

RFSI Equipment-Only Grant Program Overview

The purpose of the RFSI Program is to expand capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, and distribution of locally and regionally produced food products, including specialty crops, dairy, grains for human consumption, aquaculture, and other food products.

Equipment-Only Grants must expand middle of the food supply chain capacity for locally and regionally produced foods and offer more and better market opportunities to small and mid-sized agricultural producers, including those who may not have access to value-added opportunities or processing to meet market demand for premium or value-added products, such as underserved producers.

The food supply chain describes the process of getting food from the farm to end consumers. According to the USDA, it involves the following stages: 1. Production, 2. Processing, 3. Aggregation/Distribution, and 4. Markets/Consumers. For the purposes of the RFSI program, “middle-of-the-supply-chain” or “middle of the food supply chain” refers to: 2. Processing and 3. Aggregation/Distribution.

The Equipment-Only Grant review process will prioritize projects that:

- Benefit underserved farmers and ranchers; new and beginning farmers or ranchers; veteran producers; processors and other middle-of-the-supply-chain businesses owned by socially disadvantaged individuals, as defined by the Small Business Administration.
- Focus on family-supporting job quality and treatment/safety of workers.
- Focus on small and medium-sized enterprises that add options and choices for consumers and producers (emphasis on value-added).
- Demonstrate local support for the project.
- Support underserved communities.
- Are submitted by farmer-owned or worker-owned cooperatives/enterprises.

All applicant businesses and organizations must be domestically owned, and the applicants’ facilities must be physically located within the State of Wisconsin.

Eligible Expenses:

Equipment-Only Grant projects should expand capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of eligible agricultural products. However, unlike the Infrastructure Grant, Equipment-Only Grants are only for purchasing equipment. Equipment can be new or used. Equipment must be used for middle-of-the-supply-chain activities with eligible products. If the cost of shipping, installation or setup are included with the cost of purchasing a piece of equipment, then those costs are eligible for reimbursement. If the cost of shipping, installation or setup is not included with the cost of a piece of equipment, and are separate expenses, then those additional costs are ineligible for reimbursement. Examples of other eligible expenses:

- Purchasing special purpose equipment: defined in section 8.2 of the AMS General Terms and Conditions and section 2.0 of the RFSI Program Specific Terms and Conditions. This includes the purchase of special purpose equipment for institutions or others that will benefit multiple producers

through middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural product;

- Aggregation/Distribution equipment including but not limited to equipment for sorting, packing and delivery (including delivery vehicles);
- Packaging and labeling equipment (e.g., sealing, bagging, boxing, labeling, conveying, and product moving equipment);
- Storage equipment, including refrigerated and frozen coolers;
- Climate-smart equipment that reduces greenhouse gas emissions, increases efficiency in water use, improves air and/or water quality, and/or meets one or more of USDA's climate action goals; and
- Equipment for value-added purposes and/or processing specific agricultural products, including equipment for the following activities:
 - On-farm post-harvest processing, preservation, and storage/cold storage;
 - Post-harvest cleaning and grading;
 - Aggregator warehouse and storage, including cooperatives;
 - Processing, canning, preserving and pasteurization;
 - Preparation and packing;
 - Drying, hulling, shelling, and milling; and
 - Cooking, baking, juicing, distilling, and fermenting.

The following are not eligible for funding:

- Activities which are eligible for the RFSI Infrastructure grant program, but are not eligible for Equipment-Only Grants
 - Construction of a new facility;
 - Upgrading, expanding, or modernizing an existing facility;
 - Upgrading, expanding, or modernizing existing equipment;
 - Expanding processing capacities, including adding product types, increasing production volumes, and supporting new wholesale/retail product lines;
 - Modernizing equipment or facilities through upgrades, repairs, or retooling; (e.g., adapting product lines for institutional procurement or adding parallel processing capacity);
 - Modernize equipment or facilities to ensure food safety, including associated Hazard, Analysis, and Critical Control Points (HACCP) consultation, plan development and employee training;
 - Training on the use of all equipment purchased under the grant and associated new processes;
 - Market development projects that are not marketing and establish relationships and connections to increase markets for eligible agricultural products and supply chain resiliency;
 - Hiring term-limited personnel to assist with project implementation activities;
 - Analyzing potential facility upgrades and changes that meet regulatory requirements, obtaining design and/or architecture services, etc. (to the extent these costs are directly related to the project);
 - Planning for Hazard Analysis Critical Control Points (HACCP) or other food safety or worker safety measures or equipment recommendations; and
 - Shipment or installation of equipment if a separate individual expense.
- Acquiring real property (including land purchases).

- Marketing or marketing-related activities.
- Harvest and/or production-related activities.
- Research.
- Expenses that are incurred before the signed project contract start date.
- Expenses that have been, or will be, reimbursed under any Federal, State, or local government funding.
- Supplanting or duplicating ongoing activities: projects with funding from another federal grantor subaward may not receive funding for the same activities through an Equipment-Only Grant. However, Equipment-Only Grants may build on the successes of prior/current funding.
- Projects focused on ineligible products. Products ineligible for funding: meat, poultry, wild-caught seafood, animal feed/forage products, fiber, landscaping products, tobacco, or dietary supplements.