MSU CENTER FOR REGIONAL FOOD SYSTEMS

FUNDING SOURCES
FOR FOOD-RELATED BUSINESSES

SIXTH EDITION
MARCH 2021
FUNDING SOURCES
FOR FOOD-RELATED BUSINESSES

TABLE OF CONTENTS

SECTION 1: INTRODUCTION 5
Before You Begin, Do You Have a Business Plan? 6
What Type of Financing Do You Need? 7

SECTION 2: CROWDFUNDING 8
Barnraiser 9
CircleUp 10
Credibles 11
Crowdfunder 12
FundRazr 13
Indiegogo 14
inKind 15
In Our Backyard (IOBY) 16
Kickstarter 17
Localstake 18
Patronicity 19
Seedinvest 20

SECTION 3: START-UP ACCELERATOR RESOURCES 21
AccelFoods 22
Food Hatch 23
food-x 24

SECTION 4: MISCELLANEOUS RESOURCES 25
Ben and Jerry’s Foundation, Grassroots Organizing for Social Change Program 25
Black Farmer Fund 26
Clif Bar Family Foundation 27
The Conservation Fund 28
Credibly 29
Crosshatch 30
Detroit Development Fund 31
Fair Food Fund 32
Farm Aid Grant Program 33
FedEx Small Business Grant 34
Greenstone Farm Credit Services 35
GROW 36
Honeycomb Credit 37
Kiva 38
Lake Trust Credit Union 39
Lending Club 40
Lendio 41
Metro Community Development (Flint Area) 42
Michigan Good Food Fund 43
Michigan Women Forward 44
Motor City Match 45
Northern Initiatives 46
Opportunity Resource Fund (OppFund) 47
Patagonia 48
Power of We 49
Proper 50
Prosper 51
ProsperUS Detroit Lending Program 52
Revalue Investing 53
RSF Social Finance 54
Whole Foods Market, Local Producer Loan Program 54
# TABLE OF CONTENTS (continued)

## SECTION 5: ADDITIONAL SOURCES OF FUNDING INFORMATION 55

State of Michigan, Department of Agriculture and Rural Development
- Food and Agriculture's Investment Fund ............................................ 56
- Rural Development Fund Grants ......................................................... 57
- Specialty Crop Block Grant Program ................................................... 58
- Value-Added Grant Program ............................................................... 59

National Resources Conservation Service
- Conservation Innovation Grants ......................................................... 60

Small Business Innovation Research .................................................... 61

USDA, Agricultural Marketing Service
- Farmers Market Promotion Program (FMPP) ................................. 62
- Local Food Promotion Program (LFPP) ............................................... 63
- Regional Food System Partnership Program ..................................... 64

USDA, Farm Service Agency
- Farm Storage Facility Loan Program ................................................ 65

USDA, Food and Nutrition Service
- Farm to School Grant Program ........................................................ 66

USDA, National Institute of Food and Agriculture
- Agriculture and Food Research Initiative (AFRI): Agricultural Economics and Rural Communities .................. 67
- Agriculture and Food Research Initiative (AFRI): Improved Sustainable Food Systems .......................... 68
- Beginning Farmer and Rancher Development ................................... 69
- Community Food Projects Competitive Grants Program (CFPCGP) .... 70
- Small Business Innovation Research (SBIR) ...................................... 71
- Sustainable Agriculture Research and Education (SARE) .................. 72

USDA, Rural Development
- Business and Industry Guaranteed Loan Program (B&I) .................... 73
- Community Facilities Grant and Loan Program .............................. 74
- Rural Business Development Grant (RBDG) .................................... 75
- Rural Cooperative Development Grant (RCDG) .............................. 76
- Rural Economic Development Loan and Grant (REDLG) .................. 77
- Rural Energy for America Program: Renewable Energy System and Energy Efficiency Improvement Guaranteed Loan and Grant Program ........................................... 78
- Socially Disadvantaged Groups Grant (SDGG) ............................... 79
- Value-Added Producer Grants (VAPG) .............................................. 80

## SECTION 6: TIPS FOR OBTAINING FUNDING 81
Authors

Anel Guel
Graduate Student
Department of Community Sustainability, Michigan State University
(1st edition)

Abby Harper
Educator
Michigan State University Extension
(1st edition)

Rachel Kelly
Specialist
Center for Regional Food Systems, Michigan State University
(3rd and 4th editions)

Emily Kim
Undergraduate Student
Department of Community Sustainability, Michigan State University
(1st edition)

Evan Kutz
Undergraduate Student
Department of Community Sustainability, Michigan State University
(4th edition)

Nick McCann
Specialist
Center for Regional Food Systems, Michigan State University
(3rd edition)

Rick Pirog
Director
Center for Regional Food Systems, Michigan State University
(all editions)

Jamie Rahrig
Specialist
Center for Regional Food Systems, Michigan State University
(4th, 5th, and 6th editions)

Taylor Wimberg
Former Graduate Student
Department of Community Sustainability, Michigan State University
(2nd edition)

Acknowledgements

The authors wish to thank Andrea Weiss of CRFS for communications guidance and copyediting and Lindsay Mensch of CRFS for web publishing and layout. Gratitude to Blohm Creative Partners for copyediting and design of previous editions of this piece.

Support for this work comes from the W.K. Kellogg Foundation and the Kresge Foundation.

Photo Credits

Cover: Jason Willis
Page 5: MSU Center for Regional Food Systems
Page 7: iStock
Page 8: Thinkstock
Page 19: Khalid Ibrahim
Page 21: MSU Center for Regional Food Systems
Page 35: MSU Center for Regional Food Systems
Page 55: Jason Willis
Page 62: Jason Willis
Page 67: MSU Center for Regional Food Systems
Page 73: MSU Center for Regional Food Systems
Page 81: iStock

Suggested Citation


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
SECTION 1: 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 national and local 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.

A COVID-19 pandemic statement from the author at time of publication

The COVID-19 pandemic is impacting 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.\(^1\) Consumer spending at restaurants was down 34% as of August 2020. It was estimated that 100,000 restaurants would permanently close in 2020.\(^2\)

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 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.

How the Directory Works

The directory is divided into four types of funding sources:

- Crowd funding
- Accelerator
- Miscellaneous (non-federal)
- Federal 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.

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 well-thought-out 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, below please find several resources for creating a business plan, business planning, and workshops:

- 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
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 for 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
SECTION 2: 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. Crowdfunding has the added benefit of reaching a large pool of investors who typically morally support a business’s 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 your business.

There are several models of crowdfunding: donation, debt, equity, and reward-based. Donation-based models depend on a shared belief in the cause by investors. 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. For further information and additional resources on crowdfunding, the Michigan Community Resources website has multiple guides on how entrepreneurs can use crowdfunding to start or grow their business.

Barnraiser
barnraiser.us

How It Works
Barnraiser is a social and funding community that allows its members to influence and scale the food movement by connecting to innovators of sustainable food and farming, celebrating their stories, and collectively backing projects that shape how we farm and eat, locally and globally.

Funding Focuses On
Farms; food hubs; artisan, local, farm to table, and healthy foods; food and farming education; food media.

Funding Limit
Set by project creator but must be higher than $2,000.

Qualifications
Anyone who has a passion for the food movement, a U.S. bank account and credit card, is over 18 and is a U.S. citizen.

Financing Geographic Area
Mostly United States (international under certain conditions)
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 million (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.org

How It Works

Businesses receive crowdfunding in exchange for store credits to their funders (one credit = $1).

Pre-pay the business now and receive Credibles—edible credits. → The business uses your prepayment to ramp up and grow its operations. → Use your Credibles as payment for future purchases.

Funding Focuses On
Small, sustainable food-related businesses.

Qualifications
Not specified

Funding Limit
Business campaign average: $2,500–$50,000. Upper funding limit: $422,500

Financing Geographic Area
United States
Crowdfunder

crowdfunder.com

How It Works

Crowdfunder is an equity crowdfunding platform that allows businesses to fundraise online from accredited investors and venture capitalists. Crowdfunder is designed for early-stage startups and more mature businesses rather than inception (beginning) stage companies.

Funding Focuses On

Small, sustainable food-related businesses.

Funding Limit

Business campaign average: $2,500–$50,000. Upper funding limit: $422,500

Qualifications

Must be an early start-up or mature business. Launching your campaign requires completion of documentation including term sheet, executive summary, and investor pitch deck. Getting started with Crowdfunder is free, but there is a one-time fee for advertising your project to the Crowdfunding investor network. Various fundraising packages are available, and services vary by package. For example, the self-starter package starts at $299/month and includes services such as analytics, investor browsing, and support.

Financing Geographic Area

United States and global
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, WePay, or Stripe account. Must also have a personal Facebook, Google+, or LinkedIn account or a valid email address. Recipient pays service fee ranging from 2–5% (depending on the version of service offered) plus a payment provider fee of 2.9% plus 30 cents per transaction.

Financing Geographic Area
Fundrazr can be used in any country.
**Indiegogo**

indiegogo.com

**How It Works**

Indiegogo is a crowdfunding portal for creative, entrepreneurial projects. 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**

Ability to film a short video (1-3 minutes) for your project’s campaign. Services fees apply. Some discounts on fees available for select non-profits.

**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–$2,000,000

**Qualifications**

Show a demand for business concept (Phase One) to take larger investments in exchange for equity.

**Financing Geographic Area**

United States and Australia
In Our Backyard (IOBY)

www.ioby.org

How It Works
Crowdfunding program that focuses on local projects.

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 apply.

Financing Geographic Area
United States with a focus on Cincinnati, Cleveland, Detroit, Memphis, New York, and Pittsburg.
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’ credit cards are charged at the end of the deadline; 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). Fees apply.

**Financing Geographic Area**

Worldwide
Localstake

localstake.com

**How It Works**

Helps small businesses analyze their financing options, connect with investors, and raise funds. Localstake is for small, growing businesses that are already, or are close to, generating revenue. It does work with start-ups in some situations; however, they must be able to start generating revenue within 3–6 months of receiving funding.

**Funding Focuses On**

Food and beverage producers, franchises, retailers, consumer product manufacturers, restaurants, breweries, and distilleries are common businesses that successfully raise funds using Localstake. In general, businesses that form connections with consumers and their broader communities are most successful at using Localstake for fundraising.

**Funding Limit**

Localstake is best for businesses looking to raise between $50,000–$5,000,000 in funding.

**Qualifications**

Must be 18 or older with a US and government-issued ID and a major credit/debit card. The business must be formed and have an Employee Identification Number (EIN), been formed in a state the Localstake is currently registered in, and have a bank account and U.S. address.

**Financing Geographic Area**

United States
Patronicity
patronicity.com/puremichigan

How It Works

Patronicity is 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

Must live in Michigan, Massachusetts or Indiana and be 18 or older. Services fees apply.

Financing Geographic Area

Michigan, Massachusetts, Illinois, or Indiana

Only Michigan residents can apply for Public Spaces Community Places grant.
Seedinvest
www.seedinvest.com

How It Works
Seedinvest is a crowdfunding platform that supports equitable, capital, and angel investing.

Funding Focuses On
Building capital for high growth businesses including real estate acquisition.

Funding Limit
Up to $20,000,000

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

Financing Geographic Area
United States
Start-up, or seed, 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. 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. Accelerators thus often give businesses access to larger potential funders.¹

AccelFoods
accelfoods.com

How It Works
AccelFoods is an accelerator for packaged food and beverage start-ups. They provide functional and financial support to help you accelerate your growth.

Candidates
Four companies are chosen for one class

Resources
If accepted, initial investment up to $50,000

Education
For 6 months, AccelFoods team will teach and guide you

Demo Day
Upon completion, each company will have the chance to display their business to industry leaders

Funding Focuses On
Packaged food & beverage entrepreneurs

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
**Food Hatch**

foodhatch.co

**How It Works**

Food Hatch is a food-focused accelerator, which 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
food-x

food-x.com

How It Works

Food-x is an accelerator program that helps new businesses get off the ground and scale up quickly.

Funding Focuses On

All food-related businesses, focused on businesses providing and/or selling health food products or practicing sustainable farming and production methods.

Funding Limit

The standard deal is $125,000 with a 10% equity.

Qualifications

Prefer companies with at least two founders with a spread of capabilities and experience. Company must be incorporated in the United States. Entrepreneurs must be able to relocate to New York City to participate.

Financing Geographic Area

United States
**SECTION 4: 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](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**

One-year grants max out at $25,000 for organizations that have a budget under $500,000.

**Qualifications**

Organizations must have 501(c)3 status or have a fiscal agent with this status.

**Financing Geographic Area**

United States
Black Farmer Fund
blackfarmerfund.org

How It Works

The Black Farmer Fund plans to offer financing and grant opportunities to Black farmers, 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

$50,000

Qualifications

Black-owned food and farm businesses in New York state.

Financing Geographic Area

New York
Clif Bar Family Foundation
clifbarfamilyfoundation.org

How It Works
Small grants for general organizational support or specific projects. Grant application open three times each year.

Funding Focuses On
Five priorities: 1) Increasing opportunities for outdoor activity; 2) Reducing environmental health hazards; 3) Building stronger communities; 4) Creating a robust, healthy food system; 5) Protecting Earth’s beauty and bounty

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

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

$15,000

Qualifications

• Both the applicant and the business must be located in the United States
• Access to Internet
• Registered in a commercial or credit union account to process payments
• There is an origination fee of $200 for loans up to $20,000, then 1% of the loan amount above that

Financing Geographic Area

United States with a focus on Natural Capital Investment Fund's core geography (WV, NC, VA, 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](http://credibly.com)

<table>
<thead>
<tr>
<th><strong>How It Works</strong></th>
<th><strong>Qualifications</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Small and large loans available. Quick approval time (24 hours) is available.</td>
<td>Decisions for financing based on business credit score, no collateral is required.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Funding Focuses On</strong></th>
<th><strong>Financing Geographic Area</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Small and medium businesses, not limited to food.</td>
<td>United States</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Funding Limit</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>$400,000</td>
</tr>
</tbody>
</table>
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
$500–$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 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

$5,000–$250,000

Qualifications

Businesses must be located in the city of Detroit, have annual sales of >$100,000, less than 50 employees, and have been operating for at least 12 months.

Financing Geographic Area

City of Detroit
Fair Food Fund
fairfoodnetwork.org/projects/fair-food-fund

How It Works
The Fair Food Fund provides wrap-around business assistance along with flexible financing.

Funding Focuses On
The fund has a focus on businesses that increase access to healthy foods and businesses that are owned by people of color and women.

Funding Limit
$300,000

Qualifications
Food and farm businesses increasing access to healthy food and creating economic opportunities as well as opportunities for women- and people of color-led jobs and ownership.

Financing Geographic Area
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

Typically, grants range between $3,000–$30,000.

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
Grant available annually to at least 10 businesses.

Funding Focuses On
Small for-profit businesses

Funding Limit
$50,000

Qualifications
Must be in business for at least six months and have less than 99 employees. Must be able to submit a video and logo with the application.

Financing Geographic Area
United States
**Greenstone Farm Credit Services**

[www.greenstonefcs.com](http://www.greenstonefcs.com)

---

### How It Works

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

<table>
<thead>
<tr>
<th><strong>Loan Programs</strong></th>
<th><strong>Financial Services</strong></th>
<th><strong>Grow Forward Grant</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>Crop insurance</td>
<td>Up to $40,000</td>
</tr>
<tr>
<td>Real estate</td>
<td>Life insurance</td>
<td>Available for accounting,</td>
</tr>
<tr>
<td>Equipment</td>
<td>Disability insurance</td>
<td>tax services, technology,</td>
</tr>
<tr>
<td>AgDirect (agricultural</td>
<td>Tax services</td>
<td>consultants, education</td>
</tr>
<tr>
<td>equipment)</td>
<td>Accounting services &amp; software</td>
<td></td>
</tr>
<tr>
<td>AgriBusiness</td>
<td>Commercial credit card</td>
<td></td>
</tr>
<tr>
<td>Leasing</td>
<td>Farm cash management</td>
<td></td>
</tr>
<tr>
<td>Young, beginning, and small farmer</td>
<td>Customer IT services</td>
<td></td>
</tr>
</tbody>
</table>

### Funding Focuses On

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

### 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 non-profit organization 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

Microloans 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

$250,000

## 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

#### 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

$250,000

#### 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

Northeastern United States or Mid-Atlantic
**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 $10,000

**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 and have a better experience than with traditional banking.

- **Borrowers** apply for loans.
- **Investors** open an account.

- **Borrowers** get funded.
- **Investors** build a portfolio.

- **Borrowers** repay automatically.
- **Investors** earn interest and reinvest.

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
- No recent bankruptcies or tax liens
- 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](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

<table>
<thead>
<tr>
<th>Funding Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Varies by loan plan. Up to $5 million for some loan programs.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Qualifications</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not specified</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financing Geographic Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
</tr>
</tbody>
</table>
Metro Community Development (Flint Area)

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 $250,000

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
How It Works

The Michigan Good Food Fund (MGFF) is a $30 million public-private partnership loan fund that provides financing and business assistance to good food enterprises that benefit underserved communities across Michigan. MGFF supports projects that advance healthy food access, job creation, racial and social equity, local sourcing, and environmental sustainability. Core partners include Capital Impact Partners,* Fair Food Network, MSU Center for Regional Food Systems, and the W.K. Kellogg Foundation with intermediary lending support from Northern Initiatives, Detroit Development Fund, Grand Rapids Women’s Organization, Lake Trust Credit Union, and Michigan Women Forward.

Funding Focuses On

MGFF supports the range of Michigan-based businesses that grow, process, distribute, and sell healthy food that reaches those who need it most. The fund is for single or multi-site grocery operators, cooperative grocers, corner stores, mobile markets, processing facilities, food incubators, food hubs or aggregators, producers, growers, processors, food distributors, and farmers markets. 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 also provides a range of business assistance including one-on-one consulting and workshops aimed at growing the business success of good food enterprises. MGFF also connects entrepreneurs with external consulting resources through its statewide referral network.

Funding Limit

MGFF offers capital structured to meet the needs of the enterprises it serves. Funding is available to qualified businesses from $2,500 - $6,000,000.

Qualifications

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

Financing Geographic Area

Michigan

* In addition to the Michigan Good Food Fund, Capital Impact Partners delivers strategic financing, social innovation programs, and capacity building nationwide. For more information, visit capitalimpact.org
Michigan Women Forward
https://miwf.org/grow-your-business/apply-for-a-loan/

How It Works

The Michigan Women’s Microloan 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.

Funding Limit

Microloans range from $2,500–$50,000

Qualifications

• Some investment of your own funds in the business
• Evidence that you can repay the loan
• Owner must be a Michigan resident
• Locating business in an underserved community

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 their business who 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 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
- Capital to expand and launch businesses
- Market expansion guidance
- Counseling for financial and operational aspects of businesses
- Online marketing services
- eCommerce solutions
- Training
- Process support for manufacturers

### LOAN PROGRAMS
- Microloans: $50,000 or less
- Small Business Administration Loans (SBA): Less than $250,000
- Other small business loans: $50,000–$500,000
- USDA Business and Industry Loans
- CDC/504 Loan: Equipment and real estate

### 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.

### Qualifications
Varies by programs and regions

### Financing Geographic Area
Northern Michigan and Northeast Wisconsin

### Funding Limit
Loans range from $1,000–$1 million with varying terms
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.

Find [more information on each focus](patagonia.ca/environmental-grants.html).

**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

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
## Prosper

prosper.com

### How It Works

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

| Borrowers choose a loan amount, purpose, and post a loan listing | Investors review loan listings and invest in listings that meet their criteria | Once the process is complete, borrowers make fixed monthly payments and investors receive a portion of those payments directly to their Prosper account |

### 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–$40,000

### Qualifications

Not specified

### 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 business who require funds for working capital, equipment, marketing, construction, furniture, etc.

Funding Limit

$15,000–$25,000

Qualifications

Must be a graduate of the training program and have the business located in specific region of Detroit. See the website for a map of the regions.

Financing Geographic Area

Detroit, Michigan
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
Maximum investment per individual is $50,000 and several deals could be made for one business to fund higher amounts.

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.

**Grants**
The Seed Fund provides small grants to seed new initiatives that further the field of social finance or address issues in the areas of food and agriculture, education and the arts, or ecological stewardship.

**Funding Focuses On**
Food and agriculture, education and the arts, ecological stewardship

**Funding Limit**
Loans range from $50,000–$5,000,000
Seed grants are between $500–$3,500

Qualifications

- Alignment with RSF mission and focus area
- 501(c)(3) status for grants
- 12 months or more of operating history (varies per loan fund).”
- Strong collateral
- Profitable, or can demonstrate a path to profitability in 18 months
- Excellent history of repayment on debt

Financing Geographic Area

United States and Canada
**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
SECTION 5: 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

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:

- Grantsdirect: Directories profiling foundations that work in various issue areas
- Guidestar: A national database of nonprofit organizations
- Chronicle of Philanthropy: Highlights nonprofit news and list of grants nationwide
- Foundation Center: Its mission is to strengthen the nonprofit sector by advancing knowledge about U.S. philanthropy
- Sustainable Agriculture & Food Systems Funders: Offers couple of hours a month for grant search assistance to NGOs that complete a form on their website.

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’S INVESTMENT FUND

michigan.gov/mdard/0,4610,7-125-1570_51684_78394-398841--.00.html

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/0,4610,7-125-1570_51684_78392---,00.html

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 - search your county using this tool.

- 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, Alger, Delta, Menominee, Dickinson, Iron and Baraga counties

Financing Geographic Area

Michigan (see above for counties given preference)
**Department of Agriculture and Rural Development**  
**State of Michigan**  
**SPECIALTY CROP BLOCK GRANT PROGRAM**

[link](michigan.gov/mdard/0,4610,7-125-1570_51684_78390---,00.html)

---

**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 maximum funding

---

**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 GRANT PROGRAM (active since 2016)
michigan.gov/mdard/0,4610,7-125-1570_51684_78393---,00.html

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. Applicants first submit a project abstract and then, if the abstract is approved, submit a full proposal based on MDARD guidelines. 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
$125,000 maximum funding

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/

<table>
<thead>
<tr>
<th><strong>How It Works</strong></th>
<th><strong>Qualifications</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td>For-profit, non-profit, government agencies, tribal groups are eligible to apply. Requires equal match to funding (1:1). Special considerations are given to applicants of color, veterans, and tribal entities.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Funding Focuses On</strong></th>
<th><strong>Financing Geographic Area</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Innovation techniques to conserve farmland and resources.</td>
<td>United States</td>
</tr>
</tbody>
</table>

**Funding Limit**

$1,000,000–$2,000,000
Small Business Innovation Research

How It Works

Small Business Innovation Research invests 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

Varies each year pending inflation.

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**

$50,000–$500,000

**Qualifications**

Agricultural businesses, agricultural cooperatives, community support agriculture networks and associations, economic development corporations, nonprofit corporations, public benefit corporations, etc. Twenty-five percent match is required.

**Financing Geographic Area**

United States
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

LFPP planning grants are used to implement the planning or expansion of a local and regional food business enterprise. A minimum of $25,000 and a maximum of $100,000 will be granted. Implementation grants range from $100,000-$500,000.

Qualifications

Agricultural businesses, agricultural cooperatives, community support agriculture networks and associations, economic development corporations, nonprofit corporations, public benefit corporations, etc. Twenty-five percent match is required.

Financing Geographic Area

United States
How It Works

The program is divided into two types:
- Planning and Design,
- 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.
Implementation and Expansion: $250,000-$1,000,000

Qualifications

Eligible applicants include farmers, producers, food councils, governments, non-profits, Tribal governments, and others. A 25% cash match of total federal funds is required.

Financing Geographic Area

United States
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:

fda.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’s cafeteria; 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/funding-opportunity/afri-foundational-agriculture-economics-and-rural-communities

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

Varies by year. For more information, refer to the website above.

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

Standard grants may be up to $200,000 per year for up to 3 years.

## 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

These three types of projects could all be a food hub or could be a food-related business.

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.

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
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–$200,000.

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

Financing Geographic Area
United States
Michigan-specific (contact Dean Baas, Michigan State University Extension SARE coordinator, baasdean@anr.msu.edu)
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 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
**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, purchase equipment, and it targets 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
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
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
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
- Community development assistance to nonprofits and public bodies (particularly job creation or enhancement, which could include food hubs and food hub-related businesses)
- Facilities and equipment for education and training for rural residents to facilitate economic development
- Business expansion
- Start-up costs for business
- 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
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 minimum loan amount is $5,000, maximum is up to $25,000,000.

Renewable energy systems grants: $2,500 minimum, $500,000 maximum.

Energy efficiency grants: $1,500 minimum, $250,000 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
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
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
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
- [Accessing and Understanding Secondary Data on Food Access Webinar](#), MSU Center for Regional Food Systems
- [Evaluating the Economic Impacts of Local and Regional Food Systems: Best Practices Webinar](#), MSU Center for Regional Food Systems

**Resources to review prior to submission**

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

**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](#)
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.

Center for Regional Food Systems
Michigan State University
480 Wilson Road
Natural Resources Building
East Lansing, MI 48824

For general inquiries:
LEARN: foodsystems.msu.edu
EMAIL: CRFS@msu.edu
CALL: 517-353-3535
FOLLOW: @MSUCRFS

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