community development strategies, local and regional food systems that help foster U.S. food security, conferences and workshops, etc.

FUNDING LIMIT

\$10,000,000

QUALIFICATIONS

Must be a higher education institution

FINANCING GEOGRAPHIC AREA

United States

USDA, National Institute of Food and Agriculture

BEGINNING FARMER AND RANCHER DEVELOPMENT PROGRAM

nifa.usda.gov/program/beginning-farmer-and-rancher-development-program-bfrdp

HOW IT WORKS

This grant seeks to fund organizations that train, educate, and provide technical assistance to new farmers or ranchers. A food hub or food hub-related business starting up or new to agriculture and farming may apply for this program.

FUNDING FOCUSES ON

Helping new farmers and ranchers work on production, marketing, business management, legal strategies, and other critical needs to managing a successful operation.

FUNDING LIMIT

Up to approximately \$250,000 per year for three years for a maximum total of approximately \$750,000.

QUALIFICATIONS

State, tribal, local, or regionally based networks or partnerships of public and private entities. This is not a program that can be given directly to agricultural entrepreneurs, but these grants often include agricultural entrepreneurs in the overall programming.

FINANCING GEOGRAPHIC AREA

United States

USDA, National Institute of Food and Agriculture

COMMUNITY FOOD PROJECTS COMPETITIVE GRANTS PROGRAM (CFPCGP)

nifa.usda.gov/program/community-food-projects-competitive-grant-program-cfpcgp

HOW IT WORKS

This program funds three types of projects:

- Community food projects
- Planning projects
- Training and technical assistance projects
- Applicants must be a private non-profit entity; however, could be a group of food hubs or food-related businesses coming together for a common goal

FUNDING FOCUSES ON

Projects that meet the needs of low-income individuals through food distribution and access, and community outreach to assist in participation of federal nutrition programs. Projects may also focus on the equipment necessary for the efficient operation of a project as well as the creation of innovative marketing activities that jointly benefit agricultural producers and underserved communities.

FUNDING LIMIT

\$10,000–\$400,000 from 1 to 4 years

QUALIFICATIONS

This is a 100% matching grant. The grantee must provide documentation that matching funds are available. Public food program service providers may apply, as well as tribal organizations, or private nonprofit entities.

FINANCING GEOGRAPHIC AREA

United States

USDA, National Institute of Food and Agriculture

SMALL BUSINESS INNOVATION RESEARCH (SBIR)

nifa.usda.gov/program/small-business-innovation-research-program-sbir

HOW IT WORKS

This grant gives small businesses the opportunity to research their technological potential. A food hub or food hub-related business researching technological innovations with the potential for commercializing such research would be a good candidate for this research grant.

FUNDING FOCUSES ON

Research should seek to identify technological innovations, implement the commercialization of these innovations, and encourage participation by businesses owned and/or operated by women and individuals who may be socially and economically disadvantaged. A list of research topics is available on the website listed above.

FUNDING LIMIT

Each phase of the project has a different funding limit ranging from \$100,000–\$600,000. Funding may depend on availability from National Institutes of Health (NIH) and NIH Centers.

QUALIFICATIONS

Small businesses or proprietorships, which could include a food hub or could include a food-related business. There are three project phases; for more information, visit the website above.

FINANCING GEOGRAPHIC AREA

United States

USDA, National Institute of Food and Agriculture

SUSTAINABLE AGRICULTURE RESEARCH AND EDUCATION (SARE)

sare.org/grants

HOW IT WORKS

This competitive grant aims to improve sustainable innovations in American agriculture.

FUNDING FOCUSES ON

Four grant topics are offered:

- Research and education
- Professional development
- Producer
- Regionally-specific grants

FUNDING LIMIT

Varies by state, although depending on the type of project, funds typically range from \$1,000–\$250,000.

QUALIFICATIONS

Educators, graduate students, individual producers, non-profit organizations, and researchers.

FINANCING GEOGRAPHIC AREA

United States

USDA, National Institute of Food and Agriculture

THE EQUIPMENT GRANT PROGRAM (EGP)

nifa.usda.gov/grants/funding-opportunities/equipment-grant-program

HOW IT WORKS

The Equipment Grant Program (EGP) funds equipment purchases for research for use in the food and agricultural sciences programs at institutions of higher education, including State Cooperative Extension Systems. Food and farm businesses may select to partner with institutions on research to support their enterprise.

FUNDING FOCUSES ON

The EGP provides funding for equipment purchases that will upgrade infrastructure.

FUNDING LIMIT

\$25,001 - \$500,000

QUALIFICATIONS

Qualifying applicants include colleges, universities, and state cooperative institutions.

FINANCING GEOGRAPHIC AREA

United States

USDA, Natural Resources Conservation Services (NCRS)

USDA THE CONSERVATION STEWARDSHIP PROGRAM

nrcs.usda.gov/programs-initiatives/csp-conservation-stewardship-program#assistance

HOW IT WORKS

The USDA Conservation Stewardship Program (CSP) through the Natural Resources Conservation Services (NCRS) supports producers in developing conservation plans. The program supports current or new conservation activities that support clean water and air, healthy soil, improvements in wildlife habitat, and overall agricultural practices. An NRCS conservation planner will support the activities. This five-year program provides annual payments for incorporating conservation activities on the farm.

FUNDING LIMIT

Funding varies on the project needs for 5 years

QUALIFICATIONS

Applicants must meet three eligibility requirements:

LAND	APPLICANTS	STEWARDSHIP
<ul style="list-style-type: none"> – Private agricultural land – Tribal land – Non-industrial private forest land – Farmstead associated agricultural land – Public land that is under the control of the applicant and part of their operation 	<ul style="list-style-type: none"> – Individuals – Legal entities – Joint operations or Indian Tribes that own or rent and currently manage land for agricultural or forest production. <p>The applicant must have an adjusted gross income of less than \$900,000. The adjusted gross income requirement does not apply to Indian Tribes.</p>	<p>“Stewardship threshold” is a term used by NRCS to determine if an applicant is addressing at least two priority natural resource concerns.</p> <p>Applicants must include a stewardship threshold for at least one additional resource concern by the end of the contract on at least one land use.</p>

FINANCING GEOGRAPHIC AREA

United States

USDA, Rural Development

BUSINESS AND INDUSTRY GUARANTEED LOAN PROGRAM (B&I)

rd.usda.gov/programs-services/business-industry-loan-guarantees

HOW IT WORKS

This loan program bolsters the existing private credit structure through the guaranteeing of loans for rural businesses, allowing private lenders to extend more credit than they would typically be able to, and improves the economic health of rural communities.

FUNDING FOCUSES ON

- Business conversion, enlargement, repair, modernization, or development
- Purchase and development of land, easements, rights of way, buildings, or facilities
- Purchase of equipment, leasehold improvements, machinery, supplies, or inventory
- Debt refinancing when new jobs will be created and other conditions are met
- Business and industrial acquisitions when the loan will keep the business from closing and/or save or create jobs

This means that a prospective food hub or food hub-related business would be an ideal candidate for this grant.

FUNDING LIMIT

Loans may be \$5,000,000 to \$25,000,000.

QUALIFICATIONS

Cooperatives, nonprofit organizations, corporations, partnerships, or other legal entities; Indian tribes; public bodies; or individuals. Eligible areas are:

- Any area other than a city or town with a population greater than 50,000 inhabitants in the urbanized area of that city or town
- The borrower's headquarters may be based within a larger city as long as the project is located in an eligible rural area

FINANCING GEOGRAPHIC AREA

United States



USDA, Rural Development

COMMUNITY FACILITIES GRANT AND LOAN PROGRAM

rd.usda.gov/programs-services/community-facilities-direct-loan-grant-program

HOW IT WORKS

This program offers either grants or loans to help with the development of community facilities.

FUNDING FOCUSES ON

The construction, enlargement, or improvement of a community facility related to health care, public safety, and community and public services. This may include food hubs and food-related businesses. The funds may cover the cost to acquire land, pay necessary professional fees, and equipment purchases. Funding focuses on rural towns with a population of no more than 20,000 people. Usually these funds are used for infrastructure improvements in rural towns.

FUNDING LIMIT

Grant assistance is available to cover up to 75% of total project costs. Projects will be selected on a priority point system; priority is given to projects that serve small communities and/or low-income communities.

Loans follow specific interest rates depending on the median household income of the area being served and the type of project being held.

QUALIFICATIONS

Grants and loans are available to public entities such as municipalities, counties, and special purpose districts, as well as to community-based nonprofit corporations and tribal governments.

FINANCING GEOGRAPHIC AREA

United States

USDA, Rural Development

RURAL BUSINESS DEVELOPMENT GRANT (RBDG)

rd.usda.gov/programs-services/rural-business-development-grants

HOW IT WORKS

RBDG is a competitive grant 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 that have fewer than 50 employees and less than \$1 million in gross revenues. Programmatic activities are separated into enterprise or opportunity grant activities.

FUNDING FOCUSES ON

- Regional planning and development focused on food systems
- Market development research
- Business training
- Establishing business incubators

Enterprise type grant funds must be used on projects to benefit small and emerging businesses in rural areas as specified in the grant application. Uses may include, but are not limited to:

- Training and technical assistance, such as project planning, business counseling/training, market research, feasibility studies, professional/technical reports, or product/service improvements
- Acquisition or development of land, easements, or rights of way; construction, conversion, renovation of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities
- Community economic development
- Technology-based economic development
- Feasibility studies and business plans
- Leadership and entrepreneur training
- Rural business incubators

FUNDING LIMIT

General range is \$10,000–\$500,000. Smaller requests are given higher priority.

QUALIFICATIONS

Towns, communities, state agencies, authorities, nonprofit organizations, institutions of higher education, federally recognized tribes, and rural cooperatives.

FINANCING GEOGRAPHIC AREA

United States

USDA, Rural Development

RURAL COOPERATIVE DEVELOPMENT GRANTS (RCDG)

rd.usda.gov/programs-services/rural-cooperative-development-grant-program

HOW IT WORKS

The RCDG program seeks to aid the economic development of rural communities by establishing cooperative development centers. In other words, this program seeks to fund the creation or improvement of food hubs or food hub-related businesses.

FUNDING FOCUSES ON

Additionally, the RCDG program seeks to support other activities such as new farmer training, market research, business development, and outreach.

FUNDING LIMIT

Maximum of \$200,000.

QUALIFICATIONS

Nonprofit organizations or a higher education institution. Matching funds requirement of 25% of total project costs (5% for 1994 institutions).

FINANCING GEOGRAPHIC AREA

United States

USDA, Rural Development

RURAL ECONOMIC DEVELOPMENT LOAN AND GRANT (REDLG)

rd.usda.gov/programs-services/rural-economic-development-loan-grant-program

HOW IT WORKS

The REDLG program provides funding to rural projects that create or retain rural jobs. Food hubs seeking establishment in rural zones would be good candidates for this grant or loan program. Under the REDLG program, the USDA provides zero interest loans to local utility companies that administer loans to the recipients of this REDLG program. Ultimately, as a REDLG recipient, you would repay your loan back to the local utility company.

FUNDING FOCUSES ON

- Business incubators
- Business expansion
- Community development assistance to nonprofits and public bodies (particularly job creation or enhancement, which could include food hubs and food hub-related businesses)
- Start-up costs for business
- Facilities and equipment for education and training for rural residents to facilitate economic development
- Technical assistance

FUNDING LIMIT

\$300,000 in grants; \$2,000,000 in loans

QUALIFICATIONS

- Have borrowed and repaid or pre-paid an insured, direct, or guaranteed loan received under the Rural Electrification Act or be a not-for-profit utility that is eligible to receive assistance from the Rural Development Electric or Telecommunication Program
- Be a current Rural Development Electric or Telecommunication Programs Borrower

FINANCING GEOGRAPHIC AREA

United States

USDA, Rural Development

RURAL ENERGY FOR AMERICA PROGRAM: RENEWABLE ENERGY SYSTEM AND ENERGY EFFICIENCY IMPROVEMENT GUARANTEED LOAN AND GRANT PROGRAM

rd.usda.gov/programs-services/rural-energy-america-program-renewable-energy-systems-energy-efficiency

HOW IT WORKS

The Rural Energy for America Program helps assist agricultural producers and rural small businesses purchase, install, and construct renewable energy systems. A food hub business may be interested in this program if it seeks or currently works with renewable energy sources.

FUNDING FOCUSES ON

Funding provides assistance to renewable energy projects dealing with:

- Renewable biomass (for example: biodiesel and ethanol, anaerobic digesters and solid fuels)
- Geothermal for electric generation or direct use
- Hydropower below 30 megawatts
- Hydrogen
- Small and large wind generation
- Small and large solar generation
- Ocean (tidal, current, thermal) generation

Funds may also be used for purchase, installation, or construction of energy efficiency improvement such as:

- High efficiency heating, ventilation, and air conditioning systems (HVAC)
- Insulation
- Lighting
- Cooling or refrigeration units
- Doors and windows
- Electric, solar, or gravity pumps for sprinkler pivots
- Switching from a diesel to electric irrigation motor

FUNDING LIMIT

- The maximum loan amount is up to 75% of project cost.
- Renewable energy systems grants: \$1,000,000 maximum.
- Energy efficiency grants: \$500,000 maximum.

QUALIFICATIONS

Must be an agricultural producer where 50% or greater of gross income comes from working with crops, livestock, forestry products, hydroponics, nursery, and aquaculture as well as small businesses in eligible rural areas. Agricultural producers and small businesses must have no outstanding delinquent federal taxes, debt, judgment, or debarment. Businesses must be located in a city or town with a population greater than 50,000 inhabitants.

FINANCING GEOGRAPHIC AREA

United States

USDA, Rural Development

SOCIALLY DISADVANTAGED GROUPS GRANT (SDGG)

rd.usda.gov/programs-services/socially-disadvantaged-groups-grant

HOW IT WORKS

The goal of this grant program is to assist socially disadvantaged agricultural producers with technical assistance through cooperative development centers. A food hub and other food businesses considered a cooperative or a cooperative development center seeking to assist socially disadvantaged agricultural producers would be eligible to apply for this grant.

FUNDING FOCUSES ON

The funds must go to socially disadvantaged producers located in rural areas in need of technical assistance.

FUNDING LIMIT

Maximum grant amount is \$175,000

QUALIFICATIONS

Must be a cooperative or a cooperative development center.

FINANCING GEOGRAPHIC AREA

United States

USDA, Rural Development

VALUE-ADDED PRODUCER GRANTS (VAPG)

rd.usda.gov/programs-services/value-added-producer-grants

HOW IT WORKS

The VAPG grant program helps agricultural producers enter into value-added activities and process or market value-added products. A food hub or food hub-related business interested in agricultural value-added activities or products should consider taking a closer look at this grant.

FUNDING FOCUSES ON

Projects that implement business plans, identify market feasibility of bottled milk, evaluate benefits of marketing and selling meat as opposed to live animals, and expand the market capacity of local and regional food systems.

FUNDING LIMIT

Planning grants: \$75,000;

Working capital grants: \$250,000

QUALIFICATIONS

Independent producers, farmer or rancher cooperatives, agricultural producer groups, and majority-controlled producer-owned business ventures, including nonprofit organizations. Program requires matching funds of 50% total project costs.

FINANCING GEOGRAPHIC AREA

United States

Tips for Obtaining Funding

Obtaining the funding you need may come down to your ability to write an effective grant or loan application. Paying attention to the details can help you get the money your business needs. Consider watching how-to webinars, attending workshops, and reading more about what needs to be included in a grant or loan application.



GRANT WRITING

NO- OR LOW-COST WEBINARS & WORKSHOPS

- [Introduction to Proposal Writing](#), Self-paced learning from GrantSpace
- [Evaluating the Economic Impacts of Local and Regional Food Systems: Best Practices Webinar](#), MSU Center for Regional Food Systems
- [Accessing and Understanding Secondary Data on Food Access Webinar](#), MSU Center for Regional Food Systems

RESOURCES TO REVIEW PRIOR TO SUBMISSION

- [How to Develop and Write a Grant Proposal](#), Congressional Research Service
- [Five Suggestions for Writing Better Grant Proposals](#), The Chronicle of Philanthropy
- [The Art of Writing Proposals](#), Social Science Research Council
- The [Agriculture Marketing Resource Center](#) has information on grant writing, market analysis, and finance for farmers looking for funding.
- [A Road Map of the Foundation Landscape for Grant Seekers](#), The Chronicle of Philanthropy

LOAN APPLICATIONS

NO- OR LOW-COST WEBINARS & WORKSHOPS

- [Small Business Development Center](#)

RESOURCES TO REVIEW PRIOR TO SUBMISSION

- [How to write a business plan for a food business](#)
- [U.S. Small Business Administration](#)

CENTER FOR REGIONAL FOOD SYSTEMS

The Michigan State University Center for Regional Food Systems advances regionally-rooted food systems through applied research, education, and outreach by uniting the knowledge and experience of diverse stakeholders with that of MSU faculty and staff. Our work fosters a thriving economy, equity, and sustainability for Michigan, the nation, and the planet by advancing systems that produce food that is healthy, green, fair, and affordable. Learn more at foodsystems.msu.edu.

For general inquiries:

LEARN: foodsystems.msu.edu

EMAIL: CRFS@msu.edu

CALL: 517-353-3535

FOLLOW: [@MSUCRFS](https://twitter.com/MSUCRFS)

Email addresses and phone numbers for individual staff members can be found on the people page of our website.

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MICHIGAN STATE
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Center for
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