



Tobacco Communities Reinvestment Fund

2008-2009 Demonstration Award Program

Information and Guidelines

DEADLINE FOR APPLICATION IS OCTOBER 1, 2008.

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.

In 2008, 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 **\$20,000** for collaborative farmer projects.

The Tobacco Communities Reinvestment Fund will make cost-share demonstration grants to farmers, farm organizations, and community groups in **Alexander, Beaufort, Burke, Caldwell, Caswell, Craven, Cumberland, Davidson, Forsyth, Greene, Guilford, Harnett, Iredell, Johnston, Jones, Lenoir, McDowell, Nash, Person, Pitt, Randolph, Wayne, Wilkes, 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.



Funding for the Tobacco Communities Reinvestment Fund is provided by the North Carolina Tobacco Trust Fund Commission and the Golden LEAF Foundation.

**PLEASE READ CAREFULLY.
ELIGIBILITY REQUIREMENTS HAVE CHANGED.**

Eligibility:

Qualifying **PRODUCERS** must:

- Be farmers who are actively engaged in full or part-time farming,
- AND have derived a significant amount of their farm income from tobacco at the time of the Master Settlement Agreement (crop years 1997 and 98),
- AND farm in one of the counties listed above.
- Farms can be of any size.

ADDITIONALLY, the 2008 Tobacco Communities Reinvestment Project will make a limited number of demonstration grants in Beaufort, Burke, Caldwell, Caswell, Cumberland, Greene, Jones, Lenoir, McDowell, Wayne, and Wilson counties for projects that benefit a new generation of farmers. Farmers in this category may or may not have had income from tobacco.



Attention: If your project creates an opportunity for a new generation of farmers, please indicate so on the cover sheet of the application packet.

Qualifying **COMMUNITY GROUPS**:

- Must include qualifying farmers from the target counties,
- 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 click on the following links visit our website: http://www.rafiusa.org/programs/TOBACCO/reinvestment_projects.html.

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 Jason Roehrig at 919-621-0534 or jason@rafiusa.org.

IMPORTANT DATES!

Early Bird Deadline	September 1, 2008
Application Deadline	October 1, 2008
Award Notification	November 14, 2008
Interim Report Due	May 1, 2009
Final Report Due	November 30, 2009
Projects Completed	November 30, 2009

Completed applications are due **in the RAFI-USA office** by **October 1, 2008 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, September 1, 2008**. RAFI staff will contact applicants between September 1 and September 20 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.

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 Friday, **November 14, 2008**.

Payments, Reports, and Project Duration: Contracts will be negotiated with award winners after the award announcement on November 14, 2008. A first payment of 80% of the grant award will be made after the contracts are signed. The remaining amount of the grant award will be paid in July, assuming adequate progress is made toward project goals.

Grant award winners are required to submit an interim project report on progress by May 1, 2009 and a final project report by November 30, 2009. All project activities must be completed prior to November 30, 2009.

What expenses will grants cover?

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.

Send completed applications to:

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

Questions? If you would like to discuss your idea with a RAFI staff member, contact Jason Roehrig at 919-621-0534 or email, jason@rafiusa.org.