

2011-2012 Financial Resources for Ag & Forestry Businesses in Virginia

<i>Title & Source</i>	<i>Description</i>	<i>Contact</i>
<i>Resources for Individual, For-Profit Businesses</i>		
Business & Industry Guaranteed Loan Program (B&I), USDA Rural Development	<ul style="list-style-type: none"> • Program guarantees loans by commercial lenders to rural businesses. • Maximum \$25 million aggregate loan amount to any one borrower. • Must be located in an eligible rural area which is defined as being outside of cities with a population of 50,000 or more and the surrounding built-up areas. • Requires equity investment on the part of owners. 20% tangible balance sheet equity for new businesses and 10% for existing businesses. 	Kent Ware, Director 804-287-1557 804-287-1606 kent.ware@va.usda.gov
Rural Energy for America Program (REAP), USDA Rural Development	<ul style="list-style-type: none"> • Assists agriculture producers and rural small businesses in decreasing energy costs • Grants, loan guarantees, and combination loan guarantee/grant to finance purchase and installation of renewable energy systems and energy efficiency improvements. • Small businesses must be located in eligible rural areas, defined as being outside of cities with a population of 50,000 or more and the surrounding built-up areas. • Agricultural producers are not required to be in rural areas 	Laurette Tucker 434-392-4906 ext. 125 laurette.tucker@va.usda.gov
Value-Added Producer Grants (VAPG), USDA Rural Development	<ul style="list-style-type: none"> • Competitive matching grant funds to help independent agricultural producers enter into value-added activities; set aside for beginning and socially disadvantaged farmers; • Applicants are not required to be located in rural areas • Maximum Grants: \$100,000 Planning and \$300,000 Working Capital 	Laurette Tucker 434-392-4906 ext. 125 laurette.tucker@va.usda.gov
Biorefinery Assistance Program USDA, Rural Development	<ul style="list-style-type: none"> • Provides loan guarantees for the development, construction and retrofitting of commercial-scale bio-refineries, and grants to help pay for the development and construction costs of demonstration-scale bio-refineries. 	Laurette Tucker 434-392-4906 ext. 125 laurette.tucker@va.usda.gov
1890s Cooperative Agreement, USDA, Rural Development	<ul style="list-style-type: none"> • 1890s Cooperative Agreement with Virginia State University for Business Development in Rural Communities. 	Laurette Tucker 434-392-4906 ext. 125 laurette.tucker@va.usda.gov

Farm Ownership Loans (FO), USDA FSA	<ul style="list-style-type: none"> • Loans for the purchase of farmland, to construct / repair buildings and other improvements, and promote soil / water conservation. • Maximum loan amount is \$300,000 • www.fsa.usda.gov/dafl/directloans.htm 	Pete Adamson, Farm Loan Chief, 804-287-1580 pete.adamson@va.usda.gov
Farm Operating Loans (OL), USDA FSA	<ul style="list-style-type: none"> • Loans may be used to purchase livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance, and other operating expenses. • Operating Loans can also be used to pay for minor improvements to buildings, costs associated with land / water development, family subsistence, and to refinance debts • Maximum loan amount is \$300,000 • www.fsa.usda.gov/dafl/directloans.htm 	Pete Adamson, Farm Loan Chief 804-287-1580 pete.adamson@va.usda.gov
Down payment Farm Ownership Loans for Beginning Farmers	<ul style="list-style-type: none"> • Loan program to help beginning farmers and ranchers purchase a farm or ranch. This program also provides a way for retiring farmers to transfer their land to a future generation of farmers and ranchers. • www.fsa.usda.gov/dafl/directloans.htm 	Pete Adamson, Farm Loan Chief 804-287-1580 pete.adamson@va.usda.gov
Loans to Socially Disadvantaged Farmers/Ranchers, USDA FSA	<ul style="list-style-type: none"> • Direct loan funds to help socially disadvantaged applicants buy and operate family-size farms and ranches. • A socially disadvantaged (SDA) applicant is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities, including women, African Americans, American Indians, Alaskan Natives, Hispanics, Asians, and Pacific Islanders. • www.fsa.usda.gov/dafl/directloans.htm 	Pete Adamson, Farm Loan Chief 804-287-1580 pete.adamson@va.usda.gov
Youth Loans, USDA FSA	<ul style="list-style-type: none"> • Loans to individual rural youths to establish and operate income-producing projects of modest size in connection with their participation in 4-H clubs, FFA, and similar organizations • www.fsa.usda.gov/dafl/directloans.htm • 	Pete Adamson, Farm Loan Chief 804-287-1580 pete.adamson@va.usda.gov
Beginning Farmer/Rancher Loans, USDA FSA	<ul style="list-style-type: none"> • Direct loan funds to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources. • www.fsa.usda.gov/dafl/directloans.htm 	Pete Adamson, Farm Loan Chief 804-287-1580 pete.adamson@va.usda.gov

Emergency Loans, USDA FSA	<ul style="list-style-type: none"> Loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine www.fsa.usda.gov/dafl/directloans.htm 	Nelson Link, Farm Program Chief, 804-287-1540 Nelson.Link@va.usda.gov
Farm Storage Facility Loan Program	<ul style="list-style-type: none"> Loans to producers to build or upgrade farm storage and handling facilities for soybeans, peanuts, hay, renewable biomass, pulses and oilseeds. Corn, grain sorghum, oats, wheat, barley, fruits and vegetables are also eligible, subject to program requirements. www.fsa.usda.gov 	Nelson Link, Farm Program Chief 804-287-1540 Nelson.Link@va.usda.gov
Nonrecourse Marketing Assistance Loans	<ul style="list-style-type: none"> Provide interim financing to meet cash flow needs without having to sell commodities when market prices are typically at harvest-time lows. Allows the producer to market crops when they choose. Producer has the option of delivering the pledged collateral instead of payment of the loan. www.fsa.usda.gov 	Pete Adamson, Farm Program Chief 804-287-1540 Nelson.Link@va.usda.gov
Small Business Innovation Research (SBIR), USDA CSREES	<ul style="list-style-type: none"> Competitively awarded grants to qualified small businesses to support advanced concepts research related to important scientific problems and opportunities in agriculture that could lead to significant public benefit. 	http://www.nifa.usda.gov/fo/sbir.cfm
Community Food Projects Competitiveness Grants (CFPCG), USDA CSREES	<ul style="list-style-type: none"> These grants are intended to help eligible private nonprofit entities that need a one-time infusion of federal assistance to establish and carry out multipurpose community food projects. Projects are funded from \$10,000-\$300,000 and from 1 to 3 years. one-time grants that require a dollar-for-dollar match in resources. 	http://www.nifa.usda.gov/fo/communityfoodprojects.cfm
Microloan 7(m) Loan Program, SBA	<ul style="list-style-type: none"> Short-term loans to small businesses for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. Proceeds cannot be used to pay existing debts or to purchase real estate. Maximum loan is \$50,000 	www.sba.gov/financing
7(a) Loan Program, SBA	<ul style="list-style-type: none"> Provides new and growing businesses with loans of up to \$5 million with an SBA guaranty of 75% to 85%. Loans may be used to purchase equipment, inventory, fixtures, leasehold improvements, working capital, debt refinancing for compelling reasons, change of ownership 	www.sba.gov/financing

SBA Express Loan Program, SBA	<ul style="list-style-type: none"> • Provides term loans and revolving lines of credit up to \$350,000 with a 50% guaranty • Lenders use their own application forms and procedures and follow their own collateral policy • Quick SBA turnaround of 36 hours or less • Approved lenders have delegated credit authority. SBA confirms eligibility. 	www.sba.gov/financing
Lender Advantage Program, SBA	<ul style="list-style-type: none"> • Provides new and growing businesses with loans of up to \$350,000 with an SBA guaranty of 75% to 85%. • Loans may be used to purchase equipment, inventory, fixtures, leasehold improvements, working capital, debt refinancing for compelling reasons, change of ownership • Simplified Program open to lenders with an average of less than 20 SBA loans a year for the past three years 	www.sba.gov/financing
SBA Patriot Express Loan Program, SBA	<ul style="list-style-type: none"> • Provides term loans and lines of credit up to \$500,000 with a 75% to 85% guaranty for members of the military community. Business must be 51% by qualifying individual. • Lenders use their own application forms and procedures. • Quick SBA turnaround of 36 hours or less • Approved lenders have delegated credit authority. SBA confirms eligibility. 	www.sba.gov/financing
Certified Development Company (504) Loan Program, SBA	<ul style="list-style-type: none"> • Provides growing businesses with long-term, fixed-rate financing up to \$5 million for major fixed assets, such as land and buildings. • Typically, a 504 project includes a loan secured with a senior lien from a private-sector lender covering up to 50 percent of the project cost, a loan secured with a junior lien from the Certified Development Company (CDC) (backed by a 100 percent SBA-guaranteed debenture) covering up to 40 percent of the cost, and a contribution of at least 10 percent equity from the small business being helped. 	www.sba.gov/financing
Small Business Investment Companies Program (SBIC), SBA	<ul style="list-style-type: none"> • Small businesses which qualify for assistance from the SBIC program are able to receive equity capital, long-term loans, and expert management assistance. • SBA requires a minimum private capital investment of \$5 million for a debenture SBIC; \$10 million if they intend to utilize participating securities. A minimum of 30 percent of this capital must come from sources unaffiliated with the fund management. 	www.sba.gov/INV

Virginia Small Business Financing Authority Loan Guarantee Program, DBA	<ul style="list-style-type: none"> • Program guarantees up to 85% of a bank loan or line of credit to an eligible business. • Maximum guaranty is \$750,000. • Bank uses its own documentation and sets the interest rate. 	www.vdba.virginia.gov
Virginia Small Business Financing Authority Economic Development Loan Fund (EDLF), DBA	<ul style="list-style-type: none"> • Program is designed to fill the financing gap between private debt financing and private equity. • Funds are available to economic development authorities and qualifying new and expanding businesses that are creating new jobs or saving “at risk” jobs in qualified underserved and distressed areas of Virginia. • Loans available for fixed asset (land, building, equipment, etc.) financing needs. • VSBFA’s portion of the loan will be up to 40% of the total project amount or \$1,000,000, whichever is less. 	www.vdba.virginia.gov
Shade Fund (A program of The Conservation Fund)	<ul style="list-style-type: none"> • Loans ranging from \$5,000 to \$50,000 to small green businesses that keep forestland and farmland in sustainable production. • Sectors targeted: sustainable forestry and forest products; sustainable agriculture; small-scale renewable energy and biomass; agro- and eco-tourism; • Available throughout Virginia (rural and urban). • Ideal candidate requires working capital or equipment for expansion of an existing business. • To apply for a loan, download the application at: http://www.shadefund.org/entrepreneurs/become-an-entrepreneur.htm • Approved businesses are posted on www.shadefund.org where they can raise loan \$\$ from the community. 	Rick Larson, Director 919-951-0113 rlarson@conservationfund.org
Natural Capital Investment Fund	<ul style="list-style-type: none"> • Debt or subordinated debt ranging from \$35,000 to \$250,000; interest rates reflect risk. • Stage: early to expansion-stage companies with market traction & growth opportunities. • Sectors targeted: sustainable forestry and forest products; value-added & sustainable agriculture; renewable energy and fuels; eco- and heritage tourism; energy efficiency; natural medicines; green building; environmental services; recycling & water conservation. 	Marten Jenkins, President 304-870-2207 mjenkins@conservationfund.org

	<ul style="list-style-type: none"> • Focused on Southwest and Southside Virginia. • For more information: www.ncifund.org 	
Farm Credit	<ul style="list-style-type: none"> • Nationwide network of borrower-owned lending institutions specializing in ag-lending, often collaborating with USDA Farm Service Agency • Offers a Young, Beginning, and Small Producers Program that provides education and mentoring 	To find the office serving your area, go to: www.farmcreditnetwork.com
Virginia Tobacco Indemnification and Community Revitalization Commission	<ul style="list-style-type: none"> • makes payments to farmers to compensate for the decline of tobacco quotas and to promote economic growth and development in tobacco-dependent communities. • provides grants for Agribusiness development projects in tobacco region of Southwest and Southern VA 	www.vatip.com http://www.tic.virginia.gov/agribusiness.shtml
Tobacco Region Opportunity Fund	<ul style="list-style-type: none"> • TROF incentive grants assist in the creation of new jobs and private capital investment, whether through business attraction or expansion. • Are targeted for larger competitive projects with a regional impact due to the magnitude of the new employment and investment, and the possibility of economic spin-off and related economic multiplier effect. • Are intended to diversify the economy and attract or encourage immediate growth in the affected communities of Virginia's tobacco producing region 	http://www.tic.virginia.gov/tobregionoppfund.shtml
Virginia Organic Cost Share Program	<ul style="list-style-type: none"> • Organic growers or food processors in Virginia can apply for partial reimbursement to offset the cost of becoming certified or recertified as an organic producer by 75% or up to a total of \$750. 	Kent Lewis, VDACS (804) 371-6098 kent.lewis@vdacs.virginia.gov
Sustainable Agriculture Research & Education Sustainable (SARE) Community Innovation Grants	<ul style="list-style-type: none"> • SARE is a competitive grants program providing grants to researchers, agricultural educators, farmers, ranchers, and students in the US. • Sustainable Community Innovation Grants award up to \$15,000 for activities that connect or make links between the farm and non-farm parts of a community for the purpose of economic development. 	www.southernsare.org

<p>Sustainable Agriculture Research & Education (SARE) Professional Development Grants</p>	<ul style="list-style-type: none"> • Training grants to educate and inspire agricultural professionals such as Cooperative Extension and NRCS so they can better inform their producer clients about sustainable agriculture’s benefits and practices • Training activities such as seminars, workshops, farm tours, demonstrations, videos, manuals or other materials usually range between \$20,000 and \$120,000. 	<p>www.southernsare.org</p>
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Resources For Producer Organizations, Non-Profits and Government

<p>USDA Specialty Crop Block Grant Program, administered by VDACS</p>	<ul style="list-style-type: none"> • Agricultural associations, industry / producer groups, community based organizations, and academia can apply for grants of up to \$30,000 for projects that seek to improve the competitiveness of specialty crops in Virginia. • For more information, go to: http://www.vdacs.virginia.gov/marketing/index.shtml or http://www.ams.usda.gov/scbgp 	<p>Melissa Ball, VDACS (804) 786-5448 Melissa.Ball@vdacs.virginia.gov</p>
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Rural Cooperative Development Grants (RCDG), USDA Rural Development	<ul style="list-style-type: none"> • Grants are made to non-profit organizations for establishing and operating centers for cooperative development for the primary purpose of improving the economic condition of rural areas through the development of new cooperatives and improving operations of existing cooperatives. 	Laurette Tucker 804-287-1594 804-287-1606 laurette.tucker@va.usda.gov
Rural Business Enterprise Grant (RBEG), USDA Rural Development	<ul style="list-style-type: none"> • Grants to public bodies, private nonprofit corps., and federally-recognized Indian Tribal groups to finance and facilitate development of small and emerging private business enterprises in rural areas. • Funds are used for the financing or development of a small and emerging businesses with less than 50 employees and \$1,000,000 in annual revenue, but funds do not go directly to the business. • Grants are used to establish revolving loan funds, purchase equipment or construct facilities. • Must be located in an eligible rural area which is defined as being outside of cities with a population of 50,000 or more and the surrounding built-up areas. 	Kent Ware, Director 804-287-1557 804-287-1606 kent.ware@va.usda.gov
Rural Business Opportunity Grants (RBOG), USDA Rural Development	<ul style="list-style-type: none"> • Grants to public bodies, private nonprofit corps., and federally-recognized Indian Tribal groups to pay costs of providing economic planning for rural communities, technical assistance for rural businesses, or training for rural entrepreneurs or economic development officials. • Grants limited to \$250,000 for a multi-state region. • Grants made to public bodies and non-profit corporations • Project must be located in an eligible rural area which is defined as being outside of cities with a population of 50,000 or more and the surrounding built-up areas. 	Kent Ware, Director 804-287-1557 804-287-1606 kent.ware@va.usda.gov
Intermediary Re-lending Program (IRP), USDA Rural Development	<ul style="list-style-type: none"> • Loans made to intermediaries. Intermediaries re-lend funds to ultimate recipients for business facilities or community development. • Loans from intermediaries to ultimate recipients must be for the establishment of new businesses, the expansion of existing businesses, creation of employment opportunities, saving of existing jobs, or community development projects. • Eligible projects must be located outside of cities with a population of 25,000 or more. 	Kent Ware, Director 804-287-1557 804-287-1606 kent.ware@va.usda.gov

<p>Rural Economic Development Grants (REDG), USDA Rural Development</p>	<ul style="list-style-type: none"> • Grant funds to electric and telephone utilities to promote sustainable rural economic development and job creation projects through the operation of a revolving loan fund program • Requires 20% match by intermediary and 20% contribution by borrower. • Project must be located in an eligible rural area which is defined as being outside of cities with a population of 50,000 or more and the surrounding built-up areas. 	<p>Kent Ware, Director 804-287-1557 804-287-1606 kent.ware@va.usda.gov</p>
<p>Rural Economic Development Loans (REDL), USDA Rural Development</p>	<ul style="list-style-type: none"> • Zero-interest loans to electric and telephone utilities to relend for the promotion of sustainable rural economic development and job creation projects • Project must be located in an eligible rural area which is defined as being outside of cities with a population of 50,000 or more and the surrounding built-up areas. 	<p>Kent Ware, Director 804-287-1557 804-287-1606 kent.ware@va.usda.gov</p>
<p><i>Research Grants</i></p>		

SARE Research and Education Grants	<ul style="list-style-type: none"> • Two-year grants for research that focuses on developing sustainable agriculture systems or moving existing systems toward sustainable agriculture. • Generally ranging from \$30,000 to \$200,000, these projects usually involve scientists, producers and others in an interdisciplinary approach. • Many funded projects involve on-farm research trials with crops and/or livestock; other projects have studied quality of life, agricultural marketing, integrated farming systems, and soil and water conservation. • Successful proposals typically include economic analysis and outreach components. • The program also funds education and demonstration projects, including the development of farmer-to-farmer networks. 	www.southernshare.org
SARE Large Systems Grants	<ul style="list-style-type: none"> • Similar in scope to the Research & Education grants, but focusing on already established long-term research projects. • Long-term grants for systems research teams who have successful ongoing systems research programs, but need support to accomplish additional long-term research goals. • Project maximum of \$100,000 per year for three years with the opportunity for additional three-year renewals. 	www.southernshare.org
SARE On-Farm Research Grants	<ul style="list-style-type: none"> • Projects must be developed and coordinated by Extension, NRCS who currently work with farmers/ranchers and who will conduct the on-farm research with at least one farmer/rancher cooperator. • Applicants must complete a proposal describing their project and explaining how it will help producers understand and adopt sustainable agriculture practices. • Grants fund up to \$15,000 for two years of project activities 	www.southernshare.org
SARE Producer Grants	<ul style="list-style-type: none"> • On-farm producer-led research trials involving collaboration with scientists • Producer grants provide \$10,000 for two years of project activities conducted by an individual producer or \$15,000 for two or more producers working together. 	www.southernshare.org
SARE Graduate Student Grants	<ul style="list-style-type: none"> • Applicants are full time Master's or PhD students at accredited institutions in the Southern Region • Grant award maximum of \$10,000 paid directly to the institution for research that contributes to a better understanding of sustainable agriculture 	www.southernshare.org

VA Agricultural BMP Loan Program (DEQ)	<ul style="list-style-type: none"> Provides short and long term low interest loans for costs associated with the implementation of specified practices (Ag BMPs) which relate to water quality improvement in the Commonwealth. 	Van Gallier (804) 698-4243 Van.Gallier@deq.virginia.gov www.deq.state.va.us/cap/aghome.html
Tobacco Commission Research & Development grants	<ul style="list-style-type: none"> Provides funds on dollar-for-dollar match basis for post-proof of concept research conducted in the tobacco region that will lead to commercialization of technologies, including renewable fuels from plant feedstocks 	http://www.tic.virginia.gov/researchanddevelopment.shtml
Appropriate Technology Transfer for Rural Areas (ATTRA), USDA	<ul style="list-style-type: none"> Provides information on sustainable agriculture and organic farming news, events and funding opportunities. Also features in-depth publications on production practices, alternative crop and livestock enterprises, innovative marketing, organic certification, and highlights of local, regional, USDA and other federal sustainable ag activities. 	www.attra.ncat.org
Biomass Research and Development Initiative, USDA Rural Development	<ul style="list-style-type: none"> Provides competitive grants, contracts and financial assistance to eligible entities to carry out research on and development and demonstration of bio-fuels and bio-based products, and the methods, practices and technologies for their production. 	Laurette Tucker 804-287-1594 804-287-1606 laurette.tucker@va.usda.gov

This document was compiled by the Agriculture and Forestry Development Services unit (AFDS) in the Division of Marketing and Development at the Virginia Department of Agriculture and Consumer Services. AFDS Project Managers are the best first point of contact for entrepreneurs looking to relocate, expand or start-up an agricultural- or forestry-based business in Virginia. They will provide project assist to clients from business plan development to ribbon-cutting and everything in between.

For more information, please contact either:

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