

AGRICULTURAL GROWTH, RESEARCH, AND INNOVATION

FISCAL YEAR 2018



LEGISLATIVE REPORT

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AGRICULTURAL GROWTH, RESEARCH, AND INNOVATION

TABLE OF CONTENTS



Executive Summary	3
Introduction	4
Livestock Investment Grants	5
Value-Added Equipment Grants	5
Value-Added Feasibility Study Grants	7
Farm to School and Farm to Early Care and Education Grants	7
New Market Development	9
Crop Research Grant	10
Minnesota Biofuel Infrastructure Partnership Cost Share	10
Bioincentive Payments	11
Sustainable Agriculture Demonstration Grants	11
Farm Business Management Scholarships	11
Urban Agriculture Grants	12
GAP/GHP Certification Cost Share	13
County Fair Grants	13
Appendices	
Appendix 1 Livestock Investment Grant Recipients	14
Appendix 2 Livestock Investment Grants by County	17
Appendix 3 Value-Added Equipment Grant Recipients	18
Appendix 4 Value-Added Feasibility Grant Recipients	21
Appendix 5 Value-Added Grants by County	22
Appendix 6 Farm to School Grant Recipients	23
Appendix 7 Farm to Early Care and Education Grant Recipients	24
Appendix 8 Farm to Early Care and Education Grant Recipients	25
Appendix 9 Minnesota Pavilion Participants	26
Appendix 10 Minnesota Pavilion by County	27
Appendix 11 Tradeshow Support Program Participants	28
Appendix 12 Tradeshow Support Program Participants by County Fiscal Year 2018	31
Appendix 13 Crop Research Grant Recipients	32
Appendix 14 Sustainable Agriculture Demonstration Grant Recipients	33
Appendix 15 Urban Agriculture Grant Recipients	34
Appendix 16 AGRI Investments Since FY 2013	35

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AGRICULTURAL GROWTH, RESEARCH, AND INNOVATION

EXECUTIVE SUMMARY



Executive Summary

The Agricultural Growth, Research, and Innovation (AGRI) Program, established at the Minnesota Department of Agriculture by Minn. Stat. 41A.12, advances Minnesota's agricultural and renewable energy industries. In Fiscal Year (FY) 18, the sixth year of the program, we awarded \$10.38 million to farmers, agricultural businesses, and schools through:

- Livestock Investment Grants,
- Value-Added Equipment Grants,
- Value-Added Feasibility Study Grants,
- Farm to School and Early Care and Education Grants,
- New Market Development support,
- Crop Research Grants,
- Minnesota Biofuels Infrastructure Partnership Cost Share,
- Bioincentive Program payments,
- Sustainable Agriculture Demonstration Grants,
- Farm Business Management Scholarships,
- Urban Agriculture Grants,
- Good Agricultural Practices/Good Handling Practices (GAP/GHP) Certification Cost Share, and
- County Fair Grants.

Significant economic impacts include increased production and use of Minnesota agricultural products, as well as increased employment. In part, these impacts were achieved through growing demand for local products by developing new products, supporting marketing efforts, and promoting entry into new markets. AGRI has also supported the growth of producers and processors by assisting them with increasing their capacity and efficiency.

FY18 investments resulted in:

- \$66.9 million of non-state investment leveraging \$6.44 for every \$1 of state investment;
- \$1.6 million in increased value-added sales;
- 203 new jobs (full/part-time) on livestock farms;
- 51 new full-time jobs and 24 new part-time jobs in value-added businesses;
- 23 schools increasing their purchases of Minnesota grown food for school food service; and
- 14 meat processors improving efficiency and/or expanding the number of livestock they process.

For FY18, the AGRI Program was appropriated \$13.256 million, and for FY19, \$13.311 million was appropriated. In addition, funds that were not used in FY18 were rolled into FY19 for use. As of January 1, 2019, \$2.3 million has been awarded in FY19. Requests for proposals remain open for applications to the Value Added Equipment and Feasibility Grants, County Fair Grants, Farm Business Management Scholarships, and GAP/GHP Certification Cost Share programs. Livestock Investment, Sustainable Agriculture Demonstration, Urban Agriculture, and Crop Research Grant proposals are under review.

Introduction

The Agricultural Growth, Research, and Innovation (AGRI) Program was established in Minnesota Statute 41A.12 in 2009 to promote the advancement of the state's agricultural and renewable energy industries. Funds for this program were made available after the state fulfilled its 10 year commitment to support the ethanol industry. Through this statute, the Commissioner of Agriculture is authorized to issue grants, loans, and other forms of financial assistance. Financial assistance can be for activities including, but not limited to, grants to livestock producers under the Livestock Investment Grant Program (Minn. Stat. 17.118), bioenergy awards made by the NextGen Energy Board (Minn. Stat. 41A.105), cost share grants for the installation of biofuel blender pumps, and financial assistance to support other rural economic infrastructure activities.¹

Funds were first available to the AGRI Program in FY13 when \$641,422 in excess funds from the FY12 ethanol producer payments appropriation were combined with \$2.30 million appropriated by the Legislature for FY13 (Laws of Minnesota 2011 Ch. 14 sec. 3 subd. 4). For FY14 to FY17, the AGRI Program's annual appropriation grew to \$10.235 million. In FY18 and FY19, \$13.256 million and \$13.311 million was appropriated.

In FY18, the Commissioner implemented programs in the following areas:

- Livestock Investment Grants to initiate or expand livestock production and processing;
- Value-Added Equipment Grants to purchase equipment in order to create, upgrade, or modernize value added businesses, including meat processing;
- Value-Added Feasibility Study Grants to assist the development of profitable businesses that add value to Minnesota agricultural products;
- Farm to School and Early Care and Education Grants to help schools and early care and education organizations purchase more Minnesota grown food by investing in processing equipment and storage;
- New Market Development to help Minnesota's small- to medium-sized food businesses and value-added agriculture producers explore new markets and expand their market reach;
- Crop Research Grants to catalyze research that will improve quality, quantity, and value of crops grown in Minnesota;
- Minnesota Biofuel Infrastructure Partnership Cost Share to increase availability of renewable liquid fuels;
- Bioincentive Program to encourage production of advanced biofuel, renewable chemical, and biomass thermal energy. Details about the Bioincentive Program are contained in a separate legislative report.
- Sustainable Agriculture Demonstration Grants to enhance the environmental, economic, and social sustainability of Minnesota farms through farmer-led, on-farm research;
- Farm Business Management Scholarships to support beginning farmers and facilitate the intergenerational transfer of farmland;
- Urban Agriculture Grants to stimulate urban youth agricultural education and/or urban agricultural community development;
- GAP/GHP Certification Cost Share to increase the number of GAP/GHP certified farms and food processors;
- County Fair Grants to support development and activities at county fairs; and
- Good Food Access Program to assist grocery stores and small food retailers in food deserts and low – to moderate-income areas purchase equipment and make physical improvements to increase accessibility to affordable, nutritious, and culturally appropriate foods. Details about this grant program are included in the separate GFAP Legislative Report.

These programs are described in the following sections. Details about recipients are provided in the appendices.

¹ The NextGen Energy statute, Minn. Stat. 41A.105 that created the NextGen Energy Board and authorized NextGen grants expired on June 30, 2015.

Livestock Investment Grants

The AGRI Livestock Investment Grant (LIG) encourages long-term industry development for Minnesota livestock producers through investments in infrastructure and equipment. The program also assists new farmers and generational transitions in order to sustain the livestock industry. Grant funds partially reimburse farmers for constructing, purchasing, and updating buildings and equipment for livestock production. Grantees are reimbursed for 10 percent of qualifying purchases with a maximum award of \$25,000 per year and a lifetime cap of \$50,000 per operation.

Grants are awarded competitively based upon recommendations made by a panel of MDA and external reviewers with experience in the livestock industry. Evaluation criteria promoted new farmers, generational transitions, recovery from natural disasters, farm management plans/programs, profitability, increasing farm employment, and positive environmental impacts. The Commissioner of Agriculture used geographic diversity as well as the panel's recommendations to make the final award decisions.

The FY18 target for LIG awards was \$2 million. We received 196 grant applications requesting \$3.34 million and awarded 86 grants totaling \$1.78 million. Participating farmers invested \$43.91 million in private funding, a 23.8 to 1 ratio of private to public funds leveraged to enhance livestock operations in the state. Producers of dairy, beef, pork, sheep, goats, and poultry received grants. Awards ranged from \$1,366 to \$25,000, with an average award of \$21,235. A list of awardees and a map of their locations are available in Appendices 1 and 2, respectively.

For example, Bill Vogel, a beginning farmer from Comfrey, is building a cattle barn to grow his operation by adding capacity for 300 more animal units. Through construction of a modern facility, his operation will be in compliance with state and county regulations. Manure management will be improved, and it will support continued productivity in his crops.

Of the grants awarded:

- 99 percent addressed an environmental issue;
- 95 percent of the farmers had a conservation plan;
- 99 percent were awarded to applicants who were either entering farming or helping to transition the operation to the next generation; and
- 85 percent of recipients had 10 years of farming experience or less.

We estimate that 906 construction jobs and 203 full- or part-time jobs on the farm were created as a result of projects funded by the grant program.

Proposals for FY19 grants were due on December 15, 2018. We received 174 applications requesting \$4 million. Approximately \$2 million is available for funding of new projects. Grants are set to be awarded in February.

Value-Added Equipment Grants

The AGRI Value-Added Equipment Grant Program aims to increase sales of Minnesota agricultural products by diversifying markets, increasing market access, and improving food safety. Eligible businesses or individuals must be involved in the production, processing, or marketing of Minnesota agricultural products. Grants reimburse 25 percent of the cost of equipment or facility improvements. The target for the Value-Added Equipment was \$3.5 million in FY18 and two levels of grants were available.

Level One Projects

Level One projects, funded during Fall and Spring rounds, were eligible to receive up to \$200,000. Priority for Level One grants was given to projects that involved meat processing, Farm to School (or other institution) market access, implementing a food safety plan, serving Native American Tribal Communities, and applicants who were a minority or veteran-owned business. In total, we received 67 applications requesting a total of \$3.9 million for Level One grants. A total of 42 projects were funded.

Level Two Projects

The FY18-19 AGRI Budget Rider allowed for the MDA to award up to two Level Two grants per year. Level Two projects, funded only during the spring, were eligible for awards greater than \$200,000 and less than or equal to \$1 million. Priority was given to proposals from businesses that use 50 percent or greater Minnesota grown inputs/ingredients or where a feasibility study had been conducted. We received six proposals requesting a total of \$3.7 million. Two Level Two projects were originally awarded; however, only one grantee was able to go through with the contract. The other grantee requested a reduced award of \$199,999 due to concerns about complying with prevailing wage requirements.

In FY18, a total of \$2.3 million was awarded for 44 projects among both rounds and levels. The range of awards was \$667.75 to \$325,686 with an average of \$53,103. Private investment of \$12.3 million resulted in a 5.26 to 1 ratio of private to public funds leveraged to expand and modernize value-added businesses that use Minnesota grown agricultural products.

A list of awardees and a map of their locations are available in Appendices 3 and 5.

A survey of FY17 and FY18 grantees was conducted in 2018 with 46 responses (23 FY17 grantees and 23 FY18 grantees) and showed that as a result of the Value-Added Equipment Grant:²

- 68% of recipients were able to expand into new markets, including schools and institutions, farmers markets, retail grocery/co-op, wholesale, and direct marketing. Approximately 240 new markets were entered.
- 68% of recipients were able to hire new employees (85 full-time and 81 part-time).
- 53% of recipients were able to increase utilization of Minnesota grown ingredients (from their entity or another).
 - FY17 grantees increased their combined use by 162 million pounds.
 - FY18 grantees anticipate increasing their combined use by 4.3 million pounds.
- 75% of recipients were able to increase sales of value-added products.
 - FY17 grantees increased their combined sales by \$12.7 million.
 - FY18 grantees anticipate increasing combined sales by \$1.6 million.
- 70% of recipients were able to increase the production of value-added products.
 - FY17 grantees increased their combined production by 67 million pounds.
 - FY18 grantees anticipate increasing their combined production by 1.9 million pounds.
- 26% of recipients were able to increase the number of Minnesota livestock processed.
 - FY17 grantees increased their combined processing capacity by 3,030 hogs, 1,838 beef, 383 lamb, and 213 goats.
 - FY18 grantees anticipate being able to increase their combined processing capacity by 92 hogs and 314 beef.



Minnesota Cider Co. purchased a tank as a part of establishing a new production facility. The facility will produce and sell high quality craft ciders using Minnesota grown apples.

² The FY17 AGRI Value-Added Equipment Grant portfolio included a large scale ethanol producer. The total cost of projects from FY17 grantees ranged from \$7,000 to approximately \$4,000,000.

Troy and Tracy Heald, owners of Country Blossom Farm, a FY17 recipient from Alexandria, commented, “We think it’s a great program for farmers to remove some of the financial burden of finding new ways to stay sustainable. It has helped us greatly in growing our value-added bakery products. Without this grant we would not be where we are today. Nor would we have the growing business we have today.”

Torg Brewery in Spring Lake Park, owned by David and Deborah Torgersen, used a FY18 grant to open a microbrewery in Spring Lake Park. They added that, “The Value-Added Grant program not only helped us financially, but helped us solidify our desire to use local products. It became part of our story.”

The FY19 target for Value-Added Grants is \$3.5 million. Two requests for proposals are issued each fiscal year. In the first round, we received 36 applications requesting \$2.2 million and are in the process of awarding nearly \$1.2 million to 18 applicants. Those grant recipients will invest \$5.4 million in matching funds – a 4.57 to 1 ratio of private to public funds. We are currently accepting proposals through March 8, 2019 for Level 1 and Level 2 projects.



Bushmills Ethanol in Atwater used a Value-Added Equipment Grant to expand their ethanol production capacity by purchasing cooling towers.

Value-Added Feasibility Study Grants

AGRI Value-Added Feasibility Study Grants assist the development of profitable businesses that add value to Minnesota agricultural products. Minnesota residents and businesses may apply for funds to conduct a feasibility study for a new business or for expansion or diversification of an existing business. Awards cover up to 50 percent of costs, with a maximum award of \$35,000.

Letters of Interest are reviewed by MDA staff and external partners on a rolling basis throughout the year until all funds are expended. Approved applicants are offered free consulting services from the Agricultural Utilization Research Institute (AURI) to help them refine project goals, develop a scope of work, and identify a third-party consultant to generate a quote for the feasibility study. After selecting a consultant, the applicant submits a final application to the MDA for review.

In FY18, we received 11 letters of interest and contributed a total of \$207,481 toward ten feasibility studies. Grantees examined business ventures related to advanced biofuels, flour, hemp, organic dried distillers grains, meat processing, flowers, and garlic. For a full list of funded applications, and project locations and descriptions, see Appendices 4 and 5.

In FY19, the MDA has allocated \$250,000 for feasibility studies. As of January 1, 2019, five businesses are working on their feasibility studies.

Farm to School and Farm to Early Care and Education Grants

The AGRI Farm to School and Farm to Early Care and Education (ECE) Grant Program’s goal is to increase the sales of Minnesota agricultural products by enhancing the ability of schools and early care organizations to purchase, store, and serve Minnesota grown products. Public and private schools must be a part of the National School Lunch Program and early care and education organizations must participate in the Child and Adult Care Food Program to be eligible to apply.

Two types of projects were eligible for awards:

- Equipment purchases or physical improvements to allow sites to purchase, prepare, and serve more Minnesota grown food. Awards cover up to 50 percent of expenditures, with a maximum award of \$50,000.

- Feasibility studies to determine product availability and cost of the specific equipment, tools, training, or policies that a site or school district needs to increase the purchase of Minnesota grown food. Awards cover up to 75 percent of the cost of the study, with a maximum award of \$30,000.

Grants were awarded competitively. A panel of MDA and external reviewers evaluated the applications based on the capacity to increase the amount of Minnesota grown food used.

The FY18 target for the Farm to School Grant was \$400,000. We received 32 applications totaling \$648,553 and awarded \$380,193 for 23 projects. Awards ranged from \$3,600 to \$49,000, with an average of \$18,225. The Center for Prevention at Blue Cross and Blue Shield of Minnesota (Blue Cross) contributed \$125,000 to help schools meet matching requirements. This funding was part of Blue Cross' long-term commitment to improve the health of all Minnesotans by tackling the leading root causes of preventable disease: tobacco use, lack of physical activity, and unhealthy eating. A list of awards and a map are located in Appendices 6, 7, and 8.

Schools purchased coolers, freezers, combi ovens, salad bars, food processors, steamers, rotisserie ovens, and more. For example, Winona Area Public Schools purchased a steamer to make locally grown mashed potatoes. This school year, they expect to purchase over \$4,000 in sweet potatoes from Whitewater Gardens Farm in Altura. The school can now eliminate dehydrated potatoes and provide 1,600 students fresh locally grown vegetables.

We conducted a follow-up survey of all FY17 and FY18 grantees. All recipients reported that the grant funds helped make their project possible. Most of them agreed that the project would not have been possible without the grant funding, while the remaining reported that the project would have been done on a more limited scale.

Schools that received a grant in FY17 are anticipating a \$3.1 million increase in local purchases between School Year 2016-2017 and School Year 2018-2019. FY18 recipients are expecting an additional \$2.1 million in local purchases this school year. It often takes schools a full year to implement their projects because of the demanding nature of the school year; equipment is typically installed during the following spring break, summer break, or MEA weekend. Note that some schools received grants in both years.

A growing number of schools are moving beyond local fruits and vegetables to also incorporate local meat products into their meals. For example, in FY18, Fridley Public Schools purchased a Robot Coupe to prepare high volumes of locally grown vegetables and a combi oven to roast and steam vegetables as well as to cook locally raised turkey. Many schools are using equipment received through the grant to prepare turkey products from Ferndale Market in Cannon Falls.

In FY19, we received 25 proposals requesting \$531,983 and we are in the process of awarding about \$250,000 through 15 grants to 12 applicants.

Also new in FY19, we began a new grant program to help schools and ECE organizations purchase dairy coolers to promote the consumption of milk. Schools and ECE organizations could apply for up to \$1,500 per milk cooler, with a maximum of three milk coolers per school district. This new program was met with broad support from Minnesota's dairy industry, particularly as the industry is going through significant challenges. We received 40 proposals, requesting \$55,915.00 and are in the process of awarding 39 grants to 31 organizations.



Fridley Public Schools purchased a combi oven and Robot Coupe as a part of their FY18 grant project. Director of Nutritional Services Mary Mitchell showed off the new equipment to Commissioner Dave Frederickson during a visit to the school.

New Market Development

The New Market Development Program helps Minnesota food and beverage companies explore new markets and expand their market reach. The program assists startups and entrepreneurs with business development advice and resources, and helps companies gain a competitive advantage in regional, national, and international markets.

In FY18, 124 food and beverage companies headquartered in Minnesota participated in a Minnesota Pavilion (shared space for Minnesota companies) at a trade event or benefitted from cost sharing provided by the Tradeshow and Demonstration Support Program (TSP). Those 124 companies projected \$9.2 million in new sales as a result of their participation in AGRI supported New Market Development programs.

Minnesota Pavilions

The MDA hosted Minnesota Pavilions at seven food and beverage trade events in FY18 using AGRI funds, including: Anuga (Germany), Gulfood (Dubai), Winter Fancy Food Show (San Francisco), Natural Products Expo West (Anaheim), National Restaurant Association/American Food Fair Pavilion (Chicago), Sweets & Snacks Expo (Chicago), and at the Summer Fancy Food Show (New York City). Approximately \$161,000 in AGRI funds were used to support events. A list of participating companies and their locations can be found in Appendices 9 and 10.

Overall, the MDA helped manage 58 booths that were purchased at a reduced cost by food companies at Minnesota Pavilions in FY18. Based on preliminary, self-reported data from these companies, they anticipate increasing their 6 to 12 month sales by \$6.4 million over baseline projections as a result of the connections made during the shows. In FY18, for every one dollar of state investment at one of these events, participating companies are expecting to increase their 6 to 12 month sales by an estimated \$39. They have also been able to create 120 new relationships with distributors and create nearly 2,200 new business contacts.

In FY19, we are coordinating Minnesota Pavilions at the Winter Fancy Food Show (San Francisco), Gulfood (Dubai), SIAL Canada (Montreal), Natural Products Expo West (Anaheim), National Restaurant Association/American Food Fair (Chicago), Sweets & Snacks Expo (Chicago), and Summer Fancy Food Show (New York City). The Minnesota Pavilions at the Winter Fancy Food Show and Natural Products Expo West will be the largest state-organized pavilions at those shows.

Tradeshow Support Program (TSP)

TSP helps small- to medium-sized companies exhibit at wholesale food events where there is not a Minnesota Pavilion option. The program also shares some of the high cost of executing in-store demos, allowing companies to drive sales by introducing products to new markets and stores. Costs eligible for reimbursement include mileage and labor for in-store demos, booth space rental, shipping marketing material to tradeshow, and new signage at wholesale food shows. A list of participating companies and their locations can be found in Appendices 11 and 12, respectively.

We invested approximately \$235,000 in FY18 AGRI funds to reimburse 101 different small Minnesota food and beverage companies for eligible TSP expenses. As a result of their participation, these companies collectively reported the following outcomes:

- \$4.4 million in projected sales over the next 6-12 months;
- 524 new markets explored (approximately 5.2 per company);
- 3,462 new stores added (approximately 34 per company); and
- 103 new distributor relationships initiated (approximately 1 per company).

As of January 2019, we have reimbursed approximately \$168,000 in FY19 TSP funds to 47 Minnesota food and beverage companies.

Crop Research Grant

The AGRI Crop Research Grant is intended to generate applied crop research that will improve the quality, quantity, or value of crops grown in Minnesota. Awards of up to \$250,000 fully reimburse grantees for their project costs. Research projects must provide near-term benefits for Minnesota agriculture and include a robust outreach component to transfer results and technology to the community.

In FY18, we received 43 applications totaling \$8.9 million in requested awards. Based upon recommendations made by MDA and external evaluators, eight projects were awarded a total of \$1.6 million in grant funds. A list of projects is provided in Appendix 13, and we have highlighted a few projects below.

Dr. Gary Muehlbauer plans to develop hop cultivars that are locally adapted to Minnesota. Available cultivars lack marketability and, importantly, economic viability in terms of disease resistance and yield. The project aims to



Dr. Kenneth Ostlie of the University of Minnesota used a Crop Research Grant to study the susceptibility of corn hybrids to corn rootworm. The corn on the left is resistant and the corn on the right is susceptible to the insect. *Photo by David Hansen*

release one to three new cultivars by 2022, as well as to identify genetic resistance to powdery mildew, a key pest for locally grown hops. This investment will help the emerging hop industry in Minnesota to compete with the well-established hop industry of the Pacific Northwest.

We also funded work to combat the growing risk of the corn rootworm developing resistance to current management strategies. Scouting thresholds, last updated in the 1980's, do not account for mixed populations (species, resistance levels) or reflect current production practices. The research of Dr. Kenneth Ostlie will help producers make tailored management decisions for their operations by developing a practical, cost-effective scouting approach that growers and agricultural professionals can use to reduce risk.

In FY19, we received 28 applications totaling \$5.2 million and expect to award \$2 million in early February.

Minnesota Biofuel Infrastructure Partnership Cost Share

In September 2015, we were awarded \$8 million through the United States Department of Agriculture's Biofuel Infrastructure Partnership (BIP). Funding is intended to promote infrastructure for stores that dispense renewable liquid fuels such as E15 and Flex-Fuel blends such as E30 and E85. The ultimate goal is to increase the use of ethanol in Minnesota. The Federal funds were leveraged by \$5.85 million in AGRI funding between FY 16-19. An additional \$3.06 million was contributed by the Minnesota Corn Research and Promotion Council, 17 of Minnesota's ethanol plants, and a separate fund for E15 infrastructure created by the Minnesota Legislature. Projects were solicited through competitive Request for Proposals. A team comprised of MDA and American Lung Association in Minnesota staff evaluated grant proposals and recommended awards based on projects' scope and potential to meet the goal of BIP.

In FY18, 67 stations were granted awards. Of these, 58 received AGRI funds totaling \$1.6 million as a part of their overall awards.

In FY19, eight additional stations were awarded funds, including five sites that received a total of \$168,820 of AGRI funding. With these stations the BIP program has in total funded 137 grantees and all projects were completed as of December 31, 2018. Of the \$8 million in federal funds we were awarded, only \$29.12 remained uncontracted.

Bioincentive Payments

The AGRI Bioincentive Program makes payments to eligible producers of advanced biofuel, renewable chemical, and biomass thermal energy production. Minnesota Statutes 41A.15 through 41A.19 detail a program that sets up minimum production levels to receive payments; payment for categories of what is produced, duration of program participation, and requirement for feedstock used to produce the reimbursed products. The FY18-19 AGRI Budget Rider allows for \$1.5 million each year for this use.

In FY18, payments totaled \$114,980, broken down among the following three categories: Advance Biofuels (\$0), Renewable Chemical (\$97,036), and Biomass Thermal Energy Production (\$17,944). Two producers received payments.

As of January 1, 2019, we have already awarded a total of \$127,638 in FY19. We expect that payments will come close to the \$1.5 million available in FY19.

Sustainable Agriculture Demonstration Grants

Since 1989, the AGRI Sustainable Agriculture Demonstration Program (Minn. Stat. 17.116) has encouraged farmers, nonprofit groups, agricultural researchers, and educators to explore ways to enhance the sustainability of a wide range of farming systems. The program was originally funded through a dedicated biennial appropriation with funding shifting to the AGRI program in FY13.

In FY18, projects could last two to three years and receive a maximum award of \$25,000. Projects needed to research or demonstrate the energy efficiency, environmental benefit, and/or profitability of sustainable

agriculture techniques or systems from production through marketing on Minnesota farms. Grantees are required to provide information on their research projects for the **Greenbook**. The **Greenbook**, published annually by the MDA, features the description, results, and management tips from all funded projects.

The FY18 target for Sustainable Agriculture Demonstration Grants was \$250,000. We received 19 applications requesting \$416,115 and made eleven awards totaling \$223,099. Grants were awarded competitively and applications were ranked by MDA and external reviewers. Appendix 14 contains a list of the projects funded. Proposals for FY19 grants were due on December 12, 2018. Applicants could request a maximum of \$50,000. We received 22 applications requesting \$655,035 with \$250,000 available for funding of new projects. Grants are set to be awarded in late February.



Kate Paul of Owl Forest Farm in Forbes is using a Sustainable Agriculture Demonstration Grant to explore the production of peonies in northern Minnesota. The planting beds will be used for evaluating peony varieties.

Farm Business Management Scholarships

Farm Business Management (FBM) helps farm operators learn profitable business management strategies. The program teaches farmers how to use their own farm records to make sound business decisions. Instruction is offered by Minnesota State Colleges and University campuses statewide. Instructors meet with students 1 on 1 and/or in small group settings.

The program defines a beginning farmer as a person who has owned or operated a farm or ranch, wholly or in partnership with others, for ten years or fewer. As owner/operator, a person must have a financial interest in the farm, must participate in making some or all management decisions, and must participate in the operation of the farm on a regular basis.

The FBM Scholarship Program pays 50 percent of the cost for beginning farmers to enroll in up to ten credits of FBM education per year until the student earns 40 credits. In FY18, we awarded scholarships to 584 beginning farmers, for a total of \$471,000.

As of January 1, 2019, the MDA had awarded scholarships to 678 beginning farmers, for a total of \$585,000 in FY19.

Urban Agriculture Grants

The AGRI Urban Agriculture Grant Program offers funding to stimulate urban youth agricultural education and/or urban agriculture community development. For-profit businesses, nonprofit organizations, schools, local government entities, and Native American tribal communities were eligible to apply for the program provided that their project is located in or serves an area that meets one of the following location eligibility requirements:

- Cities with a population over 10,000.
- Cities with a population between 5,000 and 10,000, where at least ten percent of the population is living at or below 200 percent of the poverty line and/or at least ten percent of the population is comprised of people of color and/or Native American tribal community members as determined by the United States Census Bureau.
- Located within the boundaries of federally recognized tribal land and serving tribal community members, regardless of population size.

Grants were awarded competitively. A panel of external reviewers and MDA staff evaluated the proposals based on long-term sustainability, capacity to implement the project, and commitment to serving communities of color and Native American tribal communities.

The target for the FY18 round of the AGRI Urban Agriculture Grant was \$233,750. The MDA received 35 proposals, totaling nearly \$1,308,000 in requests. Eight grants were awarded, totaling \$233,750. See Appendix 15 for detailed descriptions of each project.

Proposals for FY19 grants were due on January 17, 2019. Applicants could request a maximum of \$50,000. We received 33 applications requesting \$1.16 million with \$233,750 available for funding of new projects. Applications are currently under review.



Youth Farm, serving 17 sites in the Twin Cities, teaches youth participants career and workforce skills, within the context of food, social change, and youth development. Pictured are Farm Stewards taking care of seedlings; grant funding is used to help fund these participants.

GAP/GHP Certification Cost Share

The AGRI Good Agricultural Practices (GAP)/Good Handling Practices (GHP) Certification Cost Share program defrays farmer and processor costs for GAP/GHP certification for food safety, a certification that is increasingly required to sell produce to schools, to institutions, and through retail markets.

GAP/GHP certification focuses on improving the safety and quality of produce in the field and during handling. It requires a food safety plan and independent audits to verify that farmers and processors are producing, packing, handling, and storing fruits and vegetables in the safest manner possible.

Farmers and handlers who meet USDA standards by an accredited certifier were eligible to receive a reimbursement of 75 percent of their certification costs of up to \$2,500.

For FY18, we received 36 applications and funded 33 of them, disbursing a total of \$22,790. On average, farmers and processors spent \$690 on certification costs, and we reimbursed 75 percent of these expenses.

According to the USDA, there are currently 64 Minnesota GAP/GHP certified entities, an increase of four compared to the previous year. As of January 1, 2019, we have received 20 applications for the \$25,000 available again this year.

County Fair Grants

The AGRI County Fair Grant enhances access to the preservation and promotion of Minnesota's agriculture at county fairs. In FY18, \$1 million was available to Minnesota's 94 county fairs. Each fair was eligible for up to \$10,526. The program distributed \$949,078 in AGRI funds to 91 county fairs. Fairs used the funding in a variety of ways, such as purchasing sound equipment for judging in their livestock barns, making structural repairs or updating outdated electrical in livestock barns, and creating displays for agricultural education.

County fairs were also able to apply for up to \$1,579 to support projects and events that provide access to the arts of the state's agricultural, historical, or cultural heritage. These projects were supported by funds provided through Minnesota's Legacy Arts and Cultural Heritage Fund, rather than AGRI.

For FY19, this AGRI grant opportunity will continue to focus on the preservation and promotion of Minnesota agriculture. A total of \$1 million is available in equal amounts to the 94 active county fairs. The Legacy Amendment will allocate an additional \$150,000 to provide access to the arts or to the state's agricultural historical and cultural heritage.

Livestock Investment Grant Recipients

Producer	City	County	Species
Raquel Amberg	Bird Island	Renville	Beef
Justin Anderson	Belgrade	Stearns	Hog
Allison Bastian	New Ulm	Brown	Hog
Peter Berscheit	Grey Eagle	Todd	Beef
Chris Black	Fairfax	Renville	Hog
Shawn Black	Redwood Falls	Redwood	Hog
Parker Byington	Lewiston	Winona	Dairy
Andrew Cartwright	Winnebago	Faribault	Hog
Dylan Celander	Fairmont	Martin	Hog
Mark Coulter	Lamberton	Redwood	Hog
Kollin Dahl	Dawson	Lac qui Parle	Hog
Joel Davis	New Ulm	Brown	Hog
Michael Dennis, Jr.	Stanchfield	Isanti	Dairy
Jim Dieball	Green Isle	Sibley	Dairy
Sean Driessen	Canby	Yellow Medicine	Dairy
Thomas Eilertson	Kiester	Faribault	Hog
Joseph Eischeid	Motley	Morrison	Beef
Joseph Engelmeyer	Melrose	Stearns	Beef
Keith Fasching	Winsted	McLeod	Dairy
Daniel Fick	Hills	Rock	Beef
Jason Fischer	St. James	Watonwan	Hog
Jesse Forstner	Gibbon	Sibley	Beef
Ashlen Frandle	Blue Earth	Faribault	Hog
Braden French	Cottonwood	Lyon	Hog
Ben Gerads	Holdingford	Stearns	Poultry
Kyle Goeller	Sebeka	Wadena	Dairy
Luke Gregoire	Cottonwood	Lyon	Hog
Alex Gruber	Pierz	Morrison	Poultry
Christopher Hansen	Cold Spring	Stearns	Beef
Dale Hansen	Morgan	Redwood	Sheep
Matthew Haubrich	Danube	Renville	Sheep/Goat
Matthew Haugen	Appleton	Swift	Beef
Guy Hilgendorf	Trimont	Martin	Hog

Livestock Investment Grant Recipients

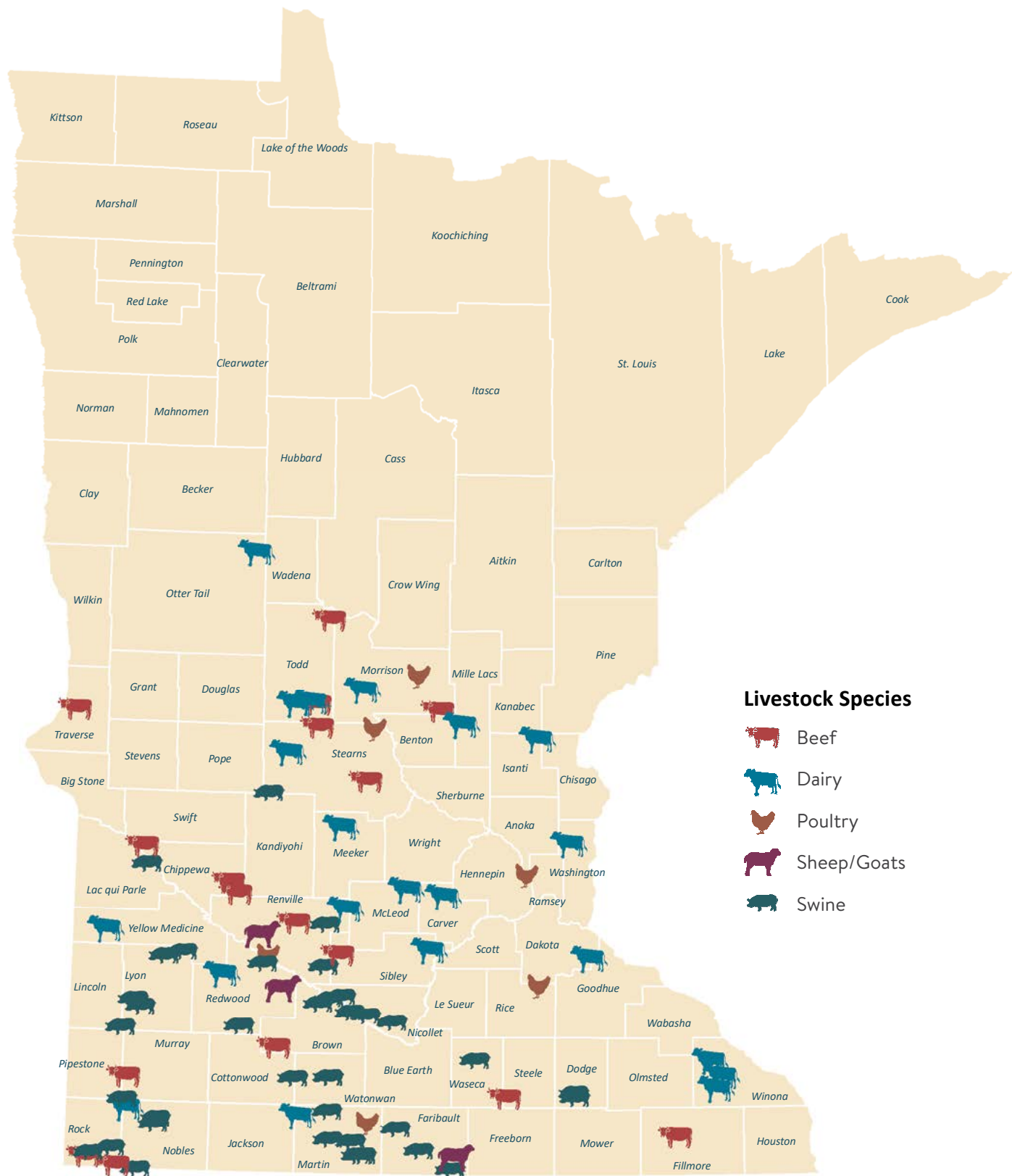
Producer	City	County	Species
Eric Hoese	Mayer	Carver	Dairy
Ryan Johnson	Hector	Renville	Hog
Andrew Jorgensen	Fairmont	Martin	Hog
BethyJo Juetten	Hillman	Morrison	Beef
Brandon Kerr	Russell	Lyon	Hog
Keith Klinghagen	Clara City	Chippewa	Beef
Braden Kramer	Hayfield	Dodge	Hog
Don Kramer	Ellsworth	Nobles	Hog
Tanner Kramer	Hayfield	Dodge	Hog
Jacob Krause	Waseca	Waseca	Hog
Everett Kreidermacher	Altura	Winona	Dairy
Mitchell Leuthold	Ellsworth	Nobles	Beef
Jose Lopez	St. James	Watsonwan	Hog
Morgan Lubben (Uphoff)	Edgerton	Pipestone	Dairy
Sean Maday	Granada	Martin	Hog
Benjamin Middendorf	Sauk Centre	Stearns	Dairy
Nathan Middendorf	Long Prairie	Todd	Dairy
Andrew Miron	Hugo	Washington	Dairy
Kyle Mulhern	Preston	Fillmore	Beef
Jesse Murphy	Welcome	Martin	Hog
Luke Olson	Trimont	Martin	Dairy
Thomas Panek	Grey Eagle	Todd	Dairy
Amy Regier	Mountain Lake	Cottonwood	Hog
Julie Ristau	Northfield	Rice	Poultry
Taylor Rudenick	Nicollet	Nicollet	Hog
Rachael Rusch	Stewart	McLeod	Dairy
Cory Salzl	Litchfield	Meeker	Dairy
Justin Schaffer	Cannon Falls	Goodhue	Dairy
Jason and Michele Schroeder	Courtland	Nicollet	Hog
Dustin Schuld	Woodstock	Pipestone	Beef
Jonathan Seedorf	Walters	Faribault	Sheep/Goats
Trent Slater	Rushmore	Nobles	Hog
Eric Sonnek	Foreston	Mille Lacs	Dairy

Livestock Investment Grant Recipients

Producer	City	County	Species
Keith Spartz	Wilmont	Nobles	Hog
Dallas Stage	Vesta	Redwood	Dairy
Andrew Steffl	Sleepy Eye	Brown	Hog
Bronson Steuber	Fairmont	Martin	Hog
Trey Strei	Sleepy Eye	Brown	Hog
Nathan Thompson	Luverne	Rock	Hog
Carey Tweten	Lewiston	Winona	Dairy
Damon Vander Maten	Edgerton	Pipestone	Hog
David J. VanKlombenburgh	Clara City	Chippewa	Beef
William Vogel	Comfrey	Brown	Beef
Dylan Wacek	Redwood Falls	Redwood	Turkey
Eli Waldoch	Little Falls	Morrison	Dairy
Brian Weber	Luverne	Rock	Hog
Anthony Wells	Minneapolis	Hennepin	Poultry
Jonathan Wenzel	New Richland	Waseca	Beef
Dalton Werkman	Russell	Lyon	Hog
Joshua Wieme	Tyler	Lincoln	Hog
Parker Yost	Wheaton	Traverse	Beef

Livestock Investment Grants by County

Fiscal Year 2018



Value-Added Equipment Grant Recipients

Business Name	County	Summary
Associated Milk Producers, Inc.	Stearns	Installation of cheese manufacturing equipment to provide greater capacity and increase production
Bare Honey	Ramsey	Purchase of equipment needed to modernize the facility to include pallet storage, and update the label application process to meet the packaging requirements of Amazon.com
Bemidji Brewing Company, LLC	Beltrami	Purchase and installation of a brite tank as well as additional kegs, hoses, and a transfer pump to meet growing demand
Bushmills Ethanol, Inc.	Bemidji	Purchase of equipment to increase ethanol production and generate on-site the majority of electricity it needs for production as well as provide capacity for future expansion
Canosia Grove, LLC	St. Louis	Construction of a cidery adding value to the orchard yield, creating a market for other local fruit producers, growing the cider market and adding jobs to the local agriculture and agritourism industries
Concept Processing	Stearns	Purchase of equipment as part of a three-part expansion project: creamery manufacturing, distribution efficiency and label update, and refrigeration transportation
Curly Girlz Candy	Steele	Remodel of a site for use as a commercial kitchen/manufacturing space including purchase of manufacturing equipment to meet current demand and expand markets
Double Take Salsa	Hennepin	Purchase of kitchen equipment and facility improvements to start a commercial kitchen for increased production
Dutch House Confections, LLC	Douglas	Purchase of equipment and conversion of part of the facility into a packing room to sufficiently control the temperature and humidity to increase production and enter new markets
Foley Locker, Inc.	Benton	Purchase of a slicer, cutting machine and automatic clipper in order to comply with food safety regulations as well as expansion of the product line
Foley Locker, Inc.	Benton	Purchase of several pieces of meat processing equipment and purchase and renovation of a new building
Foothills Orchard & Gardens	Morrison	Purchase of the components for a commercial kitchen as well as a freezer and drive-in cooler for season extension
Heartland Corn Products	Sibley	Installation of a cooling tower, distillation system, and molecular sieve bottles to increase overall capacity while debottlenecking areas that were limiting growth
Hemp Acres, LLC	Carver	Purchase of seed storing, seed cleaning, pressing, and sifting equipment to make hemp oil and refined hemp cake as well as equipment for packaging and labeling
Jenniges Meat Processing	Stearns	Purchase of a mixer, splitting saw, and vacuum sealer to increase volume and efficiency

Value-Added Equipment Grant Recipients

Business Name	County	Summary
Jirik Family Farms	Le Sueur	Purchase of maple syrup and honey processing equipment to improve efficiency, food safety and to add value to the products
KellyG's Wild Rice Burgers, Inc.	Itasca	Purchase of a freezer to increase efficiency and production, meet consumer demand, and ensure food safety
Krenik's Meat Processing	Le Sueur	Purchase of equipment upgrade and modernize small custom and retail meat processing facility, including more diverse products, increased production and improvement of efficiency and food safety
Lakes Area Cooperative	Otter Tail	Purchase of a bacon slicer for retail and custom processing
Lee Thomas Farm	Clay	Purchase of grain cleaning, bagging, and stitching equipment to provide emerging market demands
Let's Dish!		Purchase of equipment in expanded production space to increase volume of local processors/farms, expanded distribution as well as improving food safety
Loon Organics, Inc.	McLeod	Construction of a winterized GAP-compliant pack shed and purchase of equipment to increase sales and markets of extended season produce through season extension activities, increased employment and food safety improvements
Lorentz Meats	Goodhue	Renovation and improvements to equipment for the slaughter floor including installation of work systems, drainage system, conveyer system, and rail system to increase production capacity
Love Creamery	Lake	Purchase of equipment and facility improvements to increase sales, improve food safety and meet customer demand
Lupulin Brewing	Sherburne	Installation of a new brew house, bright tanks, fermenters, cooler, chiller system, grain silo, and upgrade of utility system increase production, add value, and increase efficiency
Mackenthun's Meats and Deli	Hennepin	Remodel of kitchen and prep area with purchase of a hot case and refrigerated prep case to increase sales, improve food safety and increase energy efficiency
Minneapolis Cider Company, LLC	Hennepin	Establish an urban production facility and tap room for hard cider in Minneapolis to increase production, expand markets, and increase sales and visibility of Minnesota made hard cider
Northern Pride, Inc.		Purchase of equipment to provide a more efficient and safe slaughter process
Northern Waters Smokehaus	St. Louis	Purchase of equipment to transfer meat processing, smoking and mail order operation to a new location to expand production to meet demand, produce more efficiency and safely, increase consumption of local products and expand markets
Open Hands Farm, LLC	Rice	Construction of a drive-in cooler for vegetable storage in the fall and winter
Papa George's	Hennepin	Purchase of a refrigerated truck to access new markets
Petty Brothers Meats, Inc.	Wright	Construction of a new custom exempt slaughter facility and equipment
Prairie Drifter Farm	Meeker	Expansion of pack shed and purchase of equipment to increase food safety and product sales from the farm

Value-Added Equipment Grant Recipients

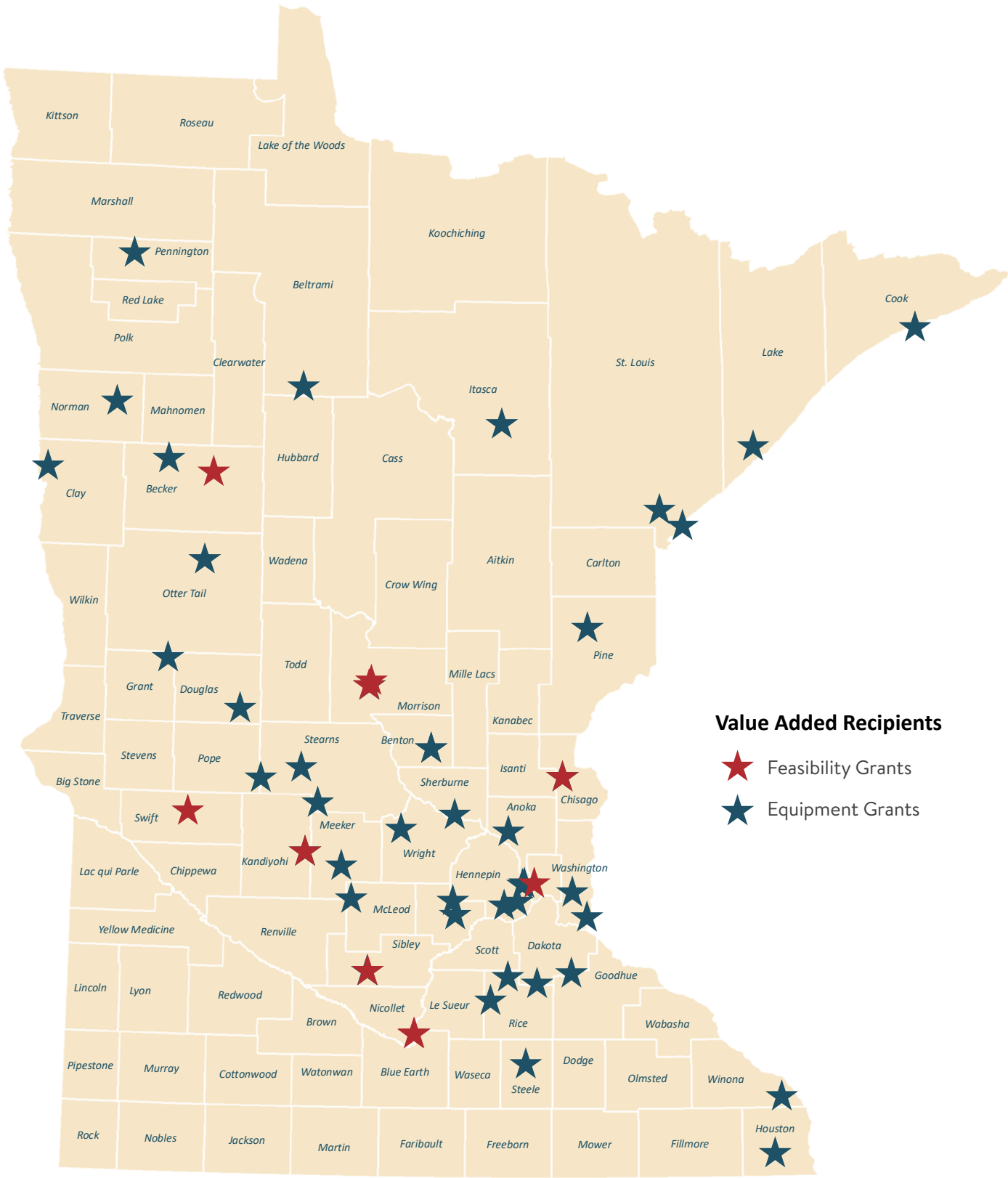
Business Name	County	Summary
Sawtooth Mountain Maple Syrup Company	Cook	Purchase of new maple syrup processing equipment to meet demand, expand markets and increase capacity
Schneider Custom Meats LLC	Pine	Purchase of a smokehouse and smoke generator to increase volume of meat and create new products to offer to customers
Sno Pac Foods	Houston	Installation of two UVC emitter systems to increase the quality and safety of the produce grown and processed
Soyko International	Norman	Completion of a new storage facility and installation of bagging/pelletizing equipment to increase production of food-grade soybeans, provide another marketing outlet for local farmers and diversify markets overseas
Stinson Country Style Meats	Winona	Purchase of equipment to start a custom exempt butcher shop to provide the service needed by local producers as well as set up of a retail meat area
Sunrise Flour Mill, Inc.	Chisago	Purchase of milling equipment to increase flour production, meet customer demand, and reduce risk quality and quantity
TFC Poultry	Grant	Purchase of a wastewater treatment equipment to increase water efficiencies in response to increase demand for turkeys from previously purchased equipment
Torg Brewery	Anoka	Purchase of a brewhouse system and facility improvements to update current space into a production facility to increase sales
Waxwing Farm	Rice	Installation of a commercial walk in cooler and purchase of additional washing and sorting equipment to store more produce at optimum temperatures for longer periods of time
Whistling Well Farm	Dakota	Purchase and installation of a stainless steel apple washing unit and variable speed brushes to improve food safety and fruit quality
White Earth Band of Chippewa	Becker	Purchase of equipment to increase profitability and expand markets of Native American produced products in the White Earth Reservation and across Minnesota

Value-Added Feasibility Grant Recipients

Business Name	County	Summary
Bent River Organics	Blue Earth	Determine how to add value to dried garlic scapes and black garlic
Budding Creations	Blue Earth	Study the development of technology related to flower preservation
Bushmills Ethanol	Kandiyohi	Determine the feasibility of additional equipment and expanding ethanol production
Glacial Grains Spirits	Swift	Explore the potential market for organic dried distillers grains production
Glakam Consulting Group	Ramsey	Study the creation of a biodegradable compound comparable to traditional petroleum-based plastic
Heartland Corn Products	Sibley	Explore plant expansion to process additional bushels per year
Januschka Family Farms	Morrison	Explore the development of a central Minnesota meat processing facility
Little Falls Food Co-op dba Purple Carrot Market	Morrison	Create a marketing plan expanding market outlets beyond market/ cottage food levels
Sunrise Flour Mill	Chisago	Explore the expansion of the product line incorporating other Minnesota grains
Winona's Hemp	Becker	Explore the feasibility of developing small-scale, artisan processing for hemp fiber, fabric, paper, and by-products

Value-Added Grants by County

Fiscal Year 2018



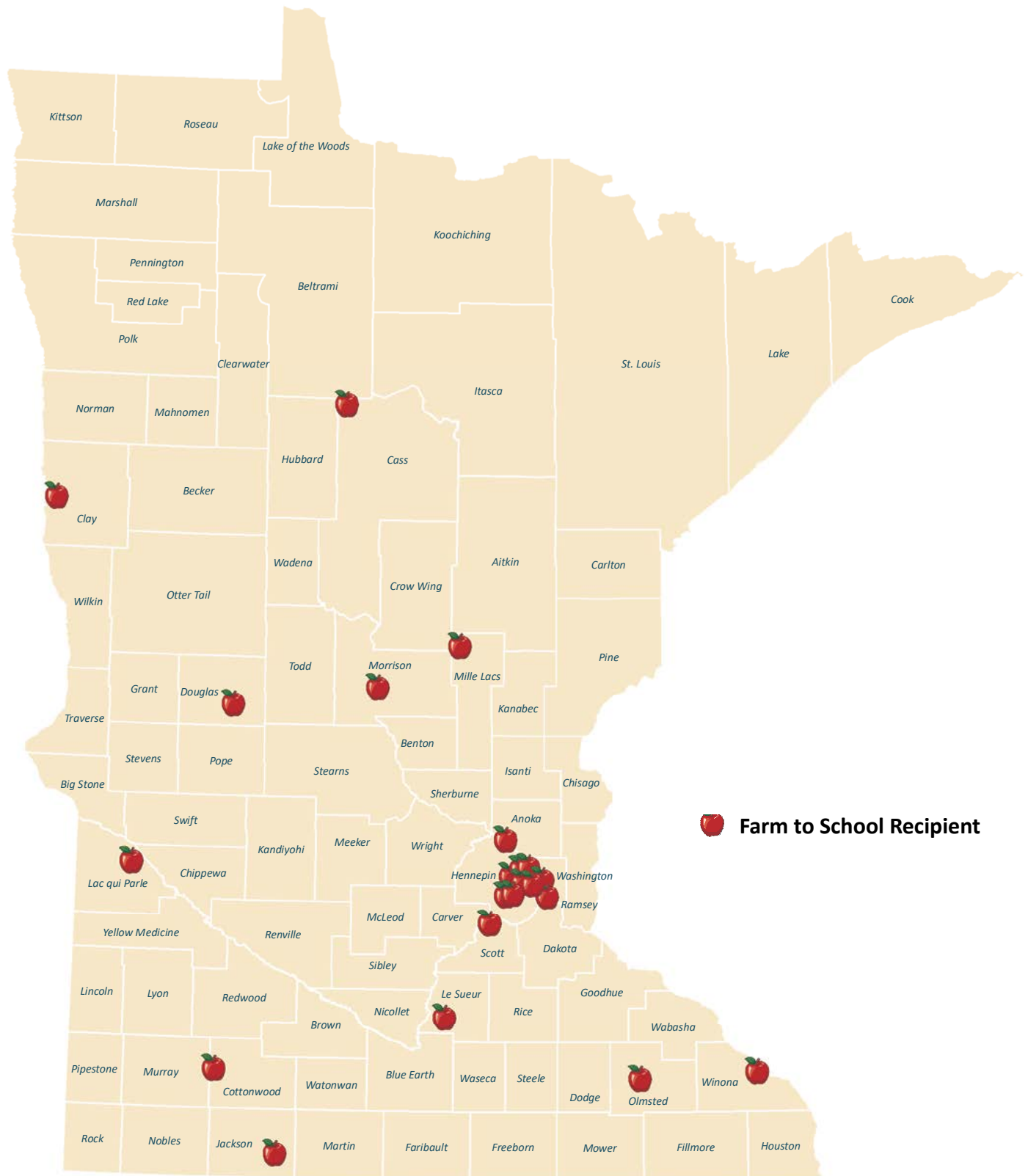
Farm to School Grant Recipients

School	City	Summary
Alexandria Public Schools	Alexandria	Purchase and install walk-in freezer and refrigerator
Brooklyn Center Public Schools	Brooklyn Center	Purchase self-cooking combi oven and steamer
Cleveland Public Schools	Cleveland	Purchase and install walk-in freezer and heated holding cabinet
Dilworth Glyndon Felton Schools	Dilworth	Purchase combi oven and Robot Coupe
Fridley Public Schools	Fridley	Purchase and install combi oven and Robot Coupe
Hopkins Public Schools	Hopkins	Purchase and install combi oven and braising pan
Jackson County Central School District	Jackson	Purchase convection steamer
Lac qui Parle Valley Public Schools	Madison	Purchase refrigerated buffet table, oven and cooler
Mille Lacs Band of Ojibwe	Onamia	Purchase convection steamers
Minneapolis Public Schools	Minneapolis	Purchase peeler/scrubber/washer for local vegetables
Robbinsdale Area School	New Hope	Purchase and install combi oven and Robot Coupes
Rochester Public Schools	Rochester	Purchase steamer to prepare fresh vegetables
Roseville Public Schools	Roseville	Purchase and install convection ovens and Robot Coupes
Shakopee Public Schools	Shakopee	Purchase and install walk in cooler
St. Louis Park Public School	St. Louis Park	Purchase Robot Coupes and apple corer
St. Paul Public Schools	St. Paul	Purchase refrigerated salad bars and fruit stands
Westbrook Public School	Westbrook	Purchase and install walk-in freezer
Winona Area Public Schools	Winona	Purchase and install convection steamer

Farm to Early Care and Education Grant Recipients

Organization	City	Summary
Creative Kids Academy	Anoka	Purchase Robot Coupe, kitchen supplies, refrigerator and physical improvements
Leech Lake Band of Ojibwe	Cass Lake	Plan and establish relationship with farmers to purchase and prepare Indigenous foods
Leech Lake Band of Ojibwe	Cass Lake	Purchase steamer, Robot Coupe and kitchen supplies to purchase local foods to prepare culturally appropriate foods
Tri-County CAP	Little Falls	Purchase Robot Coupes and kitchen supplies to prepare vegetables and stir-fries
YMCA of the Greater Twin Cities	Minneapolis	Establish plans and menu items with caterer to purchase and prepare local foods for YMCA childcare sites

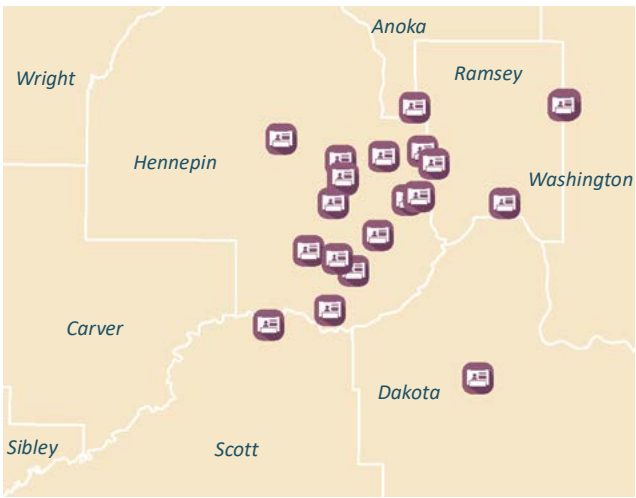
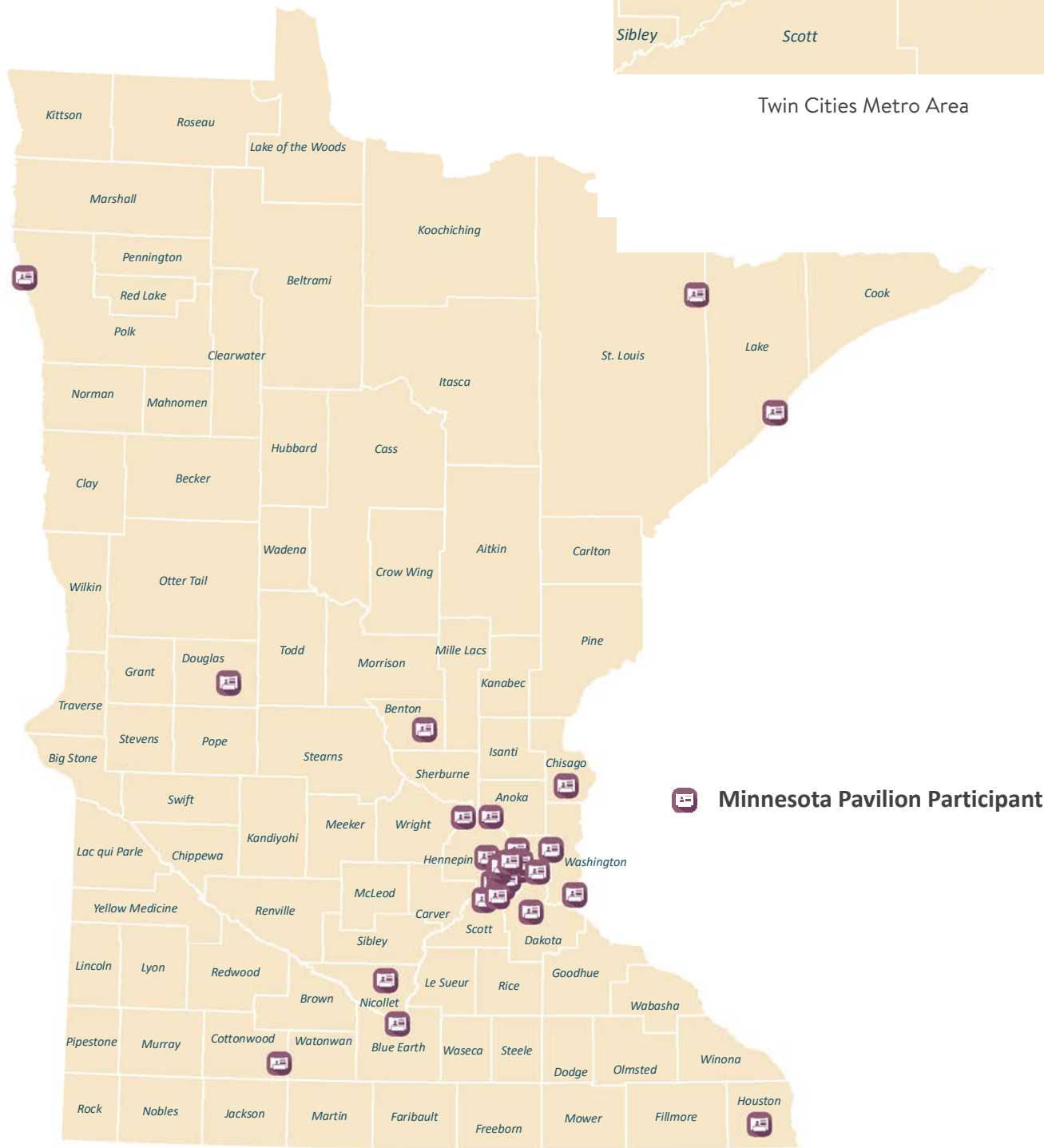
Farm to Early Care and Education Grant Recipients Fiscal Year 2018



Minnesota Pavilion Participants

Company Name or Brand Name	City	County
Bliss Gourmet Foods	St. Paul	Ramsey
Brody's 579	Mahtomedi	Washington
Captain Ken's Foods	St. Paul	Ramsey
Compart Family Farms	Nicollet	Nicollet
Crapola	Ely	St. Louis
Dauus	Bloomington	Hennepin
Dombrovski Meats	Foley	Benton
Downs Food Group	Mankato	Blue Earth
Dr. in the Kitchen	Eden Prairie	Hennepin
Dutch House Confections	Alexandria	Douglas
Envy	Victoria	Carver
Henke Foods	Mahtomedi	Ramsey
Henke Foods	Mahtomedi	Ramsey
J & B Group	St. Michael	Wright
Kakookies	Plymouth	Hennepin
K-Mama	Minneapolis	Anoka
Magic Straws	Bloomington	Hennepin
Midwest Elderberry Co-op	Minneapolis	Hennepin
Minnesota Hemp	Hastings	Dakota
Mixmi	Eden Prairie	Hennepin
North Mallow	Golden Valley	Hennepin
PB Crave	Rosemount	Dakota
Pop'd Kerns	Arden Hills	Ramsey
Punk Rawk Labs	Minneapolis	Hennepin
Purely Seed	Chisago City	Chisago
Red River Valley Potatoes	East Grand Forks	Polk
Seven Sundays	Minneapolis	Hennepin
Sno Pac	Caledonia	Houston
Step One Foods	St. Louis Park	Hennepin
Stone Gate	Shakopee	Scott
SunOpta	Edina	Hennepin
The Amazing Chickpea	St. Louis Park	Hennepin
Way Better Snacks	Minneapolis	Hennepin
WholeMe, Inc.	Minneapolis	Hennepin
Wilderness Family Naturals	Silver Bay	Lake

Minnesota Pavilion
Participants by County
Fiscal Year 2018



Twin Cities Metro Area

 Minnesota Pavilion Participant

Tradeshow Support Program Participants

Company Name or Brand Name	City	County
4 MK	Eden Prairie	Hennepin
Alaska Wild Fish Co.	Cushing	Morrison
Ames Farm LTD	Delano	Wright
Bare Honey	St. Paul	Ramsey
Beautiful Necessity	Minneapolis	Hennepin
Beet Spirits	Minneapolis	Hennepin
Big Watt	Minneapolis	Hennepin
Bizzy Coffee	New Brighton	Ramsey
Bliss Gourmet Foods	St. Paul	Ramsey
Blue Earth Valley Trading Company	Mankato	Blue Earth
Bolton Bees	St. Paul	Ramsey
Brody's 579	Mahtomedi	Washington
Buddy's Nut Butters	Minneapolis	Hennepin
Capra Nera Creamery	Altura	Winona
Clover Valley Farms	Duluth	Saint Louis
Creative Confectionaire	Hastings	Dakota
Creature Comfort Hot Sauce	Minneapolis	Hennepin
Curly Girlz Candy	Medford	Steele
Darling Foods	Minneapolis	Hennepin
Desserts by Alighieri	St. Paul	Ramsey
Dombrovski Meats	Foley	Benton
Double Take Salsa	Edina	Hennepin
Dr. in the Kitchen	Eden Prairie	Hennepin
Dutch House Confections	Alexandria	Douglas
ENKI Brewing Co	Victoria	Carver
Envy Brands	Minneapolis	Hennepin
Five Friends Food	Minneapolis	Hennepin
Gourmet Parlor Pizza	Royalton	Morrison
Grandma's Gourmets	Albert Lea	Freeborn
Gray Duck	Minneapolis	Hennepin
Grk	Mendota Heights	Dakota
Gustola Granola	Minneapolis	Hennepin
Hellraising Hot Sauce	Richfield	Hennepin
Henke Foods	Mahtomedi	Ramsey

Tradeshow Support Program Participants

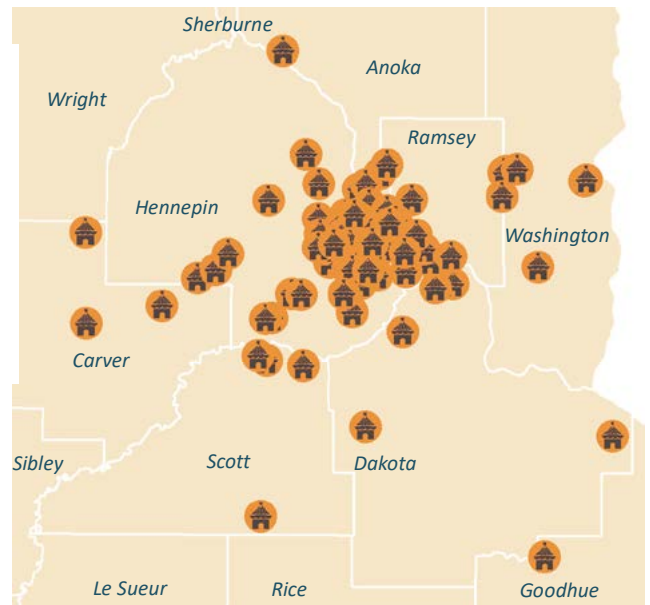
Company Name or Brand Name	City	County
Hennen's Organics	Minneapolis	Hennepin
Hoyo, SBC	Minneapolis	Hennepin
Isadore Nut Co.	Minneapolis	Hennepin
J. Carver Distillery	Waconia	Carver
Jazzy Foods	Saint Paul	Ramsey
Joia	St. Louis Park	Hennepin
Kakookies	Plymouth	Hennepin
Kathie's Bakery	Brooklyn Park	Hennepin
Kay's Naturals	Richfield	Hennepin
Kiss	Milaca	Mille Lacs
K-Mama Sauce	Minneapolis	Anoka
K'UL Chocolate	Minneapolis	Hennepin
Live Better Brands	Minneapolis	Hennepin
LUV Ice Cream	Stillwater	Washington
Maddy & Maize	St. Paul	Ramsey
Mama Stoens	Owatonna	Steele
Mark Amende	Mankato	Blue Earth
Mason Dixon Spirits	Greenwood	Hennepin
Midwest Elderberry Co-op	Minneapolis	Hennepin
Minnesota Nice Spice	Minneapolis	Hennepin
Mixmi Brands	Eden Prairie	Hennepin
MN Bratwerks	Minneapolis	Hennepin
Mostly Made	Wayzata	Hennepin
Mr. B's Chocolates	Willmar	Kandiyohi
North Aire Market	Shakopee	Scott
North Mallow & Co	Golden Valley	Hennepin
Numeez	St. Paul	Ramsey
Oak Valley Creations	Savage	Scott
Pam's Pepper Jam	Robbinsdale	Hennepin
Panache	St. Paul	Ramsey
Papa George	Stillwater	Hennepin
Pattis Granola	Minneapolis	Hennepin
Peace Coffee	Minneapolis	Hennepin
Pepper Girl	Eagan	Dakota

Tradeshow Support Program Participants

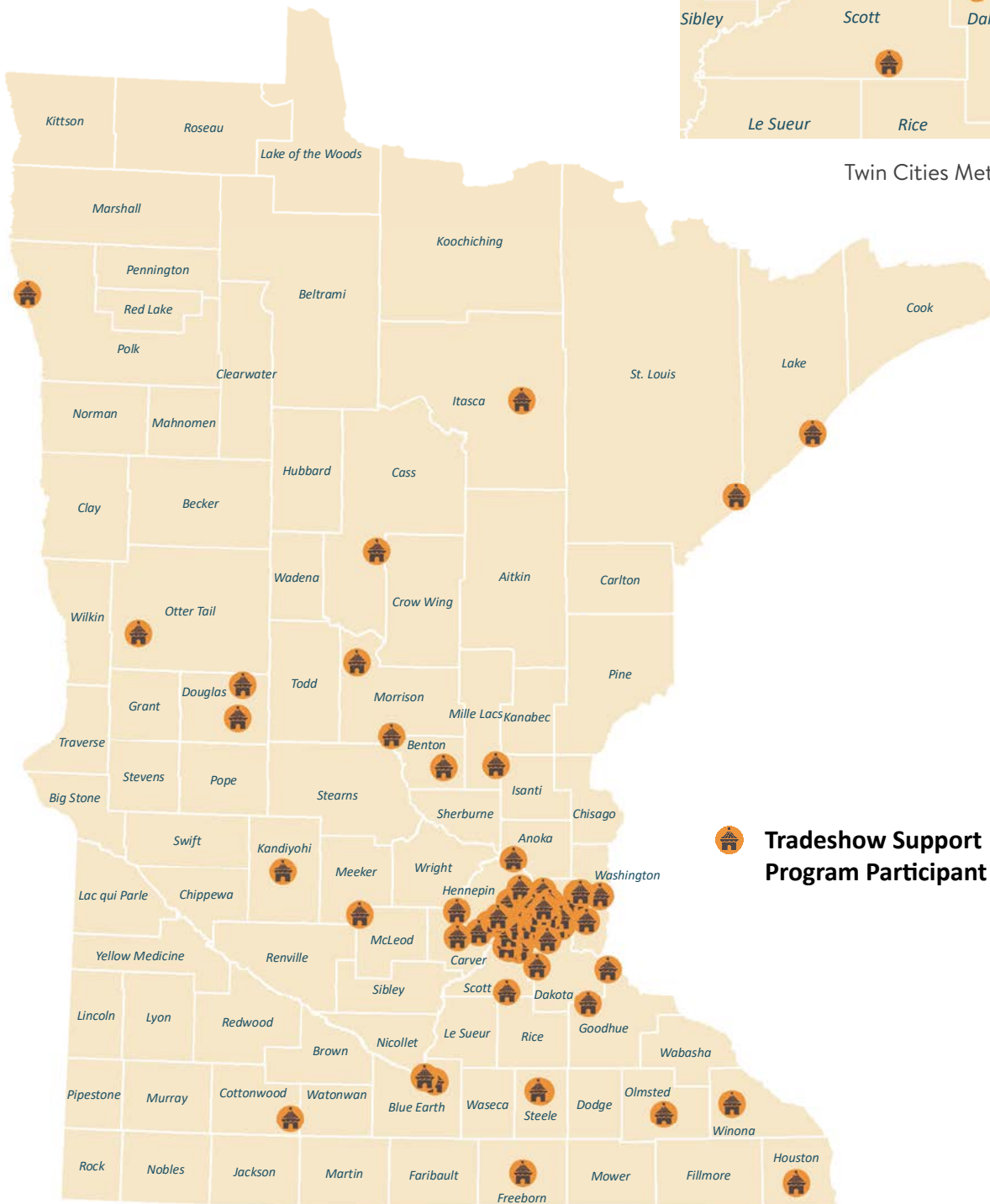
Company Name or Brand Name	City	County
Pipz Jerky	Bloomington	Hennepin
Pop'd Kerns	Arden Hills	Ramsey
Punk Rawk Labs	Minneapolis	Hennepin
Pure Soap Flake Co	Jenkins	Crow Wing
Qwiznibet	Minneapolis	Hennepin
Raw Bistro	Cannon Falls	Dakota
Red River Valley Potatoes	East Grand Forks	Polk
River Hills Harvest	Minneapolis	Hennepin
Rusch Farms	Hutchinson	McLeod
Salad Girl	Mahtomedi	Washington
Salsa Del Diablo	Rochester	Olmsted
Sara's Topsy Pies	Stillwater	Washington
Selfeco	Stillwater	Washington
Snappy Dog Foods	Woodbury	Washington
Snaptail Smokers	Bovey	Itasca
Sno Pac Foods	Caledonia	Houston
So Good Brand	Minneapolis	Hennepin
St. Paul Switchel	Roseville	Ramsey
Stanleys Sugarbush	Miltona	Douglas
Stone Gate Foods	Shakopee	Scott
Superior Switchel	St. Louis Park	Hennepin
Sweetland Orchard	Webster	Rice
Tantalizing Taste	Otsego	Sherburne
Tattersall Distilling	Minneapolis	Hennepin
Terroir Chocolate	Fergus Falls	Ottertail
Toom Dips	Mendota Heights	Dakota
Triple Crown BBQ	Minneapolis	Hennepin
Twisted Shrub	Edina	Hennepin
Weed's Greens	Lakeville	Dakota
West End Enterprises	Eden Prairie	Hennepin
WholeMe, Inc.	Minneapolis	Hennepin
Wilderness Family Naturals	Silver Bay	Lake
You Betcha Kimchi	Minneapolis	Hennepin

Tradeshow Support Program Participants by County

Fiscal Year 2018



Twin Cities Metro Area



 **Tradeshow Support
Program Participant**

Crop Research Grant Recipients

Project Title	Organization Name	Principal Investigator	Crop
Enhancing field testing and genomic tools for pennycress breeding and domestication	Regents of the University of Minnesota	James Anderson	Pennycress
Potato production with adoption of new cultivars with high N uptake rate: A physiochemical study	Regents of the University of Minnesota	Sanjay Gupta	Potato
Proactive research to counter the threat of insecticide resistance in spotted wing drosophila	Regents of the University of Minnesota	William Hutchison	Fruits
Developing hop breeding resources and Midwest-adapted hop cultivars	Regents of the University of Minnesota	Gary Muehlbauer	Hops
Management practices to maximize canola profitability	Minnesota Canola Council	Beth Nelson	Canola
Tailoring management to corn rootworm risk: scouting to detect populations and resistance threats	Regents of the University of Minnesota	Kenneth Ostlie	Corn
Next generation Minnesota oat to enhance cropping system diversity, profitability and consumer health	Regents of the University of Minnesota	Walid Sadok	Oat
Increasing yields in perennial ryegrass seed production systems through agronomics and breeding	Regents of the University of Minnesota	Eric Watkins	Perennial Ryegrass

Sustainable Agriculture Demonstration Grant Recipients

Name	Project	City	County
Blazing Star Gardens, LLC	Research the profitability of drip irrigation and its impact on yield of native prairie seed production	Clarks Grove	Freeborn, Steele
Cannon River Watershed Partnership	Investigate the impact of fall grazing on subsequent Kernza grain yields and the quantity and quality of the fall regrowth of Kernza biomass for forage	Northfield	Rice
Jerry D. Ackermann	Obtain data on plant growth and nutrient uptake due to cover crop effects on soil temperature and soil moisture in southwest Minnesota	Lakefield	Jackson, Nobles
KISS LLC dba Brookview Winery	Test a non-traditional process for cleaning and sorting Minnesota wine grape varieties and demonstrate removal of other material at the crush pad	Milaca	Mille Lacs, Stearns
Mashkiikii Gitigan	Investigate the sustainability and impact of production-oriented perennial systems on soil contaminant accessibility and for effectiveness to sequester carbon	Minneapolis	Hennepin
Mighty Axe Hops	Investigate how to best evaluate, communicate, and market the specific aroma and terroir of Minnesota grown hops	Foley	Benton
Owl Forest Farm dba Kate I. Paul	Identify peony cultivars that grow well in Northeastern Minnesota and produce late season flowers and support use of peonies in commercial cut flower production in the region	Iron	St. Louis
Richard Traugott	Demonstrate cover crop and intercropping alternatives during the establishment period of perennial fruit plants and evaluate any added value of secondary crop produced	Foley	Benton
Seelye Brook Farms	Compare mobile confinement and day-range production systems for pastured broiler chickens for output, profitability and marketability of products	Oak Grove	Anoka
The Good Acre	Evaluate the effectiveness of Sap Analysis to inform a customized nutrient management system using fertigation throughout the growing season to produce higher yields, better quality and reduced input costs	Falcon Heights	Ramsey, Goodhue
Wolf Ridge Environmental Learning Center	Develop an agro phenological calendar for Northeastern Minnesota that will serve as a more reliable planting guide for farmers and users of greenhouses and high tunnels	Finland	Lake

Urban Agriculture Grant Recipients

Organization	City	Summary
Appetite for Change, Inc.	Hennepin	Provide job readiness training to North Minneapolis youth through urban farming and local farmers' market participation
Frogtown Gardens, Inc. dba Frogtown Farm	Ramsey	Work with urban youth to provide high-level, hands-on agricultural education that will enable them to lead tours of Frogtown Farm to school children and youth
Lakeview Elementary School	Hennepin	Add a greenhouse, outdoor classroom, and "food forest" to educate students about agroecology
Little Earth Residents Association	Hennepin	Support youth and community-led urban farm production with a focus on Indigenous principles and perspectives
Prairie Island Tribal Council	Goodhue	Implement a micro-farm aquaponics system to educate youth and address health disparities related to food access in the community
Project Sweetie Pie	Hennepin	Remodel the Humboldt Greenhouse into a youth and adult education center to provide education about urban farming, nutrition, and healthy lifestyles
Regents of the University of Minnesota	Ramsey	Host field days with hands-on learning activities and workshops for local students focused on pro-pollinator practices
Regents of the University of Minnesota	St. Louis	Provide 4-H programming focused on healthy food choices and produce production to K-12 students at a nearby greenhouse
Youth Farm and Market Project	Hennepin	Expand the Farm Stewards Fellowship curriculum which focuses on educating about food, social change, and urban agriculture

AGRI Investments Since FY 2013



The **Agricultural Growth, Research and Innovation (AGRI) Program** was established in Minn. Stat. 41A.12 to advance Minnesota's agricultural and renewable energy industries. The program is funded through an annual general fund base appropriation. In Fiscal Years 2018 and 2019, the annual appropriation was \$13.256 million and \$13.311 million.

Significant economic impacts include increased production and use of Minnesota agricultural products, as well as increased employment. In part, these impacts were achieved through growing demand for local products by developing new products, supporting marketing efforts, and promoting entry into new markets. AGRI has also supported the growth of producers and processors by assisting them with increasing their capacity and efficiency.

Livestock Investment *FY 2013 to Present*



Encourages long-term livestock industry development through investments in infrastructure and equipment

The Livestock Investment Grant partially reimburse farmers for the costs of constructing, purchasing, and updating buildings and equipment for livestock production. Producers are eligible for up to \$25,000 per year, with a lifetime cap of \$50,000. Criteria for reviewing applications include beginning farmer or transition to next generation; positive impact on the environment; increased efficiency or profitability of the operation; and job creation.

Program Evaluation Criteria	Outcome
Applications Received/Amount Requested	1,633 applications/\$27.26 million
Applications Funded/Amount Awarded	547 applications/\$11.55 million
Estimated Leveraged Private Investment	\$273.9 million
Estimated On-Farm Jobs Created	1,588 jobs
Awards to Beginning Farmers	85 percent
Awards Supporting a Generational Transition	94 percent
Awards Addressing Environmental Issues	98 percent

FY 2019 Update: MDA anticipates awarding \$2.0 million. Review committees are currently evaluating proposals.

Value-Added

FY 2013 to Present



Supports agricultural producers and processors to expand utilization of Minnesota grown and raised products

The Value-Added Equipment and Feasibility Study Grants aim to increase sales of Minnesota agricultural products by diversifying markets, increasing market access, and increasing food safety. In FY 2018, applicants were eligible to apply for up to 25 percent of equipment purchases or building modification expenses up to \$200,000, and two projects could be funded up to \$1,000,000. Projects that address meat processing, farm to school or other institution, or food safety, and projects that are owned by minorities or veterans or that serve communities of color and Native American Tribal communities receive priority.

Program Evaluation Criteria	Outcome
Applications Received/Amount Requested	636 applications/\$30.81 million
Applications Funded/Amount Awarded	313 applications/\$10.98 million
Estimated Leveraged Private Investment	\$52.89 million
Estimated Jobs Created	278 full-time and 305 part-time

FY 2019 Update: The MDA anticipates awarding \$3.5 million, including up to two \$1 million grants. For the fall round, the MDA is in the process of awarding nearly \$1.2 million to 18 applicants. A second application round for equipment will be available in the spring. Value-Added Feasibility grants are awarded on a rolling basis; as of January 1, 2019, five businesses are working on feasibility studies.

Farm to School and Early Care

FY 2013 to Present



Enhances schools' ability to purchase, store, and serve locally grown products, increasing sales of Minnesota grown and raised foods

School districts that are part of the National School Lunch Program and/or early care and education organizations participating in the Child and Adult Care Food Program are eligible to apply. Awards cover 50 percent of an equipment project, up to \$50,000, and 75 percent of creating plans, up to \$30,000.

Program Evaluation Criteria	Outcome
Applications Received/Amount Requested	185 applications/\$3.79 million
Applications Funded/Amount Awarded	126 applications/\$2.20 million
Estimated Leveraged Private Investment	\$2.41 million
Estimated Farmer/School Relationships	535 relationships

FY 2019 Update: The MDA is in the process of awarding nearly \$250,000 to 12 grantees. New in FY 2019, the MDA began a program to help schools and early care and education organizations purchase new milk coolers to encourage students' milk consumption. We are in the process of awarding over \$55,000 to 31 organizations for milk coolers.

New Market Development

FY 2013 to Present

Helps small food and agriculture companies explore regional and international markets

The MDA coordinates “Minnesota Pavilions” at trade events worldwide to help companies stand out in a very competitive marketplace and to enter new markets. The Tradeshow Support Program (TSP) provides cost sharing for retail sampling events and can help offset the high costs of exhibiting at wholesale food shows.

Program Evaluation Criteria	Outcome
TSP Participants	462 participants
Amount Awarded through TSP	\$1.31 million
Projected New Sales for TSP Participants	\$26.24 million
New Relationships Cultivated with Stores and Distributors through TSP	20,382 participants
Minnesota Pavilion Participants	273 participants
Projected New Sales through Minnesota Pavilions	\$38 million

FY 2019 Update: A total of \$340,000 is available for TSP cost-sharing and Minnesota Pavilions. Tradeshow with Minnesota Pavilions are scheduled in San Francisco, CA; Anaheim, CA; Chicago, IL; and New York City, NY, Montreal, Canada, and Dubai, UAE.

Crop Research

FY 2013 to Present

Supports applied crop research projects that will result in near-term benefits to farmers and the agricultural economy

Grants fund university-level researchers to conduct studies that create public, transferable information or technology that improves agricultural product quality and/or quantity. Research must include a robust outreach component to transfer results to the community. Eligible projects include research to increase crop yield and profitability; to improve traits for market or climate; and to develop new crops. Grants of up to \$250,000 per project are awarded on a competitive basis.

Program Evaluation Criteria	Outcome
Applications Received/Amount Requested	161 applications/\$31.74 million
Applications Funded/Amount Awarded	52 applications/\$9.75 million

FY 2019 Update: The MDA is in the process of awarding approximately \$1.9 million.

Minnesota Biofuel Infrastructure Partnership Cost Share

FY 2016 to Present

Leverages a Federal award to provide funding to service stations for flexible fuel pumps, and compatible infrastructure, to deliver renewable liquid fuels such as E15 or E85 and other blends of ethanol

The MDA received \$8 million from the United States Department of Agriculture’s Biofuel Infrastructure Partnership (BIP) Program for this project. Nearly \$3.05 million in FY 2016 and FY 2017 AGRI funding was used to fund the State’s contribution to the program. An additional \$3.06 million was contributed by the Minnesota Corn Research and Promotion Council, 17 of Minnesota’s ethanol plants, and a separate fund for E15 infrastructure created by the Minnesota Legislature.

Program Evaluation Criteria	Outcome
Total Applications Funded	129 applications
Applications Funded with AGRI Funds	98 applications
Amount of AGRI Funds Awarded	\$2.92 million
Estimated Leveraged Non-State Investment	\$19.09 million

FY 2019 Update: Contracts have been awarded for eight sites, including \$168,820 in AGRI funding.

Farm Business Management Scholarship

FY 2016 to Present



Supports Minnesota farmers by making Farm Business Management education more affordable

Scholarships pay 50 percent of Farm Business Management tuition (after financial aid and any other grants) until a farmer/student reaches 40 credits.

Program Evaluation Criteria	Outcome
Scholarships Awarded	2,046 scholarships
Amount Awarded	\$1.65 million

FY 2019 Update: As of January 1, 2019, the MDA awarded scholarships to 678 beginning farmers for a total of \$585,000. A total of \$600,000 is available.

Sustainable Agriculture

FY 2013 to Present



Provides opportunities for farmers, nonprofit groups, agricultural researchers, and educators to explore ways to improve the sustainability of a wide range of farming systems

The Sustainable Agriculture Demonstration Grant Program moved to AGRI in FY 2013. The maximum grant amount was \$25,000 for on-farm demonstration and research to improve farm energy efficiency, to reduce negative environmental impacts, and to enhance profitability.

Program Evaluation Criteria	Outcome
Applications Received/Amount Requested	152 applications/\$2.90 million
Applications Funded/Amount Awarded	61 applications/\$1.01 million

FY 2019 Update: The MDA anticipates awarding \$225,000. Applicants were able to request up to \$50,000. Review committees are currently evaluating proposals.

GAP/GHP Certification Cost Share

FY 2013 to Present



Assists producers to become GAP certified, a requirement to sell produce to schools, institutions, and through retail markets

Good Agricultural Practices (GAP)/Good Handling Practices (GHP) certification focuses on improving the safety and quality of produce at the farm and at the processor. A food safety plan is required for this third-party certification. Farmers and handlers certified to the USDA standards by an accredited certifier are eligible to receive a reimbursement of 75 percent of their GAP/GHP certification costs up to \$2,500.

Program Evaluation Criteria	Outcome
Applications Funded	183 applications
Amount Awarded	\$0.12 million

FY 2019 Update: A total of \$25,000 is available for GAP/GHP cost share. Grants are awarded on a rolling basis.

County Fairs

FY 2014 to Present



Supports development and activities at county fairs

Funding is offered on an equal share basis to each of the 94 county fairs. In FYs 2014 and 2015, investments focused on increasing public access and knowledge of the arts as well as Minnesota history and cultural heritage. Beginning in FY 2016, projects needed to focus on the preservation and promotion of agriculture.

Program Evaluation Criteria	Outcome
Applications Funded	452 applications
Amount Funded	\$5.08 million

FY 2019 Update: The MDA anticipates awarding \$1 million to the 94 active county fairs.

Urban Agriculture

FY 2018 to Present



Supports the development of programs that stimulate urban youth agricultural education and/or urban agriculture community development

Grants help organizations obtain the materials and services necessary to successfully provide youth-oriented agricultural education and agriculture community development within the city limits of urban or peri-urban areas. Applicants could request a maximum of \$50,000.

Program Evaluation Criteria	Outcome
Applications Received/ Amount Requested	35 applications/\$1.31 million
Applications Funded/ Amount Awarded	8 applications/\$0.23 million

FY 2019 Update: The MDA anticipates awarding \$223,750. Review committees are currently evaluating proposals.

The MDA previously administered several additional programs under AGRI, including the AGRI Food Hub Grant Program in FY 2017, NextGen Biothermal Energy Grants in FY 2015, NextGen Bioenergy and Biochemicals Grants in FY 2014, and Blender Pump Cost Share in FY 2014 and FY 2015. Results from these programs can be found in the 2018 AGRI Legislative Report.