

# Farm Diversification Grant Guidelines

## Agricultural Products Utilization Commission

### Definition

The North Dakota Agricultural Products Utilization Commission (APUC) is pleased to issue an invitation to apply for a Farm Diversification Grant. Priority is given to projects dealing with the diversification of a family farm, non-traditional crops, livestock, or on-farm value-added processing of agricultural commodities. Traditional crops and livestock are generally defined as those for which the North Dakota Agricultural Statistics Service, regularly reports, and maintains statistics. The proposed project must have the potential to create additional income for the farm unit. Sustainability of the new venture is considered. Already existing diversification enterprises are eligible if the project proposal is to significantly expand or otherwise upgrade the enterprise and if the project has not received prior funding from APUC. Eligible candidates for this grant are companies<sup>1</sup> registered with the North Dakota Secretary of State (SOS), groups, and individuals that add value to North Dakota agriculture.

### Parameters

To qualify for a Farm Diversification Grant you must be a current producer (51% of your total income must come from on farm operation) and demonstrate the following:

1. Proposals must demonstrate a well-prepared plan of action to offer the Commission.
2. Markets for the product must have been researched and possible income must be projected.
3. New and innovative plans for marketing products must also be evident.
4. A sound business plan must show potential profits from diversifying.

Applicants applying for these grants can receive help and must receive a letter of endorsement from one of following agricultural specialists, indicating that they have reviewed the projections in the grant request:

Adult Farm Management Instructors  
Agricultural Mediation Service Negotiators  
Local Economic Developers  
Regional Councils

Agricultural Loan Officers  
County Agents  
RC&D Coordinators  
Financial Officer

### Guidelines

1. Generally, proposals are not limited to a specific dollar amount. However, APUC's grant monies are finite, and as a mechanism to optimize opportunities, some categories of grants may have limitations on allowable costs that may be included in the project budget. Grant requests may include an additional fiscal agent administrative fee up to 5 percent of the amount requested, not to exceed \$5,000 for their services.
2. Generally, grant applicants must commit a minimum match dollar investment of 25 percent of the total amount requested from APUC, exclusive of the fiscal agent administrative fee. In-kind support must not exceed 50 percent of the total match funding.
3. APUC will not fund salaries or ongoing operational expenses for existing operations.
4. Applicants are only eligible for one grant per project.
5. **Applications will be considered on a quarterly basis with submission deadlines of January 1, April 1, July 1, and October 1.**

Please thoroughly review the [APUC Grant Guidelines](#) for a complete understanding of all program requirements.

**The Commission reserves the right to accept, reject, or partially fund any grant application.**

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<sup>1</sup> A Corporate registration number (for in-state owned companies) or a Corporate Certificate of Authority registration number (for out-of-state companies) is provided by the North Dakota Secretary of State (ND SOS). It is required of all companies who are doing business in North Dakota. The Corporate Division of ND SOS can be reached at 701-328-4284 or at 1-800-352-0867, Extension 8-4284.