# Farm to Community Food Hubs Grant Request for Application

Applications due: 5 p.m. PDT, Monday, April 14, 2025 No late submissions accepted

California Department of Food and Agriculture

**Inspection Services Division** 

Office of Farm to Fork

Farm to Community Food Hubs Program

Website: <a href="https://cafarmtofork.cdfa.ca.gov/F2CFHP.html">https://cafarmtofork.cdfa.ca.gov/F2CFHP.html</a>



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#### 2024 Public Comment Period

The California Department of Food and Agriculture (CDFA) requested public comments for the draft version of the Request for Application (RFA) from November 12 to December 6, 2024. During that period, CDFA gathered 141 public comments. CDFA gathered public comments via email, an online survey, during a meeting with CDFA's Farm to Community Food Hubs Working Group, and three virtual public feedback sessions. Of the three feedback sessions, one was bilingual (English/Spanish) and one was for California Native American Tribes and Tribal nonprofit organizations. The press release, public meeting recording, the presentation shared during public meetings, and the inventory of public comments are on the Farm to Community Food Hubs Grant Program website. Staff also shared updates about the draft grant program at CDFA's Small-Scale Advisory Committee and BIPOC Producer Advisory Committee public meetings in December 2024. Many changes made to the RFA and application are a direct reflection of the thoughtful input, questions, and suggestions from individuals, food hubs, Tribal organizations, and other organizations that submitted public comments during this period. CDFA thanks everyone that participated in the process, including members of the Farm to Community Food Hubs Working Group.

## **Program Timeline**

Some dates are estimates and are subject to change.

Public Comment Period	November 12 – December 6, 2024
Grant Application Opens	Wednesday, February 12, 2025
Grant Application Information Session	10 a.m. PST, Wednesday, February 19, 2025. <u>Register here</u>
CDFA Grant Application "Office Hours" Zoom Sessions Register on the website	4:00 p.m. PST, Tuesday February 25, 2025 12 p.m. PDT, Tuesday, March 11, 2025 9:30 a.m. PDT, Wednesday, March 26, 2025 11 a.m. PDT, Tuesday, April 1, 2025 12 p.m. PDT, Thursday, April 10, 2025
CDFA Draft Application Feedback ( <u>see details below</u> )	Meetings available from February 20 – April 11, 2025
Grant Applications Due (see application details below)	5 p.m. PDT, Monday, April 14, 2025
Application Review Process	April – May 2025
Award Announcement	June 2025
Develop Grant Agreements with Grant Recipients	June –September/October 2025
Grant Term Begins	Fall 2025

## Tips for Applicants

- Download the application questions and materials from <u>CDFA's Farm to Community Food Hubs</u>
   <u>Program website</u>. Review <u>Section 2.1 Apply Electronically below</u> for details on how to submit the application.
- Read this entire Request for Application (RFA). For questions, read the Frequently Asked
  Questions on the <u>Farm to Community Food Hubs Program website</u> or email
  cafoodhubs@cdfa.ca.gov.

- CDFA staff is available to support applicants. Use the application assistance services detailed in Section 3.0 Application Assistance and Questions.
- Review <u>Section 1.1 Purpose</u> to understand the purpose and priorities of the Farm to Community Food Hubs Program. Does the proposed project align well with those priorities?
- Read the definition of "community food hub" in <u>Section 1.2 Definitions</u>. Is the project seeking to establish or expand the capacity of such an organization?
- Review <u>Section 1.4 Eligibility and Exclusions</u> to check if the organization is eligible to be an applicant.
- Review <u>Section 1.6 Allowable and Unallowable Costs</u> to understand what grant recipients can and cannot use grant funds for. Do the allowed costs meet the project's needs?
- Review <u>Section 2.2 Grant Application Evaluation Criteria</u> closely. This is what application reviewers follow to score applications.
- Make sure Letters of Support are signed. **Unsigned letters will not be counted**.

#### General Writing Tips

- When responding to application questions, write responses with as much clarity as possible.
   Assume the person reading your application has never heard of the organization and is not familiar with its work. Application reviewers understand topics related to regional food systems, supply chains, nutrition, agriculture, and more, but they rely on application materials to understand the details of the proposed project.
- Ask a friend or trusted partner to review application materials and provide feedback. Does everything make sense to them? How would they score it using the application evaluation criteria in Section 2.2?

## 1.0 About the Program

## 1.1 Purpose

The purpose of the Farm to Community Food Hubs Program aligns with California Food and Agricultural Code (Sections 590-593). The Farm to Community Food Hubs Program aims to incentivize the creation and permanency of public-serving aggregation and distribution enterprises (i.e., community food hubs – read definition below) by investing in planning activities and piloting investments in the capital aggregation and distribution infrastructure needed to:

- Increase purchasing of local, environmentally sustainable, climate-smart, and equitably produced food by schools and other institutions
- Build a better food system economy
- Support the local farming and Indigenous food production economies
- Accelerate climate adaptation and resilience and
- Employ food system workers with fair wages and working conditions.

Project proposals can range from planning projects aimed at starting or expanding a community food hub to projects that include infrastructure and operational costs needed to conduct community food hub operations. See Section 1.3 Two Funding Tracks for more details and possible project types.

All proposed projects must demonstrate how the community food hub will:

- Serve multiple California food producers (e.g. farmers, ranchers, seafood harvesters, Indigenous food production practitioners see food producer definition below). The community food hub must prioritize, to the greatest extent possible, serving California food producers that meet at least one of the following criteria: (1) operate on 500 acres or less; (2) are cooperatively owned; (3) are using sustainable or climate-smart agriculture practices or production systems; (4) who are socially disadvantaged; (5) who are veterans; (6) who are disabled; (7) who are beginning food producers; or (8) who are limited resource food producers.
- Prioritize distributing California grown or produced foods to public institutions and nonprofit
  organizations, with primary emphasis on public schools, food banks, and nonprofit food
  distribution organizations serving low-income communities in the region. Please note public
  institutions include several Tribal institutions (<u>read the public institutions definition below</u>).
  Awarded projects may serve private institutions, such as private universities or for-profit grocery
  retail, as long as public institutions and nonprofit organization buyers are prioritized.
- Cultivate financial sustainability via strategies that help cover long-term costs.

CDFA is setting aside 10% of program funding for California Native American Tribes (both federally and non-federally recognized) and Tribal-led nonprofit organizations (see definition below). This grant program will prioritize:

- The creation or expansion of new community food hubs (<u>defined below</u>), but also considers projects proposed for developed community food hubs (<u>defined below</u>).
- Projects that demonstrate projects will be producer-led community food hubs. See how the grant program defines "producer-led community food hub" below.

Please see Section 2.2 Grant Application Evaluation Criteria for details on how applications will be scored.

#### 1.2 Definitions

- Beginning food producer: a person who has materially and substantially participated in the operation of a farm, ranch, or other food cultivation/harvesting operation for 10 years or less.
- California grown or produced foods: Foods, including Native foods, that are grown in California or harvested in its surface or coastal waters AND, if processed, 100% processed in California.
- Community food hub: an organization or business that serves as a supply chain intermediary by purchasing food products from and providing aggregation, distribution, and/or marketing services for multiple local or regional California food producers (defined below), especially those using sustainable or climate-smart agricultural practices (defined below) and following state labor practices. The community food hub provides these services to strengthen the ability of its California food producer communities to reach sales markets with wholesale, retail, and/or institutional buyers and identifies the source (e.g. location where food was produced) of 100% of the food products sold. These organizations or businesses may use a centrally located facility, such as a warehouse, or aggregate more informally, such as virtually coordinating supply chain activities for multiple local or regional producers.

For the purposes of this grant program, community food hub projects must:

o Prioritize, to the greatest extent possible, purchasing food from and serving California food producers that meet at least one of the following criteria: (1) operate on 500 acres or less; (2) are cooperatively owned; (3) are using sustainable or climate-smart

- agriculture practices or production systems (<u>see definition below</u>); (4) who are socially disadvantaged; (5) who are veterans; (6) who are disabled; (7) who are beginning food producers; or (8) who are limited resource food producers.
- o Prioritize, to the greatest extent possible, selling food products from California food producers to public institutions and/or nonprofit organizations, with primary emphasis on public schools, food banks, and other food distribution nonprofit organizations serving low-income communities in the region. Distribution of the food products may be contracted to a value-added intermediary, such as a produce, grain, meat, or seafood processor, if the food products are ultimately provided on a prioritized basis to public institutions and/or nonprofit organizations.
- o Ensure, where feasible, that the food producers are following all necessary laws, rules, and regulations, including labor and environmental requirements.

Only entities establishing or expanding new community food hubs (<u>define below</u>) and expanding developed community food hubs (<u>defined below</u>) are eligible to apply to this grant program. Please see <u>Section 1.4 Eligibility and Exclusions</u> for more details about who can and cannot apply.

- Developed community food hub: a community food hub (<u>as defined above</u>) that had an average annual gross income range of \$1,000,001 and \$5 million during the previous three-year period. Community food hubs that have an average gross cash income greater than \$5 million for the last three years are <u>not eligible</u> to apply to the program. Note for "gross income": entities should calculate this based on income (sales revenue minus expenses, not including taxes) generated by or received directly for the community food hub operation.
- Food producer: a person, group of individuals, nonprofit organization, or California Native American Tribe (federally-recognized and non-federally-recognized) that leases, rents, or owns land in California (whether the land is publicly owned, privately owned, or Tribal trust land) and cultivates crops, raises livestock, and/or is a California seafood harvester. Also a California Native American Tribe (federally-recognized and non-federally-recognized), Tribal member, or person that leases, rents, owns, or uses land in California (whether the land is publicly owned, privately owned, Tribal trust land, or Tribal ancestral lands) and uses Indigenous food production practices on this land or in waters for seafood harvesting.
- Limited resource food producer: Per the <u>United States Department of Agriculture (USDA)</u>, limited-resource farm households are those that, for two years in a row, have low farm sales and low household income, according to <u>this tool</u>. For the purposes of the Farm to Community Food Hubs program, food producers are not limited to farmers and ranchers.
- "Local or regional": "local or regional" is noted throughout the RFA. For the purposes of this program, additional points will be available for Track 2 applications that demonstrate 40% or more of the food producers the project will directly serve are located within the same county as or neighboring counties to (i.e. share a border with) the community food hub's county of residence. Please see Section 2.2 Grant Application Evaluation Criteria for more details.
- New community food hub: an entity that has either (1) never conducted community food hub (as defined above) operations OR (2) has been conducting community food hub operations AND had an average annual gross income of \$1 million or less during the previous three-year period. Note for "gross income": entities should calculate this based on income (sales revenue minus

- expenses, not including taxes) generated by or received directly for the community food hub operation.
- Producer-led community food hub: community food hubs (defined here) in which California food producers (defined here), including those using Indigenous food production practices, are the owners, operators, and/or decision makers. The food producers have decision-making roles that directly affect the planning, design, and/or operations of the community food hub. Producer-led community food hubs could be using any form of legal business structure, whether it is a cooperative or not. For the purposes of this grant program, additional points will be given to applications that demonstrate the project is a producer-led community food hub.
- Public institutions: includes the following institutions located in California: public schools and school districts, including University of California, California State University, and California Community College campuses; Early Care and Education sites; public hospitals and health clinics; health plans or health care providers paying invoices related to California Advancing and Innovating Medi-Cal (CalAIM) medically supportive food and nutrition services; correctional facilities and prisons; other local, state, or federal government entities paying invoices related to providing food for government owned/operated facilities; food service providers operating in any of the above-mentioned public institutions or federal, state, local, or Tribal government facilities; Tribal schools (such as those administered through the Bureau of Indian Education); Tribal colleges; Tribal health centers and clinics (such as those administered through the Indian Health Service); and institutions owned and/or operated by California Native American Tribes (both federally and non-federally recognized) that provide community, cultural, or health services to Tribal members and Native American people. CDFA may also approve an institution on a case-bycase basis. Please contact cafoodhubs@cdfa.ca.gov with questions.
- Socially disadvantaged food producer: a food producer who is a member of a "socially disadvantaged group." Per California's Farmer Equity Act of 2017 (Assembly Bill (AB) 1348) Food and Agricultural Code section 510 et seq., a "socially disadvantaged group" is a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. In accordance with AB 1348, these groups include all the following: African Americans, Native Indians, Alaskan Natives, Hispanics, Asian Americans, and Native Hawaiians and Pacific Islanders. In addition, the California Farm to Community Food Hubs Grant Program includes women and lesbian, gay, bisexual, transgender, and queer (LGBTQ+) people as socially disadvantaged groups. Many groups have been "socially disadvantaged" within the agriculture industry; the inclusion of such groups as listed above reflects that reality and is consistent with the objective of ensuring that these groups are included in the funding priorities of this RFA.
- Sustainable agriculture production practices or methods; climate smart agriculture practices; or other regenerative strategies: Practices or methods that use ecologically beneficial means of soil improvement, irrigation, cultivation, harvesting, transportation, and marketing for California agriculture using methods including those defined by the <u>USDA Natural Resources Conservation Service Conservation Practice Standards</u> and those identified by the <u>CDFA Office of Environmental Farming and Innovation</u> via the <u>Healthy Soils Program</u>, <u>Alternative Manure Management Program</u>, <u>Dairy Digester Research and Development Program</u>, and <u>State Water Enhancement and Efficiency Program</u>. These include, but are not limited to, cover cropping, no or reduced till, hedgerow plantings, compost application, and prescribed grazing. Climate smart agriculture production systems include certified organic or transitioning to certified organic. Other regenerative strategies include those that also increase resilience to climate change, improve the health of communities

and soil, protect water and air quality, increase biodiversity, and help store carbon in the soil. California Native American Tribal place-based environmental knowledges and food production practices are included and exemplify such strategies. Please note that a process is currently underway to define regenerative agriculture for state policies and programs; once the definition is established, this grant program's definition of regenerative agriculture will align.

- Tribal-led nonprofit organizations: California-based nonprofit organizations with at least 50% of the Board of Directors and/or Leadership Team identifying as American Indian, Alaska Native, or Native Hawaiian and whose organizational mission or strategic plan expresses a commitment to serving and/or empowering California Native American Tribes or people.
- Value added food products: for the purposes of this grant program, value-added food products are products using California grown or produced foods and that are created by a processing activity, other than post-harvest processing and light processing (e.g. chopping), that significantly alters raw food ingredients to create a new, marketable product for future sale. The purpose of a community food hub producing these value-added products would be to reduce food waste, diversify incomes streams, maximize nutritional benefits, and/or increase revenue for the community food hub and its food producer vendors. Examples include salsa, jam, tomato sauce, and cheese.
- Veteran food producers: Based on the first component of <a href="the USDA definition">the USDA definition</a> for a "veteran farmer or rancher," the California Farm to Community Food Hubs Grant Program defines a veteran food producer as a producer who served in the United States Army, Navy, Marine Corps, Air Force, or Coast Guard, including the reserve components thereof, and was released from the service under conditions other than dishonorable. Please note that the full USDA definition requires that producers not only meet the first component noted above but also meet this second requirement: have not operated a farm or ranch, have operated a farm or ranch for not more than 10 years, or first obtained veteran status during the most recent 10-year period. This second requirement does not apply to this program.

## 1.3 Two Funding Tracks

The California Legislature appropriated \$15 million from the General Fund to CDFA for the Farm to Community Food Hubs Grant Program. CDFA will collectively award up to \$13.75 million via competitive grants. The amount of funds and number of projects that CDFA will award depends on the number of applications and amount requested. CDFA is setting aside 10% of program funding for California Native American Tribes (federally and non-federally recognized) and Tribal-led nonprofit organizations (see definition in Section 1.2 above).

#### Skip to Track 2: Infrastructure and Operations

#### Track 1: Planning

Award Amount	\$50,000- \$250,000
Grant Term	Up to 24 months. Estimated term is October 2025 – October 2027
Allowed Costs	See allowable and unallowable costs below
Reporting	See required reporting requirements for Track 1 grantees below
Eligible Applicants	The following entities conducting planning for a <u>new community food hub</u> or to
	expand capacity for a developed community food hub: nonprofit organization;
	California public school district; Tribal school (such as those administered through
	the Bureau of Indian Education); Tribal college; California County Office of
	Education; cooperative business; food and agriculture-related business; Certified B
	Corporation; California Native American Tribe; Tribal-led nonprofit organization;

Track 1 will fund a variety of entities (<u>see eligibility details below</u>) to develop one or more plans to (1) support a new community food hub or (2) expand the capacity of a developed food hub. Again, all proposals should enable and advance:

- Serve multiple California food producers (see <u>definition above</u>). The community food hub must prioritize, to the greatest extent possible, serving California food producers that meet at least one of the following criteria: (1) operate on 500 acres or less; (2) are cooperatively owned; (3) are using sustainable or climate-smart agriculture practices or production systems; (4) who are socially disadvantaged; (5) who are veterans; (6) who are disabled; (7) who are beginning food producers; or (8) who are limited resource food producers.
- Prioritize distributing California grown or produced foods to public institutions (see <u>definition</u> <u>above</u>) and nonprofit organizations, with primary emphasis on public schools, food banks, and nonprofit food distribution organizations serving low-income communities in the region.
- Cultivate financial sustainability via strategies that help cover long-term costs. Please see <u>Section 2.2 Grant Application Evaluation Criteria</u> to review the application questions and scoring criteria to see how CDFA will evaluate financial sustainability.

Please note: to prioritize new community food hubs, eligible applications will receive additional points.

#### Plans could include one or multiple examples listed below, but are not limited to:

- Food system assessments for how to improve aggregation and distribution capacity to increase the sale of local/regional California food products
- Business plans related to processing, aggregating, storing, distributing, and marketing regional food products, including value-added products or recovered food products
- Feasibility studies assisting with supply chain partner planning, to analyze market potential, capacity, and potential competitors and partners in the region
- Plans related to developing lightly processed or value-added food products using California grown or produced foods. Lightly processing foods could include peeling, chopping, grinding, shredding, or slicing. Value-added products are defined above in Section 1.2 Definitions.
- Developing marketing strategies to promote California food producers and their products
- Financial planning to identify funding sources and strategize sustainability
- Developing efficient facility and operational systems for processing, storing, aggregating, and distributing food
- Education, community engagement, and training plans to facilitate partnerships and/or educate local/regional food producers and buyers
- Job-related training for community food hub staff
- Site planning and design, such as technical design and engineering

## Track 2: Infrastructure and Operations

**Award Amount** \$350,000 - \$2,000,000

**Grant Term** 60 months. Estimated term is October 2025 – October 2030

Allowed Costs See allowable and unallowable costs here

# Reporting Eligible Applicants

#### See required reporting requirements for Track 2 grantees below

The following entities initiating or expanding operations for a <a href="new community food hub">new community food hub</a>: nonprofit organization; California public school district; Tribal school (such as those administered through the Bureau of Indian Education); Tribal college; California County Office of Education; cooperative business; food and agriculture-related business; Certified B Corporation; California Native American Tribe; Tribal-led nonprofit organization; Resource Conservation District; University of California, California State University, and other public institutions of higher education. <a href="See eligibility">See eligibility details below.</a>

Track 2 will fund a variety of entities (<u>see eligibility details below</u>) to cover infrastructure and operating costs that (1) establish operations or expand capacity for a new community food hub (<u>defined here</u>) or (2) expand capacity of a developed community food hub (<u>defined here</u>). Proposed projects should enable and advance:

- Serve multiple California food producers (see <u>definition above</u>). The community food hub must prioritize, to the greatest extent possible, serving California food producers that meet at least one of the following criteria: (1) operate on 500 acres or less; (2) are cooperatively owned; (3) are using sustainable or climate-smart agriculture practices or production systems; (4) who are socially disadvantaged; (5) who are veterans; (6) who are disabled; (7) who are beginning food producers; or (8) who are limited resource food producers.
- Prioritize distributing California grown or produced foods to public institutions (see <u>definition</u> <u>above</u>) and nonprofit organizations, with primary emphasis on public schools, food banks, and nonprofit food distribution organizations serving low-income communities in the region.
- Cultivate financial sustainability via strategies that help cover long-term costs. Please see <u>Section 2.2 Grant Application Evaluation Criteria</u> to review the application questions and scoring criteria to see how CDFA will evaluate financial sustainability.

Please note: to prioritize new community food hubs, eligible applications will receive additional points.

#### Track 2 projects could include, but are not limited to:

- Implementing business and operational plans to initiate or expand capacity of a community food hub to sell to private institutions (e.g. for-profit grocery retail), public institutions, and/or nonprofit organization buyers
- Purchasing land, designing, and constructing community food hub facilities, such as warehouses or food processing facilities, to increase sales of local/regional food products
- Increasing storage, food processing, transportation, and/or food recovery capacity to increase sales of local/regional food products
- Initiating, coordinating, and/or expanding sales to buyers, prioritizing public institutions and nonprofit organizations
- Engaging, educating, and/or training food producer vendors to increase their capacity to sell to and/or partner with the community food hub
- Establishing partnerships and operations for inter-food hub trading/sales to increase sales of local/regional food products

#### Additional Details for All Tracks:

- CDFA reserves the right to offer an award amount less than the amount requested.
- CDFA reserves the right to ask applicants clarifying questions about their applications and work with applicants to modify proposals.
- Grant recipients cannot use grant funds before the grant term start date or after the grant term end date.
- This grant program does NOT require matching funds. The CDFA will fund up to 100% of the total project cost.
- Indirect costs can be up to 30% of the total direct costs. Applicants from the University of California or California State University may claim their agreed upon indirect cost rate with CDFA. CDFA will not accept any applicant's federal negotiated indirect cost rates.
- Review Section 1.6 Allowable and Unallowable Costs for guidance regarding use of funds.
- Review <u>Section 1.9 Advance Payments or Reimbursements</u> for details for advance payments and reimbursement options.

## 1.4 Eligibility and Exclusions

For questions about eligibility, please email cafoodhubs@cdfa.ca.gov.

- Eligible entities can only apply as a **lead applicant** once and must select one funding track.
- Entities may be included as a **project team member** in multiple applications. Project team members do not need to meet the eligibility requirements below.
- An entity that is participating in multiple proposed projects as a project team member or that is a
  lead applicant in one application and a project team member in another, must ensure that
  proposed projects are not duplicative and there is no duplication of project costs. If an entity is
  participating in multiple projects that receive an award, those funds should be kept separate and
  be tracked and managed with proper accounting procedures.

#### Skip to Track 2: Infrastructure and Operations

#### Track 1: Planning Eligibility

# Who CAN apply? The following entities based in and operating in California that will conduct planning for a new community food hub (defined above) or developed community food hub (defined above): Food and agriculture-related business Nonprofit organization California public school district

• California County Office of Education

- Cooperative business
- Certified B Corporation
- California Native American Tribe (both federally-recognized and nonfederally-recognized Tribes)
- Tribal school (such as those administered through the Bureau of Indian Education)
- Tribal colleges
- Tribal-led nonprofit organization (see definition in <u>Section 1.2 Definitions</u>)
   <u>Please note</u>: Tribal-led nonprofit organizations are required to submit a signed Letter of Support from at least one California Native American Tribe

the organization is directly serving or partnering with as part of the project.

- Resource Conservation District
- University of California, California State University, and other public institutions of higher education

#### Please note:

- If the project is conducting planning for a community food hub that is currently operating, the lead applicant should be the entity conducting day-to-day operations for the community food hub.
- If the project is conducting planning related to a community food hub that does not currently exist, lead applicants do not have to be the expected operator of the potential community food hub. For example, a public school district can apply as a lead applicant to conduct a community food hub feasibility study, even if the school district may or may not intend to be the operator of the community food hub identified in the study. These applicants must clearly describe which entity or entities intend to be the operator(s) of the future community food hub. If the operator(s) are unknown at the time of application, the applicant must clearly describe how their proposed planning efforts will identify the operator(s).

#### Who CANNOT apply?

- Individuals
- Other federal, state, and local government entities
- Private schools
- Food hubs, aggregators, and distributors that do not align with the definitions of new community food hub or developed community food hub in <u>Section 1.2 Definitions</u>. Due to the definition of "developed community food hub", those that had an average annual gross income greater than \$5 million the past three-year period are not eligible to apply.

#### Track 2: Infrastructure and Operations Eligibility

#### Who CAN apply

The following entities based in and operating in California that will (1) initiate operations or expand capacity for a new community food hub (defined above) or (2) expand capacity for a **developed community food hub** (defined above):

- Food and agriculture-related business
- Nonprofit organization
- California public school district
- California County Office of Education
- Cooperative business
- Certified B Corporation
- California Native American Tribe (includes both federally-recognized and non-federally-recognized Tribes)
- Tribal school (such as those administered through the Bureau of Indian Education)
- Tribal colleges
- Tribal-led nonprofit organization (see definition in Section 1.2 Definitions) Please note: Tribal-led nonprofit organizations are required

	to submit a signed Letter of Support from a least one California Native American Tribe the organization is directly serving or partnering with as part of the project.  Resource Conservation District  University of California, California State University, and other public institutions of higher education
	<u>Please note</u> : the lead applicant should be <u>the entity conducting day-to-day</u> operations for the community food hub.
	operations for the community rood hab.
Who CANNOT	<ul> <li>Individuals</li> </ul>
apply?	<ul> <li>Other federal, state, and local government entities</li> </ul>
	Private schools
	<ul> <li>Food hubs, aggregators, and distributors that do not align with the definitions of new community food hub or developed community food hub in <a href="Section 1.2 Definitions">Section 1.2 Definitions</a>. Due to the definition of "developed community food hub", those that had an average annual gross income greater than \$5 million the past three-year period are not eligible to apply.</li> </ul>

## 1.5 No Matching Dollars Required

Applicants are **not required** to provide matching dollars. Providing matching dollars does not earn an application more points.

#### 1.6 Allowable and Unallowable Costs

All costs must be **reasonable and necessary to meet project goals**. The cost is reasonable if, in its nature and amount, it does not exceed what would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

The following bolded sections relate to both Track 1 and Track 2.

#### Unallowed costs related to donating food and other donations and contributions

Due to CDFA Grant Regulations, costs related to donating food and other contributions and donations from grant recipients to other entities **are not allowed**. See <u>CDFA Allowable and Unallowable Items of</u> Cost, section 6.

If a proposed project includes costs that also benefit activities related to donations, the applicant should use reasonable and properly documented methods to estimate what proportion of the cost benefits the proposed project and which proportion benefits non-project activities. Please refer to Section 330.1(c)(1) of the CDFA Grant Administration Regulations regarding all costs that will benefit both grant project activities and non-grant project activities.

#### Allowed costs related to serving private institutions

Proposed projects may include activities and costs that enable a community food hub to **serve private institutions**, such as private universities or for-profit grocery retail, as long as public institutions and

nonprofit organization buyers are prioritized as part of the project. Applicants are asked to demonstrate how the project prioritizes public institution and nonprofit organization buyers.

#### Costs related to direct-to-consumer distribution

Because of the purpose of the Farm to Community Food Hubs Program (see Section 1.1 Purpose), the grant will not cover costs related to certain direct-to-consumer activities, including Track 1 plans that evaluate certain direct-to-consumer activities. Examples of unallowed direct-to-consumer activities include, but are not limited to:

- Assembling and delivering boxes of food directly to homes and private individuals, where the
  individual or household is paying the invoice (e.g. a subscription box). <u>Exception</u>: projects are
  allowed to use funds to deliver food directly to homes if a <u>public institution or nonprofit</u>
  organization buyer is paying the invoice. For example: health plans paying invoices related to
  California Advancing and Innovating Medi-Cal (CalAIM). Please see the definition of "public
  institutions" in Section 1.2 Definitions above.
- Distributing food directly to individuals, such as at community events. **Exception**: if a community food hub owns and operates its own retail storefront, the project may use funds related to this activity.
- Selling food products to a food processor who resells the food directly to individuals or households
- Hosting educational classes or trainings for private individuals and families, such as cooking classes. <u>Exception</u>: Hosting these activities for food system partners to help meet project and program goals may be allowed, such as for staff at institutions (for example: chefs; procurement administrative staff) or members/constituents of institutions (for example: students at a public school; clients at a health clinic).

If a proposed project includes costs that also benefit direct-to-consumer activities, the applicant should use reasonable and properly documented methods to estimate what proportion of the cost benefits the proposed project and which proportion benefits non-project activities. Please refer to Section 330.1(c)(1) of the CDFA Grant Administration Regulations regarding all costs that will benefit both grant project activities and non-grant project activities.

Skip to Track 2: Infrastructure and Operations

Track 1 Planning Allowable and Unallowable Costs

	Track 1: Allowable Costs
% of award	Description
No cap	Direct Costs  Equipment, supplies, salaries/wages, labor fringe benefits, contractual costs, travel, and other costs that are reasonable and necessary to conduct community food hub planning. See examples of plans above in Section 1.3 Two Funding Tracks. Allowable costs could include, but are not limited to:  Personnel  Personnel salaries/wages (except overtime) for people who are directly working on implementation of the proposed project  Fringe benefits for people who are directly working on implementation of the proposed project  CDFA encourages applicants to consider their capacity for meeting the grant reporting requirements, some of which are required by California legislation (see Section 1.8 below). Applicants should consider including costs in their Proposed Budget (e.g. administrative staff; software) to assist with reporting, if needed. If costs are specifically related to a grant award and can be directly attributed to grant award activities relatively easily with a high degree of accuracy, they can be considered direct costs. Grant reporting is considered a grant award activity.  Job-related training
	<ul> <li>Equipment and Supplies</li> <li>Rental costs of real property and equipment necessary for the project. Refer to Sections 303(29), 324.1, and 324.2 of the CDFA Grant Administration         Regulations for a definition of equipment and guidance regarding equipment property records and disposition.</li> <li>Software necessary for planning project activities, such as survey or mapping tools</li> <li>Costs associated with community outreach, such as venue rental fees, educational materials, or printing costs</li> <li>Costs associated with education and training that directly increase knowledge or capacity of food producers to participate in partnering with and/or selling to the community food hub. For example, costs to educate/train food producers on food safety requirements or how to earn organic certification.</li> <li>Contractors and Consultants</li> <li>Fees for contractors and consultants. Applicants do not need to identify</li> </ul>
	<del></del>

grant recipients should procure goods or services and for use, agreements, and invoices with contractors. Travel Costs: including meals, incidentals, and lodging expenses related to travel, that are necessary for the performance of the grant award, according to Sections 322, 322.1, 322.2, and 322.3 in the CDFA Grant Regulations. Other Types of Costs, such as: Participation stipends for food producers For all costs: Refer to Section 330.1(c)(1) of the CDFA Grant Administration Regulations if costs will benefit both grant project activities and non-grant project activities. **Indirect Costs** Up to 30% Up to 30% of total direct costs may be used for indirect costs. Indirect costs of direct are costs for common or joint objectives that cannot be identified specifically costs with a particular project, program, or organizational activity. Typical indirect costs include but are not limited to rent, utilities and internet service, cellular and land-line telephone service, general office supplies, and insurance. See Section 303(a)(40) of the CDFA Grant Administration Regulations. Applicants from the University of California or California State University may claim their agreed upon indirect cost rate with CDFA. These applicants must follow their established policies for calculating indirect cost rates. CDFA, as a non-federal agency, does not accept Negotiated Indirect Cost Rates (NICRA) an applicant may have with the federal government. Please note that for projects with a non-profit fiscal sponsor, fiscal sponsorship fees may be allowable as an indirect cost, if charged consistent with the sponsored organization's established policies. Fiscal sponsorship fees are *not* allowable as a direct cost. Track 1 Unallowable Costs % of award Description Developing new agricultural products, such as new crop varieties 0% Plans directly related to agricultural production and/or farm certifications for individual farms or ranches. Examples include, but are not limited to, developing a farm's conservation plan, a farm's food safety plan, a farm's organic transition plan, or a farm's seasonal crop production plan. Farm equipment, tools, materials, and/or supplies related to agricultural production Costs related to certain direct-to-consumer food distribution activities. Please see "Costs related to direct-to-consumer distribution" above for details. Refer to Section 330.1(c)(1) of the CDFA Grant Administration Regulations regarding costs that will benefit both grant project activities and non-grant project activities. Costs for contributions and donations from the grant recipient to other entities, including donations of food. See CDFA Allowable and Unallowable Items of Cost, section 6. Refer to Section 330.1(c)(1) of the CDFA Grant

	Administration Regulations regarding costs that will benefit both grant project activities and non-grant project activities.
	<ul> <li>Lease-to-own costs for real property and equipment. See <u>CDFA Allowable and</u> Unallowable Items of Cost, section 22b.</li> </ul>
	<ul> <li>Incorporation fees, business license fees, and other costs associated related to organizing a business or similar entity. See <u>CDFA Allowable and Unallowable</u> Items of Cost, section 17.</li> </ul>
	<ul> <li>Costs of promotional items, memorabilia, gifts, souvenirs, and similar items, advertising and public relations that are not directly related to the purpose or objectives of the grant program or grant award. See CDFA Allowable and Unallowable Items of Cost, section 1.</li> </ul>
0%	General CDFA unallowable costs. Please refer to the CDFA List of Allowable and Unallowable Items of Cost.
0%	Any costs incurred before or after the grant term. Any costs outside the project scope. Please note that prior approval from the CDFA is required for any changes to an approved project scope of work or budget once the agreement is fully executed. Failure to obtain prior written approval from the CDFA may result in denial of costs incurred.

Track 2 Infrastructure and Operations Allowable and Unallowable Costs

	Track 2: Allowable Costs
% of award	Description
No cap	Direct Costs  Equipment, supplies, salaries/wages, labor fringe benefits, contractual costs, travel, and other costs that are reasonable and necessary to initiate operations or expand capacity for a new community food hub or expand capacity for a developed community food hub. These costs could include, but are not limited to:  Personnel  Personnel salaries/wages (except overtime) for people who are directly working on implementation of the proposed project  Fringe benefits for people who are directly working on implementation of the proposed project  CDFA encourages applicants to consider their capacity for meeting the grant reporting requirements (see Section 1.8 below). Applicants should consider including costs in their Proposed Budget (e.g. administrative staff; software) to assist with reporting, if needed. If costs are specifically related to a grant award and can be directly attributed to grant award activities relatively easily with a high degree of accuracy, they can be considered direct costs. Grant reporting is considered a grant award activity.  Job-related training and education for community food hub employees

#### **Equipment and Supplies**

- Refer to Sections 303(29), 324.1, and 324.2 of the CDFA Grant
   Administration Regulations
   for a definition of equipment and guidance regarding equipment property records and disposition.
- Rental costs of real property and equipment
- Construction equipment and supplies
- Coolers, freezers, trucks, vans, forklifts
- Food processing equipment
- Equipment and supplies to develop value-added food products. See definition of value-added products above in Section 1.2 Definitions.
- Food packaging supplies
- Product inventory and sales software
- Costs associated with vendor and buyer engagement and training
- Costs related to agricultural production and/or certifications, such as
  purchasing farm production equipment or farm food safety/GroupGAP
  certification, if these costs are for the purpose of increasing the capacity of
  multiple food producers to participate as community food hub vendors.
- Farm equipment, tools, materials, and/or supplies related to agricultural/food production <u>if purchased for the purpose of</u> sharing, loaning to, selling, and/or providing discounted prices to the community food hub's food producer vendors.

**Note for refrigerated/freezer equipment**: CDFA encourages applicants and grantees to purchase the most energy-efficient and climate-friendly refrigeration and freezer equipment possible. Not including this kind of equipment in the project budget will <u>not</u> impact scoring.

#### **Contractors and Consultants:**

- Fees for contractors and consultants, including related to construction and associated permits.
- Applicants do not need to identify specific consultants or contractors at the time of application. Please see <u>Sections 319, 320.1, 320.2, and 320.3 in</u> <u>CDFA's Grant Regulations</u> for how grant recipients should procure goods or services and for use, agreements, and invoices with contractors.

#### Food Safety-Related Costs, such as:

- Necessary certifications or audits
- Costs associated with developing food safety plans
- Fees for personnel, contractors, or consultants that assist with developing or implementing food safety-related activities
- Fees for food safety education and training

#### Note about Food Safety

Applicants that do not currently have a food safety plan in place for a community food hub must include costs related to developing food safety plans in the Proposed Budget for this application. CDFA expects grant recipients to meet a level of food safety consistent with their business/organization operations and in accordance with

USDA requirements and Food and Drug Administration Food Safety Modernization Act (FSMA), including the FSMA Preventative Controls Rule, as applicable, and any local health department requirements. Grant recipients may use grant funds for costs to meet necessary food safety requirements for their projects. Grant recipients should work with buyers to determine what level of food safety the community food hub must meet to sell food to those buyers. These costs could include, but are not limited to, food safety consulting services or food safety training. Applicants can figure out a community food hub's status under the federal FSMA Preventative Controls Rule using the flow chart in <a href="this document">this document</a> and find food hub food safety resources at this website.

<u>Travel Costs</u>: including meals, incidentals, and lodging expenses related to travel, that are necessary for the performance of the grant award, according to <u>Sections 322</u>, 322.1, 322.2, and 322.3 in the CDFA Grant Regulations.

#### Other Types of Costs, such as:

- Costs of advertising and public relations that <u>are directly related</u> to the purpose or objectives of the grant program or grant award.
- Certifications and trainings associated with the community food hub's organic certification and other regulatory requirements necessary to perform the grant project.

#### Impacts to Environmental and Cultural Resources

All grantees selected for an award are responsible for complying with all relevant local, state, and federal laws while implementing projects, including environmental laws that protect natural and cultural resources. Grantees should do their due diligence to ensure their projects comply with these laws. In many cases, CDFA does not have regulatory jurisdiction nor technical expertise in every law that may affect a project. CDFA staff will offer grantees support to connect with the appropriate agencies and resources, where possible.

<u>For all costs</u>: Refer to <u>Section 330.1(c)(1) of the CDFA Grant Administration</u>
<u>Regulations</u> if costs will benefit both grant project activities and non-grant project activities.

## Direct Costs - Purchase/Lease of Land

#### 75% cap

Funding for purchase of land or monthly/annual lease payments is allowable for up to 75% of total direct costs and requires prior written approval by CDFA.

• <u>Please note:</u> CDFA seeks Track 2 projects that are ready to implement and/or expand operations. Projects that are not ready to purchase/lease land (e.g. have a parcel/seller already identified) and conduct community food hub operations may not be aligned with the purpose of the program.

Up to 30% of direct costs	<ul> <li>Land is considered "equipment" if it is tangible personal property having a useful life of more than one year and a per-unit acquisition cost of \$10,000 or more. See section 303(29) of the CDFA Grant Administration Regulations. Purchasing equipment that is not included in the approved Budget requires prior approval.</li> <li>Grant recipients must comply with applicable state requirements regarding the use, maintenance, disposition, and reporting of equipment per sections 303, 311, 324.1 and 324.2 of the CDFA Grant Administration Regulations.</li> <li>Refer to Section 330.1(c)(1) of the CDFA Grant Administration Regulations if costs will benefit both grant project activities and non-grant project activities.</li> <li>Indirect Costs</li> <li>Up to 30% of total direct costs may be used for indirect costs. Indirect costs are costs for common or joint objectives that cannot be identified specifically with a particular project, program, or organizational activity. Typical indirect costs include but are not limited to rent, utilities and internet service, cellular and land-line telephone service, general office supplies, and insurance. See</li> </ul>
	<ul> <li>and land-line telephone service, general office supplies, and insurance. See Section 303(a)(40) of the CDFA Grant Administration Regulations.</li> <li>Applicants from the University of California or California State University may claim their agreed upon indirect cost rate with CDFA. These applicants must follow their established policies for calculating indirect cost rates.</li> <li>CDFA, as a non-federal agency, does not accept the Negotiated Indirect Cost Rate (NICRA) an applicant may have with the federal government.</li> <li>Please note that for projects with a non-profit fiscal sponsor, fiscal sponsorship fees may be allowable as an indirect cost, if charged consistent with the sponsored organization's established policies. Fiscal sponsorship fees are not allowable as a direct cost.</li> </ul>
	Track 2 Unallowable Costs
% of award	Description
0%	<ul> <li>Costs related to agricultural production and/or farm certifications <u>if the costs are not for the purpose of</u> increasing the capacity of multiple food producers to participate as community food hub vendors.</li> <li>Costs related to certain direct-to-consumer food distribution activities. Please see <u>"Costs related to direct-to-consumer distribution"</u> above for details. Refer to <u>Section 330.1(c)(1) of the CDFA Grant Administration Regulations</u> regarding costs that will benefit both grant project activities and non-grant project activities.</li> <li>Costs for contributions and donations, including food, from the grant recipient to other entities. See <u>CDFA Allowable and Unallowable Items of Cost, section 6</u>.</li> <li>Costs for developing new agricultural products, such as new crop varieties</li> <li>Subawards to other entities, where an awarded is passed through the grant recipient to a subrecipient to carry out a part of an award for financial assistance. Payments to a contractor or payments to an individual who is a beneficiary of a program are not subawards and are allowed.</li> </ul>

	<ul> <li>Lease-to-own costs for real property and equipment. See <u>CDFA Allowable</u> and <u>Unallowable Items of Cost</u>, section 22b.</li> <li>Incorporation fees, business license fees, and other costs associated related to organizing a business or similar entity. See <u>CDFA Allowable and Unallowable Items of Cost</u>, section 17.</li> <li>Costs of promotional items, memorabilia, gifts, souvenirs, and similar items, advertising and public relations that <u>are not directly related to the purpose or objectives of the grant program or grant award.</u> See <u>CDFA Allowable and Unallowable Items of Cost</u>, section 1.</li> </ul>
0%	General CDFA unallowable costs. Please refer to the <u>CDFA List of Allowable and Unallowable Items of Cost</u> .
0%	Any costs incurred before or after the grant term. Any costs outside the project scope. Please note that prior approval from the CDFA is required for any changes to an approved project scope of work or budget once the agreement is fully executed. Failure to obtain prior written approval from the CDFA may result in denial of costs incurred.

## 1.7 Allowable Use of Income Generated during the Project

Some grant recipients are likely to generate income (e.g., by selling California food products) during the grant project term. Any gross income earned <u>as a result of the grant award during the grant duration</u> is referred to as "program income" (Section 303(a)(55) of the CDFA Grant Administration Regulations).

Program income includes, but is not limited to, income from fees for services performed, the sale of commodities or items fabricated under the grant award, and license fees and royalties on patents and copyrights. For example, a grant recipient who sells California food products to a public institution as part of the grant project would be generating program income from the sales.

For the purposes of the Farm to Community Food Hubs Grant Program, grant recipients are allowed to reinvest program income into the project for which the grant was awarded and spend that income on any allowable cost (see Section 1.6 Allowable and Unallowable Costs). For example, income from food sales could be used to pay for the wages for community food hub staff who are implementing the project. Grant recipients may not have to receive approval for the exact expenses for what program income is used for, as long as those expenses are known to be allowable costs as exemplified in Section 1.6 above. CDFA may work with grant recipients to approve other uses of program income. Program income must be expended prior to project closeout. Upon project closeout, any unexpended program income shall be reduced from the final invoice or remitted to CDFA. See Section 318 in CDFA Grant Regulations for more details and options on using program income.

If an applicant is selected for award, CDFA will provide more details about use of program income in the terms and conditions in the grant agreement signed by the recipient and CDFA.

## 1.8 Reporting for Grantees

CDFA encourages applicants to consider their capacity for meeting the following reporting requirements, some of which are required by California legislation. Applicants should consider including costs in their Project Budget (e.g. administrative staff; software) to assist with reporting, if needed. <u>If costs are</u>

specifically related to a grant award and can be directly attributed to grant award activities relatively easily with a high degree of accuracy, they can be considered direct costs. Grant reporting is considered a grant award activity.

## Track 1 Planning Reporting

**Grant term:** up to 24 months

Estimated Grant Term (subject to change): October 2025 – October 2027

Beginning Interview	Core team members listed on the application will participate in an interview with CDFA staff. The interview will occur sometime between when the project is selected for funding and when the project begins. The purpose of the meeting will be to review the project plan, confirm roles, and provide early support to awarded projects.
Invoices	Submit monthly or quarterly invoices to CDFA (utilizing a template that CDFA will provide) along with documentation to demonstrate proof of payment, detailing spending to be reimbursed for actual allowable costs incurred. If eligible and approved for <a href="Advance Payment">Advance Payment</a> , submit regular invoicing in accordance with Advance Payment regulations.
Quarterly Check-In Surveys	<ul> <li>Submit quarterly check-in surveys to CDFA, summarizing project progress, successes, and challenges. The quarterly check-in surveys may request project photos, other storytelling media, quotes, and the following data:         <ul> <li>The number and type of food producers engaged, including those using Indigenous food production practices</li> <li>The number of new relationships made with food producers, including those using Indigenous food production practices</li> <li>The number and type of buyers engaged</li> <li>The number of new relationships made with buyers</li> </ul> </li> </ul>
	CDFA staff will reach out and offer office hours to troubleshoot challenges with grantees.
Presentations	Grantees may also be requested to present to the California Farm to Community Food Hubs Working Group to share updates, successes, challenges, and other topics related to the funded project.
Annual Report	<ul> <li>The annual report covers progress made during the first twelve months of project. The maximum grant term is 24 months, so one annual report will be due before the last day of the 13<sup>th</sup> month of the grant term. The report may request information regarding:         <ul> <li>The number and type of food producers engaged, including those using Indigenous food production practices</li> <li>The number of new relationships made with food producers, including those using Indigenous food production practices</li> <li>The number and type of buyers engaged</li> <li>The number of new relationships made with buyers</li> <li>Project photos, other storytelling media, or quotes</li> </ul> </li> </ul>
Final Report	Grantees will use a template CDFA provides to submit a final report covering progress made during the entirety of the project and is due within 30 days of

	the termination of the grant agreement. Final reports must include any completed plan(s) that were funded by the grant award. The report may request information regarding:  • The number and type of food producers engaged, including those using Indigenous food production practices  • The number of new relationships made with food producers, including those using Indigenous food production practices  • The number, type, and location of buyers engaged  • The number of new relationships made with buyers  • Project photos, other storytelling media, or quotes
Final Interview	At minimum, the main point of contact listed on the application will participate in a final interview with CDFA after the grant term concludes to discuss project successes, challenges, and other relevant information. CDFA highly encourages all listed team members to attend, if possible.

#### Track 2 Infrastructure and Operations Reporting

Per California legislation authorizing the Farm to Community Food Hubs program (Food and Agriculture Code, Sections 590 – 593), Track 2 grant recipients must report quarterly to CDFA for five years (60 months). If a grant recipient has expended their awarded funds, they will continue submitting quarterly reporting on activities benefitting from the award during the full 60 months, such as sales activities.

Grant term: 60 months

Estimated Grant Term (subject to change): October 2025 – October 2030

Beginning Interview	Core team members listed on the application will participate in an interview with CDFA staff. The interview will occur sometime between when the project is selected for funding and when the project begins. The purpose of the meeting will be to review the project plan, confirm roles, and provide early technical support to awarded projects.
Baseline Survey	After the grant agreement has been fully executed, submit a pre-survey to CDFA at the beginning of the grant term to summarize and quantify pre-project activities. The pre-survey may request baseline metrics including but not limited to:  • Financial sustainability  • The current number and type, with respect to size (e.g. acreage) and ownership, of food producers (including those using Indigenous food production practices) from which food products are sourced  • The current number of food producers (including those using Indigenous food production practices) using sustainable, climate smart, or regenerative agricultural practices, including traditional Indigenous practices, and the approximate acreage these practices are used on  • The current weight and/or units of food products sourced from each farm  • The current number, type, and location of buyers served

	The current weight and/or units of food products sold and/or
l	delivered to each buyer
Invoices	Submit monthly or quarterly invoices to CDFA (utilizing a template that CDFA will provide) along with documentation to demonstrate proof of payment, detailing spending to be reimbursed for actual allowable costs incurred. If eligible and approved for an Advance Payment, submit regular invoicing in accordance with Advance Payment regulations.
Quarterly Check-In	Submit quarterly check-in surveys to CDFA throughout the entire 60-month
Surveys	grant term.
	Surveys will summarize project progress, successes, and challenges. The quarterly check-in surveys may request metrics and information related to but not limited to:  • Financial sustainability  • The number and type, with respect to size (e.g. acreage) and ownership, of food producers (including those using Indigenous food production practices) from which food products were sourced. This could be verified through a mix of invoices and self-reporting.  • The number of food producers (including those using Indigenous food production practices) using sustainable, climate smart, or
	regenerative agricultural practices, including traditional Indigenous practices, and the approximate acreage these practices are used on  The weight and/or units of food products sourced from each food producers (including those using Indigenous food production practices)  The current number, type, and location of buyers served  The weight and/or units of food products sold and/or delivered to each buyer. This could be verified through invoices.  Project photos, other storytelling media, or quotes
	CDFA staff will reach out and offer office hours to troubleshoot challenges with grantees.
Presentations	Grantees may also be requested to present to the California Farm to Community Food Hubs Working Group to share updates, successes, challenges, and other topics related to the funded project.
Annual Report	Grantees will use a template CDFA provides to submit an annual report covering progress made during the previous 12 months of the project. The grant term is 60 months. The last annual report will be due 12 months prior to the end of the grant term. Annual reports will request information related, but not limited, to:  • Financial sustainability  • The number and type, with respect to size (e.g. acreage) and ownership, of food producers (including those using Indigenous food production practices) from which food products were sourced. This could be verified through a mix of invoices and self-reporting.  • The number of food producers (including those using Indigenous food production practices) using sustainable, climate smart, or

	regenerative agricultural practices, including traditional Indigenous practices, and the approximate acreage these practices are used on  • The weight and/or units of food products sourced from each food producers (including those using Indigenous food production practices)  • The current number, type, and location of buyers served  • The weight and/or units of food products sold and/or delivered to each buyer. This could be verified through invoices.  • Project photos, other storytelling media, or quotes
Final Report	Grantees will use a template CDFA provides to submit a final report covering progress made during the entirety of the project. It is due within 30 days of the termination of the grant agreement. Final reports will request information related, but not limited, to:  • Financial sustainability  • The number and type, with respect to size (e.g. acreage) and ownership, of food producers (including those using Indigenous food production practices) from which food products were sourced. This could be verified through a mix of invoices and self-reporting.  • The number of food producers (including those using Indigenous food production practices) using sustainable, climate smart, or regenerative agricultural practices, including traditional Indigenous practices, and the approximate acreage these practices are used on  • The weight and/or units of food products sourced from each food producers (including those using Indigenous food production practices)  • The current number, type, and location of buyers served  • The weight and/or units of food products sold and/or delivered to each buyer. This could be verified through invoices.  • Project photos, other storytelling media, or quotes
Final Interview	At minimum, the main point of contact listed on the application will
	participate in a final interview with CDFA after the grant term concludes to discuss project successes, challenges, and other relevant information. CDFA highly encourages all listed team members to attend, if possible.

## 1.9 Advance Payments or Reimbursements

This is a **reimbursement grant program**. If awarded a grant, recipients will pay for project-related costs up front during the grant term. Recipients must sustain those up-front costs until recipients submit an invoice and eligible costs are reimbursed by CDFA, pending invoice review and approval. Recipients must submit monthly or quarterly invoices to CDFA. In most circumstances, recipients will be reimbursed within 45 days after invoices are reviewed and approved. The grant agreement must be fully executed (signed by both parties) before project activities begin. **Please note** that costs related to activities performed before the grant agreement is fully executed are not eligible for reimbursement.

Grant recipients may be eligible to receive Advance Payments for project-related costs. For qualifying 501(c)(3) nonprofit organizations, advance payments shall not exceed 25% of the total grant award. All other types of qualifying recipients can receive advance payments for a 90-day period. Advance payments

cannot reduce the project balance below 10% of the award amount. If eligible and approved for advance payments, recipients must follow the Advance Payment regulations according to <u>California Code of Regulations Grant Administration</u>, <u>Section 316.1</u>.

## 2.0 Application and Review Process

## 2.1 Apply Electronically

The application is due at 5 p.m. PDT on Monday, April 14, 2025. CDFA will not accept late applications. Grant applicants must submit completed application materials detailed below by attaching all materials in a single email to <a href="mailto:cafoodhubs@cdfa.ca.gov">cafoodhubs@cdfa.ca.gov</a> with the subject line "Grant application". Applicants are encouraged to use the resources available from CDFA described in <a href="mailto:Section 3.0 Application Assistance and Questions">Section 3.0 Application Assistance and Questions</a>.

The required application materials and templates can be downloaded from CDFA's <u>Farm to Community</u> Food Hubs website.

- Application Submission Checklist (does not need to be submitted)
- Track 1 Planning
  - o Required Application Questions
  - o Required Project Workplan template
  - o Required Project Budget template
  - Letter of Support Template (optional)
- Track 2 Infrastructure and Operations
  - o Required Application Questions
  - o Required Project Workplan template
  - Required Project Budget template
  - o Required Food Producer Network List
  - o Required Food Producer Verification Form
  - o Required Letter of Support Form

## 2.2 Grant Application Evaluation Criteria

#### Track 1 Evaluation Criteria

Applicants to Track 1 Planning must complete an application with the following sections. Once CDFA determines a Track 1 application meets all requirements, reviewers will competitively score a Track 1 application using the scorecard below. View the detailed application questions and the detailed scoring criteria for Track 1 on the Farm to Community Food Hubs website.

Track 1 Planning							
Application Section	Sub-section	Sub-section points	Total Possible Points	% of total			
Applicant Information			0	0%			
Eligibility (New community food hub)			5	4%			
Funding Amount Requested			0	0%			
Previous Grants			0	0%			
Plan Type			0	0%			
Project Title and Summary			0	0%			
Project Team	Team Members and Experience Producer-led food hub	15 5	20	17%			
Project Need			20	17%			
Workplan and Budget			15	13%			
Objectives	Increase Purchasing Priority Food Producers Financial Sustainability	5 5 5	15	13%			
Engagement Plan	Food Producers Buyers Other Partners	10 10 5	25	21%			
Metrics			5	4%			
Letters of Support			15	13%			
Additional Applicant Information			0	0%			
Total Possible				100%			

#### Track 2 Evaluation Criteria

Applicants to Track 2 Infrastructure and Operations must complete an application containing the following sections. Once CDFA determines a Track 2 application meets all requirements, reviewers will competitively score a Track 2 application using the scorecard below. View the detailed application questions and review the detailed scoring criteria for Track 2 on the <a href="Farm to Community Food Hub website">Farm to Community Food Hub website</a>.

TRACK2 INFRASTRUCTURE AND OPERATIONS								
Application Sections	Sub-section	Sub-section Points	Total Points	% of Total				
Applicant Information			0	0%				
Eligibility (New Community Food Hub)			5	3%				
Funding Amount Requested			0	0%				
Previous Grants			0	0%				
Project Title and Summary			0	0%				
Duningt Tooms	Team Members and Experience	15	20	12%				
Project Team	Producer-Led Community Food Hub	5	20	12%				
Project Need			20	12%				
Workplan and Budget			25	15%				
	Food Producer Network	40		29%				
Serving Food Producers	Priority Food Producers	5	50					
	Beyond Sales	5						
Duvers and Sales	Priority Buyers	10	20	12%				
Buyers and Sales	Addressing Needs	10	20					
Financial Sustainability	Financial Analysis	5	10	6%				
Fillalicial Sustaillability	SWOT Analysis	5	10					
Food Safety			0	0%				
Metrics			5	3%				
Letters of Support			15	9%				
Additional Applicant Information			0	0%				
Total Possible				100%				

## 2.3 Application Review Process

#### **Step 1: Administrative Review**

CDFA will first conduct an administrative review to determine if applications meet all eligibility and application requirements. The administrative review may include evaluating an applicant's or recipient's potential risk for non-compliance with grant program requirements or grant agreement terms and conditions. During the administrative review, the following are grounds for disqualification:

- Lead applicant is an ineligible entity. See requirements in Section 1.4 Eligibility and Exclusions.
- Application is incomplete, has one or more unanswered questions, and/or includes missing, blank, or unreadable content.
- Application includes dates outside the allowable grant duration.
- Applications for less than the minimum award amount or more than the maximum award amount.
- If funded, the application would provide an improper benefit, meaning a tangible benefit to the applicant, recipient, or other party that is inconsistent with the intended purpose of the grant program. See Section 1.1. Purpose.
- Applications that do not comply with the allowable and unallowable costs for the applicable funding track, especially if at a level that hinders project implementation. See <u>Section 1.6</u> <u>Allowable and Unallowable Costs</u>
- Application is submitted after the submission period has ended.
- The lead applicant submitted multiple applications.
- Misrepresentations in the application.

- The entity does not agree to do all the required reporting activities for the funding track if awarded a grant. See Section 1.8 Reporting for Grantees.
- The proposed project is duplicative of another proposed project (e.g., projects propose to fund the same costs and project activities for the same entities).
- The entity previously received a grant award through other CDFA grant programs and the proposed project for the Farm to Community Food Hubs Program replaces, rather than supplements, the existing project.
- The entity previously received a grant award through other CDFA grant programs and is not in good standing with the State of California.

Applicants who receive a notice of disqualification from CDFA because of the initial administrative review may appeal the disqualification. See <u>Section 2.4 Appeal Rights</u>.

#### Step 2: Technical Review using Evaluation Criteria

- Applications that pass administrative review will receive a technical review to evaluate the merits of the application. The technical review will score applications based on the evaluation criteria described in <u>Section 2.2 Grant Application Evaluation Criteria</u>.
- CDFA reserves the right to ask applicants clarifying questions about their applications and to work with applicants to modify their proposals.
- CDFA reserves the right to utilize both technical review scores, alignment with program goals, and geographic diversity to determine awards.

#### **Step 3: Award Notification and Feedback**

CDFA will email all applicants regarding whether the applicant is selected for an award or not.

- Grant Applications Due: Monday, April 14, 2025 by 5 p.m. PDT
- Review Process: April May 2025
- Award Notification and Announcement: June 2025

Applicants not selected may request feedback from CDFA to identify the strengths and weaknesses of submitted applications. This information may be useful when preparing future grant proposals. CDFA reserves the right to provide this feedback orally or in written format. Please note that to receive feedback, applicants must request feedback within 10 calendar days of receiving a notification about their grant application status from CDFA. CDFA will provide additional information about feedback requests to non-selected applicants in the grant notification email.

## 2.4 Appeal Rights

Any discretionary action taken by the CDFA Office of Farm to Fork may be appealed to the CDFA Office of Hearings and Appeals within 10 calendar days of receiving a notice of disqualification from CDFA. The appeal must be in writing and signed by the responsible party named on the grant application or his/her authorized agent. It must state the grounds for the appeal and include any supporting documents and a copy of the CDFA Office of Farm to Fork decision being challenged. The submission must be sent to the California Department of Food and Agriculture Office of Hearings and Appeals, 1220 N Street, Suite 315,

Sacramento, CA 95814 or emailed to <a href="mailed-color: celebate;">CDFA.LegalOffice@cdfa.ca.gov</a>. If submissions are not received within the time frame provided above, the appeal will be denied.

#### 2.5 Call for Technical Reviewers

The technical review committee for the 2025 California Farm to Community Food Hubs Grant Program will consist of individuals from California state agencies and external partners who have expertise related to the funding track(s) they review.

- People who are interested in participating as a technical reviewer should complete <u>the online</u> interest form.
- Who can be a technical reviewer?
  - O We encourage people with relevant experience or expertise to submit their interest. Please view the <u>online interest form</u> to see what experience we are looking for.
  - Lead applicants and project team members who apply to the 2025 California Farm to Community Food Hubs Grant Program <u>may not</u> participate in the technical review process.
  - Technical reviewers may be required to file a Form 700 (Statements of Economic Interests) to publicly declare any personal financial interests or potential conflicts of interest that are relevant to the role as a reviewer. Reviewers may also be required to participate in online state-mandated trainings, such as sexual harassment prevention training.
- What is the time commitment? Technical reviewers should anticipate participating in the review process from approximately April May 2025 and spending approximately two hours of review per application. The amount of time spent on each application can also depend on the reviewer's familiarity and abilities. The exact number of applications someone is assigned will depend on how many applications CDFA receives and the technical reviewer's capacity.
- Will CDFA train technical reviewers? Yes. CDFA staff will require all technical reviewers to
  participate in a virtual training or watch the recording before starting application scoring.
- Will technical reviewers be compensated? No. This is a volunteer opportunity and great way to learn the review process for a California state grant program.

## 3.0 Application Assistance and Questions

## 3.1 Bi-Monthly Virtual Office Hours

CDFA will host virtual public "office hours" sessions on Zoom twice each month during the application period to answer questions about the grant application. Recordings of the sessions will be posted on the program website. Find upcoming public "office hours" sessions on the website.

## 3.2 Reviewing Draft Applications

CDFA is offering to review draft application materials for up to 20 eligible applicants that represent the following types of entities:

- California Native American Tribes (both federally and non-federally recognized)
- Tribal-led nonprofit organizations

- Food producer businesses/organizations with 50% or more of owners identifying as at least one of the following (see the definitions in Section 1.2 Definitions):
  - Socially disadvantaged food producer
  - Beginning food producer
  - Limited resource food producer
  - Veteran food producer
  - o Disabled food producer

**Note:** applicants who speak limited English can participate in this service. CDFA will provide free language interpretation as part of understanding the application and providing applicants feedback on their draft applications. **Applications must be submitted in English.** 

#### How this works

- Draft materials will only be reviewed between Thursday, February 20 Friday, April 11, 2025.
- The eligible applicants listed above can use this <u>online form</u> or call 916-539-6017 to request CDFA staff to review draft application materials.
- This will be a "first-come first-serve" system, meaning the first 20 eligible applicant groups to request this assistance will be the only ones CDFA meets with to review draft application materials.
- Applicants who choose to participate in this service should be prepared to discuss feedback via a phone call or Zoom meeting with CDFA staff.
- Eligible applicants do not have to participate in this application assistance service.
- Applicants who do not or cannot participate in this service are encouraged to attend CDFA's
  virtual office hours and email staff at <a href="mailto:cafoodhubs@cdfa.ca.gov">cafoodhubs@cdfa.ca.gov</a>. <a href="mailto:Virtual office hours">Virtual office hours</a> and emailing
  program staff is available for all applicants.

#### What reviewing draft application materials means

- Having draft application materials reviewed does not guarantee the application will receive more points during technical review nor guarantee the applicant will be offered the grant award.
- CDFA staff reviewing draft application materials will not score those same applications once they are submitted for formal CDFA review.

#### CDFA staff reviewing draft application materials will:

- Provide free language interpretation for applicants that speak limited English
- Review draft application responses, draft workplans, and draft budgets
- Provide feedback to an applicant via phone call or virtual meetings (not by email)
- Provide guidance on how application materials could be improved to reflect an applicant's project vision
- Provide guidance on how application materials could better align with the application evaluation criteria
- Provide guidance on whether proposed costs are allowable or unallowable. CDFA provides this guidance to all applicants, whether they participate in this service or not.

#### CDFA staff reviewing draft application materials will not:

- Write any portion of the application
- Tell or suggest *how* an applicant should accomplish a project. Applicants and their partners know how best to accomplish a project based on their specific context.
- Conduct research on behalf of the applicant
- Provide direct edits to materials
- Be able to translate applications to English

## 4.0 CA Public Records Act

All grant applications and project information submitted by applicants and/or grant recipients to CDFA is subject to public disclosure. The California Public Records Act states that every citizen has the right to inspect and/or obtain a copy of any public record [Government Code section 7920.000 et seq.]. The CDFA Legal Office shall determine if the public record requested is exempt from disclosure. Public records must be disclosed unless exempt under the Government Code or other applicable law. You can review the CDFA Privacy Policy at <a href="https://www.cdfa.ca.gov/privacy.html">https://www.cdfa.ca.gov/privacy.html</a>

## 5.0 Other State Grant Opportunities

- For a comprehensive list of CDFA grant programs, please visit <a href="https://www.cdfa.ca.gov/grants/">https://www.cdfa.ca.gov/grants/</a>.
- For a complete list of California grant and loan programs, please visit the State Library's California Grants Portal: <a href="https://www.grants.ca.gov/">https://www.grants.ca.gov/</a>.