

3.3 Raising Money

There is no magic bullet for raising funds for your farm incubator program and the funding climate, along with the economy at large, is not the most encouraging for anyone at the moment. With that said, incubator projects are funded in a myriad of creative ways through public/non-profit partnerships, land donations, sponsorships, and crowd funding, along with your more traditional government and foundation funding streams. All organizations strive for some sort of financial stability and many see income generation as a way to accomplish this goal. Although there is potential for this on farm incubator projects through the sales of farmers' products and small amounts of income from farmer rental fees and payment for services, the mission of incubator projects is inherently long-term and educational in nature. This puts them squarely in the "public good" category of investments in the future of our food system, the health and well-being of our communities, and sustainable economic development. The following section lays out various options for generating income for your project.

3.3.1 - Key Considerations

Project Goals: Future funding is driven by results. Make sure you have identified your target goals and how you will measure these so you can show progress and significant impact as a direct result of the work you are doing. Demonstrate a wide variety of benefits [economic, social, environmental], and articulate them clearly and often, along with your mission and ultimate vision for the world you hope to create with your project. While quantitative metrics are always useful, qualitative stories also move hearts and minds. Your project should strive to constantly identify sources of additional funding, build transparency into the planning and implementation process, and document all of your work so you can report in detail what you have accomplished and how you did it.

Relationships: Cultivate relationships with foundations, but also with individual donors and the communities you serve. Ultimately, the customers who purchase food from your farmers, the farmers' and their families who have sustainable livelihoods and all other beneficiaries of your work should be able to tell inspiring stories about what you do, which can translate into applications and appeals for support. Don't forget to think local and cultivate your municipal, county, and state government so they understand the economic development opportunities your program provides and the environmental benefit of having land in sustainable agriculture. The more advocates you have, the more options there will be for collaborations and innovative program development

with other local partners that can increase your likelihood of receiving funding.

Resources: Take advantage of local libraries or universities that have subscriptions to online grant databases like the Foundation Center (<http://foundationcenter.org/>) to conduct comprehensive searches. Consider soliciting in-kind donations of goods and services from local businesses and professionals to help with various program activities and ask for donations whenever possible.

Communication: If you have a strong presence in your community or a broad base of partner organizations, make sure you reach out [sparingly] for support to your networks. E-newsletters and social media are a great way to build community support for your work, and websites create a strong presence for your program on the web where a majority of funders will conduct research on your program. Make sure your mission, vision, and goals are clearly stated and articulated, and don't forget to provide moving stories, to make the case for why your organization is a good candidate for ongoing funding.

3.3.2 - Fundraising

Fundraising commonly happens through the following means, and often requires:

Grassroots (appeals and campaigns): Reach out to your previous participants, and any general audiences that you may have cultivated through holding public events, tabling at agricultural fairs, etc. The benefit of grassroots appeals is that the funding is unrestricted. The downside is that you can spend a lot of time and resources on these campaigns for very little financial payoff. However, if you consider raising awareness about your program a long-term investment in your organizational health and relevance, then grassroots campaigns are well worth the effort.

Individual donor cultivation: You may have contacts and interested parties who are capable of providing larger individual donations. Smaller fundraising events may be more appropriate for these donor groups. Consider events along the line of farm dinners with donated produce and a well-known chef or restaurant sponsor.

Events: Larger community events have similar plusses and minuses as other grassroots appeals and campaigns in that they often get the word out to a broad audience about your work, but may not yield as much return on investment as other approaches. Some examples of events include seasonal plant sales, farm dinners, road races, and community harvest festivals.

Sponsorships: If you have some way of reaching a large group of people through your outreach and promotional efforts, for example, if you hold grassroots events like the ones mentioned above, you may be able to leverage this exposure to cultivate sponsorships from local businesses who want to be associated with sustainability and local business promotion and cultivation. Consider your local food-coop, garden supply stores, popular restaurants that serve local food, or other community allies.

Crowd funding: Recent online crowd funding platforms like Kickstarter and IndieGogo and GoFundMe have sprung up in recent years and offer a good alternative to traditional funding sources if a few conditions exist: you have the administrative time to manage the site; you have attractive giveaways to offer potential funders; you have a broad base of socially networked contacts; and you have a distinct project (for example, a greenhouse or tractor) that provides an appealing focus for potential donors.

3.3.3 - Grants Development

Government grants can be federal, state, or local. They often require more time to apply for and more time to report on due to higher levels of bureaucracy inherent within the system. Below is a list of federal funding programs that may appropriate for incubator farm projects. Note that some of these programs are contingent on congressional appropriation and may not survive the next round of Farm Bill negotiations. You can also search <http://www.grants.gov> for additional opportunities.

- CFP – Community Food Projects
- BFRDP – Beginning Farmer and Rancher Development Program
- RMA / RME – Risk Management Agency (and Regional Risk Management Centers)
- OASDFR – Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers (2501 Program)
- FMPP – Farmers’ Market Promotion Program
- Specialty Crop Block Grants (via state dept of agriculture)
- SARE – Sustainable Agriculture Research and Education (farmer, R&E, prof. devt, community, partnership)

- Regional IPM Grants
- NRCS CIG (Conservation Innovation Grants), EQIP (Environmental Quality Incentives Program), AMA (Agricultural Management) and Farm Service Agency (FSA) Loan Programs
- RBEG (Rural Business Enterprise Grants)
- USDA Value-Added Producer Grants
- ORR/HHS RAPP – Refugee Agricultural Partnership Program
- Local Community Development Block Grants (CDBG)

Foundation grants have specific geographic and mission foci. When searching and applying for foundation grants, take the time to make sure you are not trying to fit into a box that wasn't made for your program. If the grant does not seem to be a good fit for your organization in some meaningful way, don't spend time applying for it. If there is a question about whether or not it's a good fit, try to contact the foundation to clarify before spending a lot of time on an involved application.

As mentioned in the “Key Considerations” section, you can find various search engines for searching various foundation grant opportunities at your local libraries, colleges, and universities.

Some key search terms for incubator projects include: food security, agriculture, environment, economic development, farm, land conservation, farmers.

3.3.4 - Fee For Service

Incubator projects charge some fees for services that they provide on the incubator, although these are mostly to cover basic costs of farm operations, incentivize farmers to take their time on the incubator seriously, and provide farmers with a realistic perspective on the costs associated with running a farm business. Fees for basic incubator services are not especially good at covering the added costs of running an educational program, which requires teaching staff and administration to oversee. The following is a list of fees that an incubator commonly charges.

Land Rent: typically either market rate or just below, and scaled up over three years to reach market rate by graduation. Rent is calculated per acre, and either by the month or for the entire season. For sample rates for equipment and land fees at several different incubator projects, see Toolkit Resources and References

[section 6] and Case Studies [section 7] .

Services: Custom tractor work, cover cropping, site management fees, etc.

Technical assistance: Some projects charge additional fees for time with the farm manager or technical assistance coordinator, again, not necessarily to cover the costs of that technical assistance but to incentivize full farmer utilization of the resource.

Consulting: If your project has a specialized knowledge or skill base that would be of value to other organizations in your region, you can consider charging for time spent sharing information about your operations. Consider partnering with organizations who would like to offer your type of service to their participants on grant applications to receive a stipend for your work.

3.3.5 - Economic Sustainability

The clearest path towards economic sustainability for incubator projects is the same as the one we recommend to farmers; diversity. Having multiple funding streams and not too much dependence on any individual one of them allows for more unrestricted funds, and less risk overall if a major grant falls through or your program encounters unexpected expenses. In addition to the funding sources mentioned above, the following are other creative ways to ensure the long-term financial health of your project:

- Cultivate in-kind contributions from partners;
- Generate program income through social enterprises;
- Start a Community Supported Agriculture (CSA) program;
- Sell farm products and services to the general public; and
- Collect registration or attendance fees to generate revenue from training/educational workshops and conferences.