Massachusetts Department of Agricultural Resources
Matching Enterprise Grants for Agriculture (MEGA) Program

Frequently Asked Questions

Please note: these FAQs are not intended to be a substitute for a careful reading of the MEGA Request for Response (RFR).

How do I know if I am considered a new farmer for the purposes of this program?

- You must have been in business for at least 1 year but no more than 10 years to apply.
- You should have filed taxes for your farm business for at least the prior year to that show that you are producing and selling farm products. A copy of the prior year tax form showing Gross Farm Income (Schedule F or other appropriate tax form, depending on business structure) must be submitted along with the application by the application deadline.
- An existing farm business would not be considered an eligible beginning farm due to changes in legal business entity, business name, or farming location.

I need money to start my farm business. Am I eligible to apply?

No. To apply you must have access to land, have already started and have been operating your farm business for at least one year.

I have been farming for more than 10 years and want to start a new business enterprise on my farm. Can I apply for a MEGA grant for the new business?

No. The MEGA Program is for farmers who have been operating their own commercial farm business for at least 1 but no more than 10 years. It is not for new enterprises on existing farms (that have been in business more than 10 years).

Our farm is operated as a non-profit organization. Are we able to apply?

No. Non-profit farms and non-profit organizations are not eligible to apply to MEGA.

We own 20 acres and have been in business for 4 years. Should we apply to MEGA or Farm Viability?

Farmers who own more than 5 acres of agricultural land and have operated for three years or more may consider applying to the Farm Viability Enhancement Program (FVEP) if they meet program eligibility criteria. If your farm income/sales have been modest, or your land base limited, MEGA may be a better choice than Farm Viability. Should you choose to apply to MEGA and are awarded a grant, you may apply to participate in FVEP for additional assistance once 3 years has passed from the start date of your MEGA contract.

My family received a Farm Viability grant a few years ago and I now want to start a new business on their farm. Can I apply for a MEGA grant?

If your family's farm has participated in the Farm Viability Program previously, you are not eligible to apply for a MEGA grant for improvements to take place on the same farm property.

Must I have a certain number of acres to apply?
There is no minimum acreage required to apply to MEGA. However, it is the objective of the Program to assist farmers in developing commercially viable operations. If you are farming on very small acreage, you may wish to explain why size will not be a deterrent to viability.

I rent my farmland. Am I eligible to apply?
You do not need to own your farmland to apply. However, you do need to have secure access to the land. That means you must have a written lease agreement that provides a legal right to use the property. You will need to provide a copy of your signed lease along with your application by the application deadline, and the landowner must sign the MEGA application (along with the applicant). If selected to participate in the program, the term of the lease agreement must be for at least three (3) years from the contract start date in order to proceed to a grant contract. Depending on the length of the participant's current lease, this may require a new lease to be signed before a Phase II contract can be executed.

I live in Massachusetts but my farmland is across the border in another state. Am I eligible to apply?
No. To apply, your farm must be located in Massachusetts.

I completed an application last year but never sent it in. Can I submit that application now?
No, you will need to complete a new current application form. The applications are revised each year, and the Request for Response may contain changes to program requirements from the prior year.

What can a MEGA grant be used for?

- Both MEGA grant funds and your matching funds may be used for fixed capital improvements (e.g., barns, sheds, greenhouses, farm stands, permanent fencing, irrigation systems) and/or farm equipment (e.g., tractors, field equipment, movable fencing, farm vehicles) that addresses a need identified in their MEGA farm business plan and has the potential to enhance the farm's viability. Funds must be spent on contracted labor and/or the purchase of materials associated with the capital project(s).
- Grant and matching funds may <u>not</u> be used for operating expenses, payment of debt, purchase of livestock, farm owner or employee labor, or to purchase land. Costs incurred prior to the grant contract cannot be reimbursed and shall not qualify as Program expenditures.

When will grant funds be available?

- Selected participants must participate in a business planning and technical assistance process with program staff and consultants and receive approval for their completed business plan with an agreed upon use of funds before being eligible fora contract to receive a grant. This process usually takes about 5 to 6 months.
- MEGA is a cost reimbursement program. Participants must have funds available upfront to complete the agreed upon project before receiving grant reimbursement from the Department. Copies of bank statements, loan agreements, or other documents shall be required to demonstrate that funds are available to complete the project before a contract can be executed.

- Agreed upon expenditures (grant and matching funds) will need to wait until a contract is signed and then be completed by the end of the current State fiscal year.

How does the business planning and technical assistance portion of the MEGA Program work?
If selected, farmers that agree to participate in a business planning process will receive technical and business planning assistance at no cost to the farmer. Participants receive one-on-one assistance from experienced farm business planners to develop a business plan or business plan update including financial projections. Additional technical assistance may also be available. Upon receipt and approval of a completed plan by the Department, 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 have a positive impact on the farm's viability.

What if I already have a business plan for my farm?
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 recently completed a business plan through MDAR's Growing Your Farm Business planning course may be able to update the plan for use as their MEGA plan upon approval by the MEGA Coordinator of the submitted plan and then work with the MEGA Coordinator to identify capital needs and best use of grant funds.

What can I use as matching funds?
Matching funds may come from personal and/or business resources such as savings, other (non-MDAR) grants or loans. Matching funds may not be in the form of "sweat equity" (i.e., farm labor), assets you already have, or prior expenditures.

Do I have to have matching funds available when I apply to the Program?
You will need to show that you have access to sufficient funds to complete your project (matching funds and funds for which you will be reimbursed) before a contract for the grant is written. Since that will not occur until after the business assistance portion of the Program, you do not need to have the matching funds when you apply. However, you are asked in the application form where you expect matching funds to come from (e.g., reinvestment of this year's farm income, other personal cash savings, a loan, etc.) and documentation evidencing source of funds must be provided prior to a grant contract.

I have a question that has not been answered here. Who can help me?
Please contact Jess, MEGA program coordinator at 617-823-0871 or Jessica.Camp2@mass.gov