

Beginning Farmer Competitive Grant Program

Frequently Asked Questions (FAQ)

1. Who is eligible to apply?

Applicants must be individuals who have experience or skills related to agriculture and who currently operate or will operate a farm in New York State. Applicants must also have operated a farm for 10 years or less and be seeking to build a financially sustainable (for-profit) commercial agricultural business.

2. Can a business, LLC, nonprofit, or partnership apply?

No. The applicant must be an individual. However, information about a business structure (LLC, partnership, etc.) may be included in the application if it supports the project. Nonprofit organizations are not eligible.

3. Can more than one application be submitted?

No. Applicants may only submit one application, but one application can include multiple parts. If an applicant was awarded funding in a previous round of this program, their cumulative grant awards cannot exceed \$250,000.

4. What types of projects can be funded?

Projects must support the growth of a commercial agricultural business. Eligible uses of funds may include:

- Equipment or machinery
- Infrastructure or building improvements
- Land purchases
- Marketing activities
- Livestock or crop production investments
- Other business needs justified in the proposal

Applicants must demonstrate the operational and economic benefits of the project.

Funding for vehicles is NOT allowed in this grant program.

5. Can the grant fund projects on leased land?

Yes. Projects may be implemented on leased land, but applicants must provide documentation of the landowner's support and have a lease extending at least five years beyond the contract termination date.

6. Can equipment be purchased used or from individuals?

Yes. Equipment may be purchased new or used, and it can be purchased from a dealer or an individual, provided all program requirements are followed and there is documented proof of payment. However, equipment can NOT be purchased from family members.

7. What types of purchases are not allowed?

Some expenses are not eligible, including:

- Loan interest payments
- Vehicles, motorboats or boat engines
- Certain prohibited land transactions (such as purchasing land from immediate family)
- Costs not directly related to the project

Applicants should review the Use of Funds restrictions in the RFP.

8. What is the match requirement?

Applicants must provide a 5% grant match contribution. For example, if the total project cost is \$52,250, \$50,000 will be covered by the grant, and \$2,500 must be covered by the applicant. If the project goes over-budget, any additional project expenses must also be covered by the applicant.

Equity from equipment or other NYS grant funds cannot be used as a match. All matching contributions must be documented.

9. Is the grant paid upfront or as reimbursement?

This is a reimbursement-based grant. Funds are reimbursed after the project is finished and required documentation is submitted. For Track 2 projects, a mid-point reimbursement can be allowed after documented completion of a specific, pre-approved project milestone. This milestone must be chosen and agreed upon by the applicant and NYFVI staff prior to grant contracting. Any costs incurred before the contract is executed cannot be reimbursed.

10. What are the grant award amounts?

Grant awards and match amounts must fall between \$5,000 and \$50,000 for Track 1 projects and between \$50,001 and \$200,000 for Track 2 projects. Larger projects may be submitted if the applicant can cover costs above the grant maximum.

Note: This is a reimbursement-based grant. The applicant must be able to pay for the entire grant project. Funds are reimbursed after milestones are completed or the project is finished and documentation is submitted.

11. Do I need permits or approvals before applying?

No. Permits are not required at the time of application. However, if the project requires permits, the applicant must show in the workplan that permits can be obtained and the project completed within the grant timeframe.

12. Do I have to live in New York to apply?

Yes. Applicants need to currently live in New York, and the farm and project must also be located in New York State and operated from within the state.