This Request for Response (RFR) contains three sections: Section I - Program Description, Section II - Application, Section III - Financial Statement. Responders must complete Sections II and III and return to the contact noted above by June 30, 2003 in order to be considered for participation in the program.

SECTION I – PROGRAM DESCRIPTION

(1) Purpose:
The Massachusetts Department of Food & Agriculture (“Food and Agriculture”) invites responses from Massachusetts’ farmers who wish to participate in the Farm Viability Enhancement Program. Farmers must be willing in Phase I, to commit sufficient time to properly participate in the planning process, and, if they advance to Phase II, farmers must be willing to agree to implement agreed upon components of a viability plan, and to place their agricultural land under an agricultural use restriction (Covenant). All awards pursuant to this Program are contingent upon legislative authorization and administrative appropriation.

The purpose of the Farm Viability Enhancement Program (“Program”) is to assist farmers in improving their economic viability and environmental integrity through the development and implementation of a Farm Viability Enhancement Plan (“Business Plan” or “Plan”). A comprehensive Business Plan is developed in Phase I by a team comprised of farmers and other agricultural, economic and environmental consultants engaged by Food and Agriculture. The Plan suggests ways for a farmer to increase on-farm income through such methods as improved management practices, diversification, direct marketing, value-added initiatives, and agro-tourism. In addition, the Plan may make recommendations concerning environmental and resource conservation measures on participating farms.

Farmers (except those enrolled in Food and Agriculture’s Agricultural Preservation Restriction (“APR”) Program), who develop Business Plans with Food and Agriculture in Phase I, are eligible to participate in Phase II of the Program upon a declaration of interest by the farmer and upon a favorable decision Food and Agriculture. Phase II of the Program requires the execution of a contract between Food and Agriculture and the farmer. The owner of the property is required to grant a Covenant to the Commonwealth of Massachusetts for a term of years. In exchange, Food and Agriculture provides the farmer with funding to implement certain portions of the Plan. Participation in Phase II is based, in part, on the financial needs of the Participant and/or the Plan’s ability to improve
the economic viability and environmental integrity of the agricultural operation. The entire farm must be included within the Covenant.

The earliest possible payment under Phase II of the Program is January 15, 2004. The schedule is as follows: Review of responses to this RFR July 1 through September 10, 2003. Pending the availability of funds, notification of acceptance into Phase I – September 15, 2003. Orientation for farmers that are accepted into the Program will be during late September 2003. The Plans will be developed between October 1, 2003 and March 31, 2004 (Phase I). Executing documents in preparation of payment in Phase II then takes approximately four to six weeks from the time the Plan is accepted. During this time a contract, Covenant and other required documents are prepared and executed. Depending on the availability of funds, Food and Agriculture approval of contracts and release of funds is expected to take place between January 2004 and June 2004, Costs incurred prior to contract and execution of Covenant in Phase II cannot be reimbursed and will not qualify as Program expenditures. Should additional funds become available, Food and Agriculture may select other responders, not initially chosen for participation, to participate in the Program at any time during Fiscal Year 2004.

(2) Contract and Performance Specifications:

A. Eligibility

To be eligible for participation in the Program, a responder must own, or be a co-responder with the owner of, at least 5 acres of land, which must be in active agricultural use.

Acreage already restricted by an Agricultural Preservation Restriction (APR) or similar encumbrances cannot be used to qualify for Phase II. APR farms or other encumbered lands are eligible only for Phase I (business planning services). Non-restricted acreage, owned by an APR owner or owners of similarly encumbered lands, can be used to qualify for Phase II. Such acreage could be placed under a Covenant and could be eligible for funding in the Program.

B. Criteria for Selection in Phase I (Business Plan Development)

Applications will be evaluated and selected based on the following criteria. They are listed in order of importance.

(1) The degree of threat to the continuation of the agricultural activity. A threat can include, but is not limited to, financial instability, urban encroachment, market forces, or management changes that may negatively impact continuing agricultural activity.

(2) The number of acres of land to be protected by the Covenant. Higher acreage is more competitive. Intensity of use on the land, and its significance and contribution to the state’s agricultural industry will be considered.

(3) Whether the agricultural operation has diversified into retail or value-added activities or there are plans to diversify into retail and value-added activities.
(4) Number of years and type of agricultural experience and training of responders and their willingness to explore improved management and efficiency methods.

(5) Degree to which the project would accomplish environmental objectives, such as the protection of water resources or flood plains and preservation of historical, open space, or aesthetic amenities.

(6) The suitability and productivity of the land for agricultural use based on its soil classification, physical features, and location.

(7) Other unique factors that tend to support eligibility.

C. Funding For Plan Implementation – Phase II

Once a Business Plan has been developed and approved by Food and Agriculture, funding for Plan implementation may be available. Funding from the Program is optional and awards may be rescinded at anytime during the technical assistance and business plan development phase. Both the farmer and Food and Agriculture must agree upon which selected elements from the Business Plan will be implemented prior to proceeding on to Phase II.

Depending on the availability of funding, Food and Agriculture may offer the Participants one of three funding options. Participants must agree to all the conditions contained in either (1), (2) or (3) below:

(1) In exchange for up to Twenty Thousand ($20,000) Dollars, the Participants will agree to (a) Grant the Commonwealth a five (5) year Covenant; and (b) Implement agreed upon components of the Business Plan.

(2) In exchange for up to Forty Thousand ($40,000) Dollars, the Participants will agree to (a) Grant the Commonwealth a ten (10) year Covenant; and (b) Implement agreed upon components of the Business Plan.

(3) In exchange for up to Sixty Thousand ($60,000) Dollars, the Participants will agree to (a) Grant the Commonwealth a ten (10) year Covenant; and (b) Implement agreed upon components of the Business Plan. To be eligible for consideration under option (3), the Participants must place a minimum of 135 acres under the ten (10) year Covenant. In addition, the Business Plan developed in Phase I must demonstrate the potential to improve net farm income, and show an increase in farm employment or retention of farm jobs.

Responders will be informed which option the Department intends to offer when notified of acceptance into Phase I. However, a final determination will be made at the completion of Phase I. Determination of which option is offered to a responder rests solely with Food and Agriculture.
D. Reporting and Documentation

(1) Program Participants must provide Food and Agriculture with all the records and receipts of the expenditures made with the funds received at a date specified in the contract.

(2) Participants must submit a copy of their IRS Tax Schedule F or other appropriate tax forms annually, by June 30 for each of the five years subsequent to implementation of the Business Plan.

(3) Instructions for Submission of Responses

Anyone interested in submitting a response to this Request for Response must submit the completed Section II - Application and a completed Section III - Financial Statement.

A. Application Evaluation

A staff review team (“Review Team”) will consider all complete responses and rank them according to the stated criteria. The Review Team will be comprised of Food and Agriculture staff and Program consultants. Their ranking and recommendations will be conveyed to an Advisory Committee of up to 15 members, appointed by Food and Agriculture, that are representative of a cross-section of the business and agricultural sectors, including employees of Food and Agriculture. The Advisory Committee will consider the rankings and then convey recommendations to the Commissioner of Food and Agriculture for final decisions. Notifications of acceptance and rejection will be made to applicants, by Food and Agriculture, in writing. A responder can withdraw a response at any point. Food and Agriculture reserves the right to consider geographic distribution of awards and/or agricultural diversity as additional criterion. All acceptances will be conditional upon the availability of funding.

B. Deadline For Responses

Responses (Section II and Section III) with ALL requested supporting documents, noted in Section III, 5., must be received no later than 5:00 p.m., June 30, 2003 at the following address: Craig Richov, Massachusetts Department of Food and Agriculture, 251 Causeway Street, Suite 500, Boston, MA 02114-2151. Facsimiles will not be accepted.

(4) RFR Attachments:

A. At the beginning of Phase II, a Participant must be willing to execute a Covenant, a sample of which is available upon request.

B. Any Participant who is accepted for participation in Phase II of the Program must execute a contract with Food and Agriculture containing the following:

1) Commonwealth of Massachusetts Standard Contract Form
2) Scope of Services and Budget
3) Commonwealth Terms & Conditions
4) Contractor Authorized Signature Verification Form
5) Consultant Contractor Mandatory Submission Form
6) Property Description Form  
7) Northern Ireland Notice  
8) W-9 Form  
9) Affirmative Action Plan Form  
10) An executed recordable agricultural use covenant

Items 1, 3-9 are included in this packet for illustration purposes only. Please consult the program director to request a sample of item 10. Attachments are also available at http://www.Comm-Pass.com.

(5) Notice to Responders:

A. This RFR is distributed electronically using the Comm-PASS system. It is the responsibility of every Responder to check Comm-PASS for any addenda or modifications to an RFR to which they intend to respond. The Commonwealth of Massachusetts and its subdivisions accept no liability and will provide no accommodations to Responders who fail to check for amended RFRs and submit inadequate or incorrect Responses. Potential Responders are advised to check the "last change" field on the summary page of RFRs for which they intend to submit a response to ensure that they have the most recent RFR files. Comm-Pass is available on line at http://www.Comm-PASS.com. For those utilizing the Comm-PASS system, the RFR attachments listed herein are available on line at http://www.Comm-PASS.com/Comm-Pass/forms.asp.

B. Responder's may not alter the RFR language or any RFR component files. Responders must respond in accordance to the RFR directions and complete only those sections, which prompt the responder for Response. Modifications to the body of this RFR, specifications, terms, and conditions, or which change the intent of this RFR are prohibited. Any unauthorized modifications will disqualify a Response.

(6) Acquisition Methods: Purchase/Fee for Service
(7) Number Of Vendors Required (Single or Multiple): Multiple
(8) Single or Multiple Department Users: Single

(9) Anticipated Contract Duration: Through December 31, 2004. Contracts with the Program may be extended for one year.

(10) Anticipated Expenditures, Funding or Compensation: Maximum of $60,000 per Program Participant.

(11) Reserves: The Commissioner of the Department of Food and Agriculture may hold funds in “reserves” which will be used exclusively for special projects that are compelling and that happen “out of cycle” for the program. Special projects may be very large tracks of land, individual emergencies or disasters, or special opportunities for agricultural development to an industry or region. Out of cycle projects will be subject to the same review of staff, will be required to meet all thresholds of the Farm Viability Enhancement Program, and will be subject to the same approval of the Commissioner. Funding will be bound by all statutes, regulations and policies applicable to the regular cycle projects.

The Department of Food & Agriculture is an Affirmation Action/Equal Opportunity Employer. Women, Minorities, Veterans and Handicapped persons are encouraged to apply. This RFR is available in alternative formats upon request.
REQUEST FOR RESPONSE – AGR-FVEP 04-8

MASACHUSETTS DEPARTMENT OF FOOD AND AGRICULTURE
Farm Viability Enhancement Program

Section II - APPLICATION

It is important that you read the Section I entitled Program Description before completing this Section II entitled Application. Key information is contained in Section I. In this Section, special instructions are in bold and Italics. Please read carefully and respond to each question carefully.

Please type or print clearly in ballpoint pen. Date_______

Municipality Date received (official use only)
County Received by: (official use only)

1. Applicant(s)
Name:
Mailing Address:
Town: Zip:
Home Phone: Other Phone:

2a. Farm location if different from above
Address: Town: Zip:
Phone:
Name of person in residence:

2b. Owner(s) of record if different from above:
1. Name: 2. Name:
Address: Address:
Phone: Phone:

Is this a Trust or Corporation? Yes____ No _____

2c. Farm name, Corporate, Trust or Business name, if any.

3. What are your primary farm businesses and/or crops? Check all that apply.

<table>
<thead>
<tr>
<th>Dairy</th>
<th>Vegetable</th>
<th>Orchard</th>
<th>Nursery</th>
<th>Green-house</th>
<th>Value-added</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest products</td>
<td>Maple</td>
<td>Other livestock</td>
<td>Other: specify</td>
<td>Explain</td>
<td>Explain</td>
</tr>
<tr>
<td>Is there a retail/value-added operation? Yes</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are you planning to go into retail or value adding? Yes</td>
<td>No</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Describe in the table below what agricultural activities are carried out on the farm. List acreage by activity.

<table>
<thead>
<tr>
<th>Activity (vegetables, dairy, etc.)</th>
<th>Number of livestock, acres or quantity of product devoted to the activity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. How many acres will be included in the agricultural use covenant (Restriction)? ________ Acres

How many acres do you farm in total (please included rented land and/or APR land)? ________ Acres

Food and Agriculture needs details on the total acreage of the farm that will be included in the Business Plan. Provide an approximate outline of the property on a United States Geological Survey topographical map. On the map, please draw outlines showing the following and label a, and b:

(a.) What do you own? Include all parcels even if each parcel is not contiguous.
(b.) Do you rent land from other people that you want included in the Business Plan?
   Yes____ No____ How many acres? ______

Please note: rented acreage is not eligible for restriction.

Please note: Larger amounts of acreage proposed for restriction is more competitive in the review process.

Also include a USDA Natural Resources and Conservation Service map and farm plan, or its equivalent, showing the breakdown of various soil types and acreage possessing soil capability Classes I through VII.

Important: Also provide a copy of the current recorded deed(s) to all parcels described above, and if any, a survey plan delineating the property.

Please complete this land table

<table>
<thead>
<tr>
<th>LAND TYPE OR USAGE</th>
<th>TOTAL acreage by use</th>
<th>Acres owned by use</th>
<th>Acres rented by use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Example: Tillable cropland</td>
<td>100</td>
<td>70</td>
<td>30</td>
</tr>
</tbody>
</table>

A. Tillable cropland
B. Non-tillable cropland
C. Nursery – Orchard
D. Pasture
E. Managed woodland
F. Non-managed woodland
G. Ponds, wetlands
H. Land occupied by farm buildings
I. Land occupied by commercial buildings or residences

If you rent land to others, indicate # of acres _______ and usage _______________(Choose one of the categories in table above.)

6. Is your land under Farmland Assessment (Chapter 61A) or Forest (Chapter 61) or Agricultural Preservation Restriction (APR)?

<table>
<thead>
<tr>
<th>61A</th>
<th>61</th>
<th>APR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td># of acres</td>
<td># of acres</td>
<td># of acres</td>
</tr>
</tbody>
</table>
7. Excluding existing residences, approximately how many feet of road frontage does the farm property have? _______________________

Is municipal sewer available at the farm property? Yes _____ No _____

If no, what is the likelihood that existing soils will support septic systems? High ___ Med. ___ Low ___

How would you describe recent development (new construction) in your immediate neighborhood? Heavy ____ Moderate____ Light____

8. How many people earn fulltime income(s) from the farm? ____

Of these, how many are immediate family (children, spouses, siblings) ______

How many people are employed part time? ____ Of these, how many are immediate family? ______

How many seasonal employees are hired? ____ For what months? _______________________________

Who are the current managers on the farm and what are their roles? ___________________________________________

Who are the managers expected to be on the farm at the conclusion of the covenant term?_____________

9. All plans include an environmental assessment and suggest options for actions that can be taken to improve environmental viability. Check any of the following that apply.

<table>
<thead>
<tr>
<th>Erosion &amp; sediment control</th>
<th>Water Management (wells, rivers)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nutrient &amp; manure management</td>
<td>Pesticide management</td>
</tr>
<tr>
<td>Facility wastewater and runoff control</td>
<td>Other (describe)</td>
</tr>
</tbody>
</table>

How many feet of frontage does your farm have along a river, major pond, or lake? ____________

<table>
<thead>
<tr>
<th>All landowners of record and those who will receive the grant award must sign this application. Substitutes or signatures initialed by another person will not be accepted. Applicants who are not owners of the land to be restricted must have all owners sign this Section II – Application otherwise Food and Agriculture will not process it.</th>
</tr>
</thead>
</table>

________________________________________ Date  ________________________
Signature

________________________________________ Date  ________________________
Signature

_________________________________ Date  ________________________
Signature
SECTION III - FINANCIAL STATEMENT

It is important that you read Section I entitled Program Description before completing this Financial Statement. Key information is contained there. In the Financial Statement below, special instructions are in bold and Italics. Please read carefully. This section is to be completed by the farm operator(s). ALL QUESTIONS MUST BE ANSWERED.

1. List any liens or encumbrances, and the amounts, on the farm as described in the Application – Section II.

<table>
<thead>
<tr>
<th>Encumbrance (to whom is the money owed)</th>
<th>Amount owed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Do any of these include a lien on your residence, or a mortgage on the property including your home?

_____ Yes  _____ No  ____ Check here if there is no debt associated with the farm.


*If tax records for the farm for these three years are not available, an explanation is required.*

_____ 2000 tax returns included  _____ 2001 tax returns included  _____ 2002 tax returns included

Please complete the following. If taxes for 2002 are not completed, estimate gross and net income.

<table>
<thead>
<tr>
<th>Tax Year</th>
<th>Gross Farm Income</th>
<th>Net Farm Income</th>
<th>Off Farm Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2002</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Please include off-farm income/jobs that immediate family members have.

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Off-farm income that contributes to family</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ estimated annual</td>
</tr>
<tr>
<td></td>
<td>$ estimated annual</td>
</tr>
<tr>
<td></td>
<td>$ estimated annual</td>
</tr>
</tbody>
</table>

4a. The Program’s goal is to provide farmers with a plan of action to make their farms more viable. Food and Agriculture wants to know what challenges and opportunities you see for your operation. Some examples include 1) regulations that must be met, 2) development pressures, 3) need to expand, 4) succession issues, 5) moving from wholesale to retail, 6) debt, and/or not making enough money, 7) environmental concerns. *Please note: this is the most important consideration in reviewing applications.* Be thorough in explaining your circumstances. The following information is critical. Extra sheets of paper may be attached.
4b. What do you think should be done to improve the economic viability and/or the environmental condition of your farm?


4c. Do you live off the farm income now? Yes ___  No___
Describe your short and long term plans for keeping the land in agricultural use.


4d. How many years of agricultural experience does the farm manager have? ______years.

4e. Has the manager completed Food and Agriculture’s Entrepreneurial Business Training Program? Yes___ No___. List any other business or management training: ____________________________________
__________________________________________________________________________________

5. The following MUST be in your application:
   USGA topographical map with your property location outlined as indicated.
   USDA - NRCS soil map of your farm
   NRCS farm plan (if available)
   Three (3) years of Schedules F or 1120S forms
   Current recorded deed(s).

By signing below, you are authorizing Food and Agriculture to conduct a field inspection of the land to be considered for inclusion in the Restriction. In addition, those signing below are expressing a willingness to execute an Agricultural Use Covenant Restriction. All farm operators must sign Section III. Substitutes or signatures initialed by another person will not be accepted.

________________________________________ Date ____________________
Signature

________________________________________ Date ____________________
Signature

Send to:  Craig Richov
Massachusetts Department of Food and Agriculture
251 Causeway Street  Suite 500
Boston, MA  02114-2151

The deadline is (5:00 p.m.) Monday, June 30, 2003.