Massachusetts Department of Agricultural Resources **APR IMPROVEMENT PROGRAM**

Frequently Asked Questions

Please note: these FAQs are not intended to be a substitute for a careful reading of the current year's APR Improvement Program Request for Responses (RFR).

Q. What is the APR Improvement Program?

A. The APR Improvement Program (AIP) provides business planning, technical assistance and grants to active commercial farms operating on land that has already been protected with Department funds through the Massachusetts Department of Agricultural Resources' Agricultural Preservation Restriction (APR) Program. The purpose of AIP is to help improve the productivity and profitability of participating farms to enhance the significance of APR farm operations and their contribution to the state's agricultural industry.

Q. Who is eligible to apply to the Program?

A. Eligible respondents must be active operators of farmland that has been protected through funding from the Massachusetts Department of Agricultural Resources' Agricultural Preservation Restriction (APR) Program for at least the past 3 years. Eligible farms must be private for-profit operations with Gross farm income of at least \$40,000, as shown on Schedule F or Form 1120, or other relevant tax statements from the most recent tax year. Eligibility requirements may vary from year to year and can be found during open application periods in the Request for Responses for the APR Improvement Program at <u>https://www.mass.gov/info-details/aprimprovement-program-aip</u>.

Q. Am I eligible to apply to the Program if I don't own the APR property that I am farming?

A. If you are a farm manager or operator on an APR farm that you do not own, you may co-apply with the landowner. Signatures of both the owner(s) and the operator must be on the application. If you proceed to Phase II for a grant it would be paid to the owner of the APR property to be spent on an agreed upon farm improvement.

Q. Must I farm on a minimum number of acres to apply?

A. Farmers on any size APR farm are eligible to apply if they meet the other eligibility criteria.

Q. My farm is a non-profit organization. Am I eligible to apply?

A. No. Non-profit farms and organizations are not eligible to apply to AIP.

Q. I run a commercial farm on APR land rented from a non-profit organization. Am I eligible to apply?

A. No. Funds are intended for privately owned APRs that do not have access to the same sources of funding as non-profit organizations.

Q. I'm looking for money to start a new farm business. Am I eligible to apply?

A. Eligible respondents must have been actively farming on an APR property for at least the past 3 years. Start-up farm businesses are not eligible to apply.

Q. Am I eligible to apply if I have already participated and received grant funding from the Farm Viability Enhancement Program (FVEP)?

A. If you have already participated in the FVEP once and your covenant has expired, you may apply to AIP. However, your application will receive a lower ranking in the selection process than APR farms that have not received FVEP assistance and grant funding from the Department.

Q. Am I eligible to apply if I have already participated and received grant funding from the Matching Enterprise Grants for Agriculture Program (MEGA)?

A. You may be eligible to apply to AIP once at least three (3) years has passed since the start date of your most recent MEGA Phase II contract.

Q. Am I eligible to apply if I have already participated and received grant funding from AIP?

A. No. Prior recipients of AIP grants are not eligible to apply again.

Q. How do I apply to the Program?

A. A request for responses is usually announced in late Winter/early Spring of each year, dependent upon available funding. At that time copies of the Request for Responses with application can be found on the program website at https://www.mass.gov/info-details/apr-improvement-program-aip or obtained by contacting the APR Improvement Program at (413) 726-2001 or Melissa.L.Adams@mass.gov.

Q. How are applications reviewed and selected?

A. The AIP review committee reviews each eligible application based on a predetermined set of selection criteria that are listed in the current Request for Responses. Those applications that best meet these criteria will receive the highest ratings for selection.

Q. How does the Program work?

A. If selected for Phase I of the program, farmers must agree to participate in a business planning process intended to help them increase the economic viability of their farm. Participants receive assistance to develop a business plan including financial projections. Additional technical assistance may also be available. This process usually takes about 5 months. Upon approval of a completed plan by the program coordinator, the farm may be eligible to move to Phase II of the Program to receive a grant for eligible capital projects identified in the plan intended to increase farm viability.

Q. What is the timeline for the Program?

A. Eligible applications received by the deadline are reviewed and farmers are usually notified by September as to whether or not they have been accepted into Phase I of the Program. Phase I business planning and technical assistance for participating farms typically begins in October and must be completed by March of the following calendar year. Participating farms may be eligible to advance to Phase II to sign a contract with the Department to receive grant funds for an agreed upon capital improvement project identified in the business plan. Grant funds are reimbursed upon project completion, after participants submit an invoice with receipts detailing their expenditures within the contract period ending June 30 of the following year, including the farm's matching contribution. (Timeline is approximate. Refer to the current Request for Response for expected dates for current round of the Program).

Q. If I am selected to participate in AIP, will I be expected to share financial information with MDAR?

A. Yes. All AIP participants are expected to share business operational and financial information with program staff and technical assistance provider(s) during Phase I of the program in order to develop or update a farm business plan. All such financial data shall be considered confidential to the extent permitted by M.G.L. c. 4, Section 7(26).

Q. What if I already have a business plan for my farm?

A. The business planning process may be abbreviated if the farm already has a full written business plan that has been completed recently. However, participating farmers must still go through Phase I of the Program in which technical assistance is provided and a business plan update developed. This updated plan will help the farmer identify the best use of any available grant funds to improve the viability of the farm.

Respondents selected to the Program who have completed a business plan through MDAR's Growing Your Farm Business planning course within the last two years may be able to waive the Phase I AIP business planning process upon approval of the submitted plan by the AIP Coordinator.

Q. How much money is available to farmers that are selected to participate in the Program?

A. Technical and business planning assistance are provided at no cost to the farmer. Farmers who participate in completing a business plan and then move to Phase II may be eligible for a grant award amount determined by the Department depending on factors including the number of acres under APR, gross revenues of the farm, and needs identified in the business plan. Farms receiving grants are required to contribute matching funds to the project.

The provision of grants is dependent upon available funding and award levels are determined by the Department upon completion of a business plan at the end of Phase I. Please see the current Request for Responses for grant levels and match percentage.

Q. What can AIP grant funds be used for?

A. Funds must be used for approved contracted labor and/or materials towards capital improvements that will help maintain or enhance the APR farm property. Eligible uses of funds include resource improvements, such as irrigation, fencing or establishing perennial crops, or new or improved agricultural infrastructure on the farm property, such as hay or equipment storage barns, livestock housing, or retail farmstands.

Q. I have a question that's not answered here. Who can help me?

A. Please contact Melissa Adams at the APR Improvement Program at (413) 726-2001 or <u>Melissa.L.Adams@mass.gov</u>.