



Tobacco Communities Reinvestment Fund

2009 Central Region Demonstration Grant Program

INFORMATION AND GUIDELINES

DEADLINE FOR APPLICATION IS November 11, 2009.

The goal of the Tobacco Communities Reinvestment Fund is to keep farmers in farming and maintain the economic base of North Carolina's rural communities. The Reinvestment Fund aims to assist farmers and rural communities to develop new sources of agricultural income through provision of cost-share grants.

The Reinvestment Fund will make two types of demonstration awards: **Producer Grant Awards** of up to **\$10,000** for individuals and **Community Grant Awards** of up to **\$30,000** for collaborative farmer projects.

The Tobacco Communities Reinvestment Fund will make cost-share demonstration grants to farmers, farm organizations, and community groups in the Central Region of North Carolina, which includes Alamance, Bladen, Caswell, Chatham, Columbus, Cumberland, Durham, Edgecombe, Franklin, Granville, Halifax, Harnett, Hoke, Johnston, Lee, Montgomery, Moore, Nash, Orange, Person, Randolph, Richmond, Robeson, Sampson, Scotland, Vance, Wake, Warren, and Wilson counties.



Tight margins for most commodity crops and changing farm programs provide new challenges for North Carolina farmers. The purpose of the Reinvestment Fund is to help

farmers to develop enterprises that allow them to earn more for their products through innovative production, processing, or marketing approaches.



The Tobacco Communities Reinvestment Fund is supported by a grant from the North Carolina Tobacco Trust Fund Commission.

PLEASE READ CAREFULLY.

ELIGIBILITY Qualifying **PRODUCERS** must be farmers, who are actively engaged in full or part-time farming in the Central Region.

Priority is given to farmers who earned a significant portion of their income from tobacco at the time of the Master Settlement Agreement (1997-1998) and to projects that create an opportunity for a new generation of farmers.

Attention: Please indicate on the front cover of the application packet the percentage of income that you derived from tobacco at the time of the MSA and whether or not your project creates an opportunity for a new generation of farmers.

Qualifying **COMMUNITY GROUPS**:

- Must include qualifying farmers from the Central Region,
- AND farmers must be active in the leadership of the group.
- Groups of farmers, farm coops, farmer associations, churches, local business, civic organizations, or combinations of these are eligible and encouraged to apply.

Eligible **PROJECTS** are those that:

- have a likelihood of generating new farm income;
- establish new markets for local products and services;
- develop new uses for greenhouses;
- add value to existing farm products by processing, packaging or marketing in a special way;
- make new use of tobacco facilities and equipment;
- maintain or create quality employment, including self-employment or opportunities for home-based businesses;
- make optimal use of on-farm and natural resources.

High priority will be given to projects that are innovative and demonstrate a new direction or opportunity for farmers in North Carolina.

To view descriptions of past funded projects visit our website: www.rafiusa.org.

APPLICATION Tobacco Communities Reinvestment Fund Demonstration Grants are awarded on a competitive basis. You must submit an application in order to be considered for a grant.

Application materials are available online at www.rafiusa.org or by contacting RAFI-USA at 919-542-1396.

Completed applications are due **in the RAFI-USA office by November 11, 2009 at 5:00 p.m.** Please send hardcopies only. No fax or email submissions will be accepted. Proposals arriving after the deadline will not be considered for funding.

Applicants may request an advance review of their proposals for feedback by sending in the proposal by the **Early Bird deadline, October 28, 2009**. RAFI staff will contact applicants if additional information is needed.

AWARD DECISIONS The Reinvestment Fund Review Board will review proposals and make recommendations of projects to be funded. Half of the Reinvestment Fund Review Board members are farmers with backgrounds in tobacco and/or income diversification. Farmers who serve on the board are not eligible for grants. Other board members are university researchers, marketing specialists, lending experts, and church and community leaders.

<u>IMPORTANT DATES!</u>	
Early Bird Deadline	October 28, 2009
Application Deadline	November 11, 2009
Award Notification	January 11, 2010
Interim Report Due	April 7, 2010
Final Report Due	December 7, 2010
Projects Completed	December 7, 2010

An evaluation worksheet is available on the RAFI-USA website. The evaluation worksheet shows the questions the reviewers will use to evaluate your proposal.

The selection process will be completed and award winners notified by , **January 11, 2010**.

PAYMENTS AND REPORTS Contracts will be negotiated with award winners after the award announcement. A first payment of 75% of the grant award will be made after the contracts are signed. A second payment of 20% will be made in July, assuming adequate progress is made toward project goals. The final payment of 5% of the award amount will be made in December, after all project activities have been completed.

PROJECT DURATION Grant award winners are required to submit an interim project report on progress by April 7, 2010 and a final project report by December 7, 2010. All project activities must be completed prior to December 7, 2010.

Grant funds can be used to offset costs for:

- increased labor (including time you have to put in above your normal work-load and for extra labor you cannot do yourself);
- specialized equipment;
- retrofitting and adaptation of existing equipment;
- supply needs;
- sampling, analysis, scouting;
- outreach expenses;
- to investigate the feasibility of a new project;
- new marketing, handling or processing operations.

Grant funds **CANNOT** be used for:

- purchase of livestock;
- new, general-use farm equipment.

COST-SHARE MUST BE LISTED Cost-share is the farmer or community contribution to the project. Cost-share can be either direct in terms of actual cash expenditures or in-kind in terms of labor, equipment, etc. Cost-share must be shown in the budget.

Personal funds to buy items that will be used in the new enterprise count as cost-share. Also, you may be able to count certain in-kind contributions, such as the value of the time and labor that you and your cooperators put into the project and fair market value for equipment used in the project. **No set cost-share amount is required.**

OUTREACH Farmers and communities who get grants are required to do outreach to educate others about their projects. This can be done by hosting farm tours or field days, having articles written about the project, or making presentations at a farm or community meeting. RAFI staff will help grant recipients with outreach.

COOPERATORS Cooperators are not required but increase the likelihood of success of your project. Cooperators may include other farmers, marketing, and production specialists, extension agents, crop consultants, non-profit organizations, business and other agricultural advisors. The best cooperators bring needed expertise to the project and have a clear role in helping the project succeed.

QUESTIONS? If you would like to discuss your project idea or the application process with a RAFI staff member, call 919-542-1396 ext. 205 or 919-259-4101 or email, keith@rafiusa.org.

Send completed applications to:

**Tobacco Communities Reinvestment Fund
RAFI-USA
P.O. Box 640
274 Elementary School Road
Pittsboro, NC 27312**