

Tennessee Agricultural Enhancement Program



2016 Application B

Producer Diversification

**Agritourism • Fruit and Vegetable • Honey Bee
Horticulture • Organic • Value-Added Products**

New Application Period

October 1 – November 1, 2016

Application Guide

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Program Changes

Application Period - October 1 – November 1, 2016

This year marks many new changes for TAEP. The most significant change is the program timeline. Because 2015 reimbursement deadlines were extended later into 2016, the annual application period was moved from June 1-7 to a month long application period from October 1 – November 1. This new timeline benefits producers by providing longer time to apply for TAEP and allows for more dry days for building structures.

Eligible Purchase Dates

Program purchases can be made starting October 1, 2016 and must be completed by program reimbursement deadline.

Approval Notification

Approval notifications are scheduled to be mailed in January 2017.

Reimbursement Deadlines

The reimbursement deadline for Producer Diversification is September 1, 2017.

2016 TAEP Application B			
Sector	Reimbursement Maximums*		Reimbursement Deadline
	35% Standard Producer	50% Master Producer	
Agritourism Fruit & Vegetable Honey Bee Horticulture Organic Value-Added Products	\$10,000	\$15,000	September 1, 2017
<i>* Final maximums will be determined based upon overall demand for cost share funding.</i>			

Reduced Cost Share Maximums

As a result of record demand for TAEP funding in 2015, project maximums were reduced for the first time since the program began in 2005. This decision allowed all eligible applicants to be approved. Producer Diversification maximums were not reduced due to the competitive evaluation of cost share requests. Please note that final maximums may be reduced based upon overall demand for cost share funding. Any additional changes will be indicated in approval packets.

Premises Registration and Premises Information – Not Required

Premises number is no longer an effective means for identifying producers in TAEP and therefore no longer required to apply.

TAEP Producer Number (TPN)

This number replaces the previously required premises account number and premises ID. TPNs were assigned to all existing TAEP participants earlier this year. The TPN is exclusive to an individual and cannot be transferred.

In the past, TAEP records were kept according to premises account numbers. The names associated with premises accounts may have changed from year to year depending upon various eligibility factors such as BQA, master certifications, and property ownership, etc. The assignment of each TPN is based upon the name of the individual that last applied for TAEP using the premises account number that correlates to that TAEP farming operation.

If you have applied for TAEP within the past three years, your TPN will be mailed to you in September. Please include your TPN on the application form and any other TAEP correspondence.

New TAEP applicants will not have a TPN until applications are processed.

Application Processing

This year's application form (pages 23-24) has been designed to allow for electronic scanning. It is important to complete the application in CAPITAL LETTERS using a black or dark blue ink pen. Do not use a felt tip pen, pencil, or marker. Please do not write outside the boxes.

Producer Diversification Overview

Producer Diversification Overview

The goal of the Producer Diversification program is to encourage agricultural producers to expand or improve their working farm/existing operation through the production of diversified agricultural products. This program provides cost share opportunities for industry sectors of Agritourism, Fruit & Vegetable, Honey Bee, Horticulture, Organic, and Value-Added Products. Project categories include farm infrastructure, marketing, and specialized equipment.

Application Proposal & Budget

The Producer Diversification program requires the applicant to submit an application form and a written proposal using the proposal questionnaire template. The proposal questionnaire template outlines the applicant's agricultural operation(s), previous TAEF history, marketing plan, proposed project(s), line-item project budget(s), and special requirement attendance – if requesting 50% cost share. Written cost estimates from each vendor/supplier are also required with the application proposal. Researching all costs associated with each proposed project is extremely important. Providing a line-item budget allows the review committee to make adjustments to the budget if there are items listed that are not approved. This allows for a partial project approval – if needed. Funding allocation is based upon the final approved budget and the cost share percentage requested. Allocation amounts cannot exceed the program maximums.

Applications are competitively evaluated by industry sector according to each individual project. Projects are identified primarily by the sector in which they are eligible.

If approved, the applicant must pay for and complete all approved projects prior to submitting their cost share reimbursement. Only one reimbursement payment is allowed per program.

Application Evaluation

Applications must merit financial support, clearly state objectives, provide a sound work plan and prove applicant expertise necessary to successfully complete project(s). Only applications that are complete and include sufficient information will be considered for evaluation. An onsite visit or meeting may be required as part of the evaluation process.

Proposed activities must:

- Demonstrate significant potential for increasing farm income
- Be market driven and have a viable marketing plan
- Establish something new, not maintain on-going projects
- Meet all state and local food safety and regulatory requirements
- Produce long term benefits for the farm

Project Examples

Project Description	Sector
Apiary expansion	Honey Bee
Commercial tents, tables, chairs	Agritourism
Flail mower	Organic
Greenhouse for growing nursery stock	Horticulture
Greenhouse for growing vegetables	Fruit & Vegetable
Honey processor	Honey Bee
Irrigation for pumpkins	Fruit & Vegetable

Project Description	Sector
Meat processing equipment	Value-added Products
Pavilion for farm tours	Agritourism
Retail shelters for farm produce	Agritourism
Road sign for operation	Agritourism
Roller crimper	Organic
Tree digger	Horticulture
Walk-in freezer for farm-fresh meats	Value-Added Products

Standard Producer (35%) and Master Producer (50%)

Each sector allows for two cost share percentage options. All approved applicants are eligible for 35% (Standard Producer) cost share. To be eligible for 50% (Master Producer), the approved applicant must complete the special requirements for the sector in which their project is eligible. Special requirements focus on education and include conferences, courses, events, workshops and specific certifications. Attendance is verified and the registered name must match the approved applicant to be eligible for 50% cost share.

Eligibility Requirements

To be eligible for TAEP cost share, applicant must:

1. Be a citizen of the United States of America and/or lawfully present in the United States.
2. Be an individual Tennessee resident operating a farm located in Tennessee.
3. Be at least 18 years old during the application period.
4. Have a working farm/existing agricultural operation in order to be competitive.
5. Have filed a Federal IRS Schedule F (Form 1040), Profit or Loss from Farming, within the last two years (2014 or 2015).

Applicant will not be required to submit a copy of their Schedule F at the time of application. However, applicants may be asked to submit a copy of their Schedule F prior to TAEP approval to verify their farming operation. If your operation does not file a Schedule F, please contact TAEP about alternative documentation to verify farming status.

IMPORTANT

Certifications, permits and other priority requirements as specified by program must be completed by the applicant. No substitutions allowed.

Tennessee Department of Agriculture may:

- Accept, modify or reject any or all requests.
- Modify program criteria, approval and payment processes.
- Provide partial funding for specific activity components that may be less than the full amount requested.
- Require additional information from the applicant.
- Deny payments for projects that do not meet requirements.



February 16-18, 2017
www.picktnconference.com

Save the date...don't miss this opportunity to participate in educational sessions, tradeshow and networking with producers from across the state.

There's no such thing as "just a farmer." A farmer is a lot of things: business executive, scientist, educator, mechanic, market analyst, publicist, conservationist and community leader. To know everything a farmer needs to succeed year to year, it would help to be a magician, too!

The new Pick TN Conference gives Tennessee farmers their best opportunity to explore the latest information and access the best resources for every facet of modern farm life, all in one event. Whether you grow an orchard, flowers, a corn maze, wine grapes, acres of produce or manage a farmers market, you can leave the Pick TN Conference with a whole new bag of tricks to make 2017 your best year ever.

Program Requirements

Application

1. Applications must be submitted during the application period October 1 - November 1, 2016.
 - Applications may be submitted by one of the following methods:
 - Mail – Applications must have a postmark date ranging from October 1, 2016 - November 1, 2016.
 - Hand delivery to TDA, Holeman Building, 424 Hogan Road, Nashville, TN 37220 between October 1, 2016 - November 1, 2016 during normal business hours.
 - Faxed or emailed applications will not be accepted.
 - Applications postmarked or hand delivered prior to October 1, 2016 and after November 1, 2016 are ineligible.
2. Application B cost share requests are evaluated on a competitive basis by industry sector.
3. Applicants may only submit one Application B per Federal IRS Schedule F, per person, per application period.
4. Applicant will be notified in writing of approval or disapproval. Approvals will be mailed January 2017.
5. Reimbursement packet supersedes all information printed in the application booklet.

Reimbursement

1. Receipts dated prior to October 1, 2016 are not eligible.
2. Receipts for in-kind services are not eligible (trade-in value is not eligible).
3. Used equipment, used materials and leased equipment are not eligible for cost share reimbursement.
4. Labor provided by applicant is not eligible for cost share reimbursement.
5. Applicant cannot be reimbursed for purchases from a business where applicant participates in ownership (producer cooperatives excluded).
6. Applicants cannot combine projects with other applicants and submit more than one reimbursement for the same item.
7. Reimbursement documentation must be postmarked or hand delivered by the deadline. Additional processing time is required for incomplete requests and requests submitted within one month of the program deadline. It is recommended that you submit your reimbursement request as soon as your project is completed.
8. There can only be one reimbursement payment per cost share approval. Projects must be completed before submitting reimbursement documentation.
9. Failure to complete projects and utilize any allocated funds can affect eligibility for future program participation. Partial utilization of allocated funds is allowed.
10. Falsifying applications, invoices or other documents submitted to TDA may make producer and farm ineligible to participate in present and/or future TDA programs, and may result in civil litigation or criminal prosecution.

Verification

1. Applicant must utilize equipment and structures purchased with cost share funds for the intended purpose of the program for a minimum of three continuous years from date of purchase.
2. Site visits made before, during and after completion may take place.
3. Applicants may be required to repay funds if they fail to comply with all aspects of the cost share guidelines

Agritourism Sector

Who is an Agritourism Producer?

For the purposes of TAEP, an eligible Agritourism working farm offers on-the-farm experiences relating to production agriculture for a fee and is aimed at increasing profitability of the operation.

- Farm education (tours of production agriculture)
- Farm activities (pick your own, fee-fishing)
- Farm fun (corn maze, hayrides)
- Farm purchases (retail sales of farm's agricultural products)

Agritourism Applicant Requirements

- Applicants may only submit one Application B per Federal IRS Schedule F, per person, per application period.
- Applicants must meet all state and local regulations to be eligible for reimbursement.

Agritourism Producer Cost Share Opportunities

Standard Producer – 35% Cost Share - \$10,000 Maximum

All approved applicants with Agritourism projects are eligible for 35% cost share. There are no special requirements for 35% cost share.

Master Producer – 50% Cost Share - \$15,000 Maximum

To be eligible for 50% cost share, approved applicants must complete special requirements prior to the program reimbursement deadline of September 1, 2017.

Special Requirements for 50% Cost Share

1. Tennessee Agritourism Conference – must attend
2. Sector eligible educational course – must attend (1)

Additional Special Requirement Information

- The registered name for the special requirement must be the same name as the individual applying for cost share funding.
- Applicant must have participated in events from 2014-2017.
- See eligible Agritourism events in sidebar on page 7.
- Visit the Producer Diversification Course Requirements Calendar, www.tn.gov/taep, to view upcoming courses that will apply towards the Agritourism special requirements.

What Agritourism Projects Qualify for TAEP?

The proposed activity/project must encompass quality expansion or improvement of the applicant's farm and business. The eligible categories are: Farm Infrastructure, Specialty Equipment and Marketing. Examples of eligible and ineligible items are provided on page 7.

Competitive Projects - Agritourism:

- Emphasis is given to projects that focus on long term public use considerations that increase opportunities for profitability.
- Marketing projects that are long term in nature and enhance outreach of the farm to the public are encouraged.
- Preference will be given to projects that focus on agricultural education and production over agricultural entertainment. Examples of agricultural entertainment include weddings, concerts, bed and breakfasts, trail rides, playgrounds, etc.

Agritourism Sector

Eligible Agritourism Items:

- Not all eligible items are listed; please contact the Producer Diversification Coordinator for project eligibility or clarification prior to applying for TAEP cost share.
- All eligible items requested may not be approved due to the competitive evaluation of the program.

DVD – educational, not for resale
 Hand washing stations
 Handicap accessible areas*
 Hayride wagon – safety or education
 Lighting – public areas
 Parking areas (new) – include dimensions and # of parking spots to be created

- Gravel or pavement
- Geotextile preferred for gravel

 Pavilions – educational
 Public address (PA) systems – safety or educational
 Restroom facilities*

Retail shelters*
 Safe way areas*
 Seating
 Signs*
 Tables
 Tents
 Website development – see ineligible

** Include dimensions and designs with project proposal.*

Ineligible Agritourism Items – Most commonly requested

Advertising
 Alarm/security systems
 Arena/Barn – livestock, storage
 Bed & Breakfast projects
 Brochures
 Building – storage
 Building – show facility
 Cash Registers/Point of Sale System
 Computers
 Concession stands/kitchens
 Containers - bottles, pots, packaging
 Driveways, trails, paths, roads, etc.
 Electrical consumption
 Fees – membership
 Fencing
 Flyers - promotional
 Fuel
 General Inputs
 Give-a-way items
 Golf Carts
 Landscaping
 Land – clearing of
 Livestock

Maintenance of - existing structures, gravel projects, equipment, items, parking lots, etc.
 Meeting expenses
 Merchandise
 Motorized vehicles – ATV, forklift, tractor
 Motorized rides
 Office equipment
 Permits
 Playground equipment
 Printing
 Product development
 Property – purchase or debt payment
 Renovations of existing structures
 Replacing existing equipment, items etc.
 Salaries, Wages, Benefits
 Software
 Store – for resale of goods
 Trade show expenses
 Trailers – livestock
 Used equipment
 Water source creation – ponds/wells
 Website – annual or hosting fees

Agritourism Events

The following events count as 50% special requirements.

Tennessee Agritourism Conference

January 2014 – Nashville
 January 2015 – NAFDMA
 February 2016 – Knoxville
 February 2017 – Franklin

CPA - Agritourism Emergency Preparedness

August 2014 – Murfreesboro

CPA – Direct Farm Marketing for Success

March 2014 – Athens, Cookeville, Milan, Spring Hill, White Pine
 March 2016 – Knoxville, Murfreesboro

CPA – Pumpkins for Profit

July 31 – August 2, 2016 – Bus Tour

CPA – Southern Style Hospitality Seminar

December 2014 – Chattanooga, Clarksville, Memphis

Center for Profitable Agriculture (CPA)

Fruit and Vegetable Sector

Who is a Fruit and Vegetable Producer?

For the purposes of TAEP, an eligible Fruit and Vegetable operation is involved in the production of produce for sale and is aimed at increasing profitability of the operation.

- Fruit and Vegetable grower
- Pumpkin producers
- Viticulture - grape production only

Fruit and Vegetable Applicant Requirements

- Applicants may only submit one Application B per Federal IRS Schedule F, per person, per application period.
- Applicants must meet all state and local regulations to be eligible for reimbursement.

Fruit and Vegetable Producer Cost Share Opportunities

Standard Producer – 35% Cost Share - \$10,000 Maximum

All approved applicants with Fruit & Vegetable projects are eligible for 35% cost share. There are no special requirements for 35% cost share.

Master Producer – 50% Cost Share - \$15,000 Maximum

To be eligible for 50% cost share, approved applicants must complete special requirements prior to the program reimbursement deadline of September 1, 2017.

Special Requirements for 50% Cost Share

Option #1: Fruit & Vegetable producers

1. Pick Tennessee Conference (previously Tennessee Horticultural Expo) – must attend
2. Sector eligible educational course – must attend (1)

Option #2: Good Agricultural Practices (GAP)

Applicant must have GAP certification and current letter of compliance at time of reimbursement. For GAP ONLY eligible items see page 9.

Additional Special Requirement Information

- The registered name for the special requirement must be the same name as the individual applying for cost share funding.
- Applicant must have participated in events from 2014-2017.
- See eligible Fruit & Vegetable events in sidebar on page 9.
- Visit the Producer Diversification Course Requirements Calendar, www.tn.gov/taep, to view upcoming courses that will apply towards the Fruit & Vegetable special requirements.

What Fruit and Vegetable Projects Qualify for TAEP?

The proposed activity/project must encompass quality expansion or improvement of the applicant's farm and business. The eligible categories are: Farm Infrastructure, Specialty Equipment and Marketing. Examples of eligible and ineligible items are provided on page 9.

Competitive Projects - Fruit and Vegetable:

- Priority is given to projects that are focused on improving or increasing production.
- Marketing projects that are long term in nature are allowed but are not considered as competitive as those involving production.

Fruit and Vegetable Sector

Eligible Fruit and Vegetable Items:

- Not all eligible items are listed; please contact the Producer Diversification Coordinator for project eligibility or clarification prior to applying for TAEP cost share.
- All eligible items requested may not be approved due to the competitive evaluation of the program.

Apple/Peach liners	Greenhouse*	Packing facility*
Bladder press – viticulture	• Hydroponic	Packing line equipment
Crusher/Destemmer	• Overwintering	Pest control
Cold storage*	• Production	• Bird control netting
• Chilling units – not for	• Shade system	• Sprayer
AC units	Heater – greenhouse	• Wildlife barriers
• Freezer	High tunnel/hoop-house*	Plastic mulch layer/ lifter
• Walk-in cooler	Irrigation	Production line equipment
Fan – greenhouse	• Controller system	Pruner – mechanical
Fertilizer equipment	• Fertigation system	Signs*
Field Planter	• Filter system	Sink – produce washing
Fruit stock	• Frost protection	Soil mixer
• Apples	• Overhead	Spray equipment
• Blackberries	• Pivot	Sprayer
• Blueberries	• Pond liner	Thermostat – greenhouse
• Grapes	• Pump	Trellis materials – berries
• Peaches	• Storage tanks	and vines
• Raspberries	Lighting – not for aesthetics	Vineyard hoe
Gravel*	• Greenhouse*	Website development – see
• Foundation	• Pavilion/retail shelter*	ineligible items
• Propagation area	Loading area/dock*	Wood boiler
• Geotextile	Mechanical harvesters	
Harvest bins	Mulch machine	
Harvest lugs	Must pump – fruit juices	
	only	

GAP ONLY – Certified up to date GAP producers can also apply for projects above

Produce packing facilities*	Food grade materials needed for GAP plan	Worker hand washing stations and permanent restroom facilities*
• Structure	• Plastic harvest bins/ lugs	• Standalone structure from packing facility*
• Electrical	• Plastic storage bins	• Sinks
• Plumbing	• Plastic pallets	• Toilets
• Packing line/ washing equipment		• Plumbing
• Loading Dock*		• Electrical

Fruits & Vegetable Events

The following events count as 50% special requirements.

OPTION 1

TN Horticultural Expo

January 2014 – Nashville

Pick Tennessee Conference

February 2016 – Knoxville

February 2017 – Franklin

Farmers Market Extravaganza

March 2015 – Paris Landing

CPA – Direct Farm Marketing for Success

March 2014 – Athens, Cookeville, Milan, Spring Hill, White Pine

March 2016 – Knoxville, Murfreesboro

CPA – Farmers Market Boot Camp

February 2014 – Dickson, Dyersburg, Memphis

February 2015 – Clarksville, Covington, Franklin

March 2015 – Alcoa, Cookeville, Greeneville

January 2016 – Athens, White Pine

February 2016 – Lebanon, Winchester

March 2016 – Clarksville, Trenton

CPA – Food for Profit

April 2014 – Alcoa, Chattanooga, Murfreesboro

September 2014 – Clarksville, Jackson, White Pine

April 2015 – Greeneville, Knoxville

May 2015 – Bolivar, Lebanon

CPA – Fruit Production and Direct Marketing

January 2015 – Bolivar, Greeneville, Lewisburg, Madisonville

CPA – Growing Your Business: Seeds for Successful Direct Marketing of Fruits and Vegetables

December 2014 – Chattanooga

CPA – Pumpkins for Profit

July 31 – August 2, 2016 – Bus Tour

CPA – Southern Style Hospitality Seminar

December 2014 – Chattanooga, Clarksville, Cookeville, Memphis

TSU Small Farm Workshop

May 2016 – Pulaski

OPTION 2

Must be GAP Certified with up to date audits in order to receive 50% cost share

Center for Profitable Agriculture (CPA)

* Include dimensions and designs with project proposal.

Ineligible Fruit and Vegetable Items – Most commonly requested

Advertising	Hand Tools	Renovations of existing structures
Alcohol production equipment	Insecticides	Seeds – produce, nursery, flowers, etc.
Brochures	Labor – applicant	Software
Building – storage	Landscaping	Store – general
Chemicals	Land – clearing of	Trade show expenses
Computers	Maintenance of existing structures, equipment, items etc.	Trailers – livestock
Concession stands/ kitchens	Meeting expenses	Used equipment
Containers – bottles, pots, packaging	Merchandise	Water source creation – ponds, wells
Drip Tape	Motorized vehicles – ATV, forklift, tractor	Website – annual or hosting fees
Driveways, trails, paths, roads, etc.	Mower	Winemaking equipment
Electrical consumption	Office equipment	
Fees – membership	Permits – or certifications	
Fencing	Pesticides	
Fertilizer	Plants – liners/plugs	
Fuel	Product development	
Give a way items	Property – purchase or debt payment	
Golf cart		

Honey Bee Sector

Who is a Honey Bee Producer?

For the purposes of TAEP, an eligible Honey Bee producer must meet the minimum requirements of beekeeping experience and number of existing colonies as outlined below in Honey Bee Applicant Requirements.

Honey Bee Applicant Requirements

Experience:

- Applicants may only submit one Application B per Federal IRS Schedule F, per person, per application period.
- Minimum experience of five (5) years and current ownership of at least twenty (20) colonies is required to participate.
- Minimum experience of five (5) years and current ownership of at least thirty (30) existing colonies is required to request cost share for construction of a TDA licensed and inspected Honey Processing Facility.
- Applicants must report experience and number of hives in application proposal to be eligible.
 - If the applicant has assisted other beekeepers and mentors in working directly with bees, he or she may count this hands-on experience toward the requirements. The applicant must list the beekeeper's name, contact information, and length of time spent assisting this beekeeper for this experience to be considered.
 - There is not a year requirement for ownership of hives but applicants must own required number of hives at time of application.

Consumer & Industry Services (Regulatory):

- Apiaries must be registered with the State of Tennessee by the time of the application period (October 1 - November 1, 2016). Contact TDA State Apiarist at 615-837-5342 for more information.
- If you pack or sell more than (150) gallons of honey per year, you must be licensed and inspected by the State of Tennessee as a food manufacturing facility. Contact TDA Consumer & Industry Services at 615-837-5153 for more information.

Honey Bee Producer Cost Share Opportunities

Standard Producer – 35% Cost Share - \$10,000 Maximum

All approved applicants with Honey Bee projects are eligible for 35% cost share. There are no special requirements for 35% cost share.

Master Producer – 50% Cost Share - \$15,000 Maximum

To be eligible for 50% cost share, approved applicants must complete special requirements prior to the program reimbursement deadline of September 1, 2017.

Special Requirements for 50% Cost Share

UT Master Beekeeper Program – certificate must be current at time of reimbursement. Recertification may be required if course was completed prior to 2011. Please contact your local UT Extension Agent if you are unsure when your master certificate was issued.

- For more information about this program please visit bees.tennessee.edu or call 865-974-0209

Additional Special Requirement Information

- The registered name for the special requirement must be the same name as the individual applying for cost share funding.
- See sidebar on page 11 for information on Master Beekeeping Program.

What Honey Bee Projects Qualify for TAEP?

The proposed activity must encompass quality expansion or improvement of pollination or honey production. The eligible categories are: Apiary expansion, honey processing equipment, pollination services and honey processing facility. Examples of eligible and ineligible items are provided on page 11.

Competitive Projects - Honey Bee:

- Priority is given to projects that focus on improving or increasing production of honey, bees or hive related products.
- Priority is given to proposals with a well-developed marketing strategy.

Honey Bee Sector

Eligible Honey Bee Items:

- Not all eligible items are listed; please contact the Producer Diversification Coordinator for project eligibility or clarification prior to applying for TAEP cost share.
- All eligible items requested may not be approved due to the competitive evaluation of the program.

Apiary Expansion

Beekeeping supplies

- Queens: one per new hive – re-queening of existing hives is not eligible
- Package bees
- Nucleus colonies – honey bees & boxes

Hive or super equipment

- Deep supers – hive bodies 9 5/8"
- Illinois, Western, Medium supers 6 5/8"
- Shallow supers 6 1/4"

Frames

- Deep supers – hive bodies 9 5/8"
- Illinois, Western, Medium supers 6 5/8"
- Shallow supers 6 1/4"

Foundation wax

- Deep supers – hive bodies 9 5/8"
- Illinois, Western, Medium supers 6 5/8"
- Shallow supers 6 1/4"

Hive accessories

- Telescoping covers, Western, or flat covers
- Bottom boards
- Division board feeders
- Entrance feeder
- Top feeders
- Queen excluders
- Entrance reducers
- Metal frame spacers
- Metal rabbets
- Eyelets
- Frame wire
- Pollen traps

Honey Processing Equipment

Band heaters
 Bottling bucket kit
 Capping scratchers
 Containers – 5 or more gallons and usually stainless steel
 Drum handling truck
 Extractors – motorized recommended
 Gates for honey storage
 Honey bottling valve
 Honey dispensing tanks
 Honey filter

Honey refractometer

Immersion heaters
 Strainers
 Un-cappers
 Uncapping knives
 Wax melters

Pollination Services

All items and equipment listed in above sections are also eligible under the pollination services. Trailers – size cannot be larger than needed for the number of colonies.

Honey Processing Facility*

Building materials to construct a licensed facility. Labor is only eligible for infrastructure projects. In order to be eligible for cost share reimbursement, labor must be quoted and performed by a contractor.

Honey Bee Events

UT Master Beekeeper Program

This program is required for 50% cost share.

Course must be completed by reimbursement deadline (September 1, 2017).

Certificates will be issued the individual taking the course and will include the year issued.

The Hobbyist Level is an entry level class designed to provide information on how to become and succeed as a beekeeper. The Advance class requires successful completion of the Hobby Level class. Please contact your local UT Extension office if you are unsure when your certificate was issued or to inquire if recertification is needed.

For more information about this program and course schedules, please visit bees.tennessee.edu or call 865-974-0209.

UT Master Beekeeper Re-certification Schedule	
Course Completed	Course Good Through
2011-2014	September 1, 2017

* Include dimensions and designs with project proposal.

Ineligible Honey Bee Items – Most commonly requested

Bee brush	Frame fixers	Replacement of equipment/bees/existing items or structures
Bee escapes	Frame holders	Ross rounds
Bee go – product for moving bees out of supers	Frames for resale	Section scraping tools
Bee hats	Frame spacing tool	Small hive beetle traps
Beekeeping gloves	Fume boards	Smokers
Bees for resale	Grafting tools	Smoker bellows
Beetle boards	Hive tools	Smoker materials
Brood builder	Honey containers	Sting kill swabs
Comb cutters	Jars and caps	Sugar
Corn syrup	Labels	Swarm traps
Coveralls	Mailing cages	Sweat bands
Diagnostic kits	Maxant hive tools	Used equipment
Electric embedder	Medications	Used materials
Equipment for resale	Packaging	Veils
Frame/ form board	Plastic queen cell cups	
Frame cleaner	Observation hives	
Frame grip(s)	Queen cell protectors	
	Queen clipping scissors	
	Queen paint markers	

Horticulture Sector

Who is a Horticulture Producer?

For the purposes of TAEP, an eligible Horticulture operation is involved in the production of tree/plant stock for sale and is aimed at increasing profitability of the operation.

- Tree farms
- Nurseries
- Plant farms

Horticulture Applicant Requirements

- Applicants may only submit one Application B per Federal IRS Schedule F, per person, per application period.
- Applicants must meet all state and local regulations to be eligible for reimbursement.

Experience:

- Applicants may only submit one Application B per Federal IRS Schedule F, per person, per application period.
- The applicant's business must produce the majority of their plants from seed or cutting to finished product.
 - Businesses who make the majority of their gross sales from plants purchased for resale are not eligible.

Consumer & Industry Services (Regulatory):

- Producers must meet all state and local regulatory requirements at time of application submission (October 1 - November 1, 2016).
- Applicants producing nursery stock, greenhouse plants, turf grass, etc. must be licensed by the State of Tennessee.
 - Contact the Tennessee Department of Agriculture – Consumer and Industry Services at 615-837-5137 for more information on required permits.

Horticulture Producer Cost Share Opportunities

Standard Producer – 35% Cost Share - \$10,000 Maximum

All approved applicants with Horticulture projects are eligible for 35% cost share. There are no special requirements for 35% cost share.

Master Producer – 50% Cost Share - \$15,000 Maximum

To be eligible for 50% cost share, applicants must complete special requirements prior to the program reimbursement deadline of September 1, 2017.

Special Requirements for 50% Cost Share

UT Master Nursery Producer Program (TMNP) – certificate must be current at time of reimbursement. Recertification required if course was completed prior to 2014.

Please contact the UT TMNP Coordinator's office at (865) 974-7152 or visit www.tnmasterynursery.com for additional information or if you are unsure when your master certificate was issued.

Additional Special Requirement Information

- The registered name for the certificate must be the same name as the individual applying for cost share funding.
- Certificates will qualify for three (3) years after issuance for TAEP cost share requirements.
- See sidebar on page 13 for more information on Master Nursery Producer Program.

What Horticulture Projects Qualify for TAEP?

The proposed activity/project must encompass quality expansion or improvement of the applicant's farm and business. The eligible categories are: Farm Infrastructure, Specialty Equipment and Marketing. Examples of eligible and ineligible items are provided on page 13.

Competitive Projects - Horticulture:

- Priority is given to projects that are focused on improving or increasing production.
- Marketing projects that are long term in nature are allowed but are not considered as competitive as those involving production.

Horticulture Sector

Eligible Horticulture Items:

- Not all eligible items are listed; please contact the Producer Diversification Coordinator for project eligibility or clarification prior to applying for TAEP cost share.
- All eligible items requested may not be approved due to the competitive evaluation of the program.

Aeration system – flowers	• Overhead
Cold frames*	• Pivot
Cold Storage *	• Pond liner
• Walk in cooler	• Pump
• Components	Lighting – not for aesthetics
Container production area*	• Greenhouse*
Drying house – flowers*	Loading area/dock*
Fan – greenhouse	Packing facility*
Fertilizer equipment	Packing line equipment
Field planter	Potting building*
Gravel – geotextile preferred	Potting wagon
• Foundation*	Propagation building*
• Propagation area*	Propagation mats
• Container production	Rolling carts
Greenhouse *	Sod harvester
• Covering	Soil mixer
• Overwintering	Spray equipment
• Shade system	Sprayer
• Structure	Thermal tag printer – horticulture only
Heater – greenhouse	Thermostat – greenhouse
High tunnel/hoop house*	Tree baler –standing
Irrigation	Tree claw
• Controller system	Tree lifter/shaker
• Drip	Tree hauling wagons
• Filter system	Tree spade

Tree transplanter
 Tree trimmer
 Water level control
 Water storage tanks
 Website development – see ineligible
 Wood boiler

Horticulture Events

UT Master Nursery Producer Program (TMNP)

This program is required for 50% cost share.

Course must be completed by reimbursement deadline.

UT Extension, in collaboration with the USDA and TSU, and with support from the Tennessee Department of Agriculture now makes it possible for Tennessee nursery crop growers to complete the certification process online!

University of Tennessee Extension will issue certificate in the name of the individual taking the course and the year it was issued.

For more information about the Tennessee Master Nursery Producer Program certification, contact the UT Coordinator's office at (865) 974-7152 or visit www.tnmasternursery.com.

UT Master Nursery Producer Program

2014 – TMNP Online
 2015 – TMNP Online
 2016 – TMNP Online
 2017 – TMNP Online

Certificates will qualify for three (3) years after issuance for TAEP cost share requirements.

* Include dimensions and designs with project proposal.

Ineligible Horticulture Items – Most commonly requested

Advertising	Labor – applicant	Property – purchase or debt payment
Brochures	Landscaping	Renovations – of existing structures
Building – storage	Land – clearing of	Seeds – produce, nursery, flowers, etc.
Catalogs	Livestock	Software
Chemicals	Maintenance of existing structures, equipment, items etc.	Solar Power Equipment
Computers	Meeting expenses	Store – general
Containers – bottles, pots, packaging	Merchandise	Trade show display and expenses
Driveways, trails, paths, roads, etc.	Motorized vehicles – ATV, forklift, tractor	Trailers – livestock
Electrical consumption	Mower	Used equipment
Fees – membership	Office equipment	Water source creation – ponds/wells
Fencing	Permits	Website – annual, domain or hosting fees
Fertilizer	Pesticides	
Fuel	Plants – liners/plugs	
Give a way items	Product development	
Golf cart		
Insecticides		

Organic Sector

Who is an Organic Producer?

For the purposes of TAEP, an eligible organic operation is involved in the production of certified USDA Organic products (fruits, vegetables, and meats) for sale and is aimed at increasing profitability of the operation.

- Organic Fruit producer
- Organic Viticulture producer
- Organic Vegetable producer
- Organic Farm Fresh Meat producer

Organic Applicant Requirements

- Applicants may only submit one Application B per Federal IRS Schedule F, per person, per application period.
- Applicant must be certified USDA Organic or working towards certification to qualify. Certification must be current at time of reimbursement request.

Organic Producer Cost Share Opportunities

Standard Producer – 35% Cost Share - \$10,000 Maximum

All approved applicants with organic projects are eligible for 35% cost share. There are no special requirements for 35% cost share.

Master Producer – 50% Cost Share - \$15,000 Maximum

To be eligible for 50% cost share, applicants must complete special requirements prior to the program reimbursement deadline of September 1, 2017.

Special Requirements for 50% Cost Share

USDA Organic Certification – applicant must be certified USDA Organic (certificate and current letter of compliance) at time of reimbursement.

Additional Special Requirement Information

- The registered name for the certificate/letter must be the same name as the individual applying for cost share funding.
- See sidebar on page 15 for information on organic certification

What Organic Projects Qualify for TAEP?

The proposed activity/project must encompass quality expansion or improvement of the applicant's farm and business. The eligible categories are: Farm Infrastructure, Specialty Equipment and Marketing. Examples of eligible and ineligible items are provided on page 15.

Competitive Projects – Organic:

- Priority is given to projects that are focused on improving or increasing production.
- Marketing projects are also strongly considered depending on the individual producer's market.

TAEP staff will coordinate with UT Extension and USDA to verify compliance. Applicants will need to send a copy of their USDA Organic certificate and most current letter of compliance for TAEP records.

Organic Sector

Eligible Organic Items:

- Not all eligible items are listed; please contact the Producer Diversification Coordinator for project eligibility or clarification prior to applying for TAEF cost share.
- All eligible items requested may not be approved due to the competitive evaluation of the program.

Fan – greenhouse	Heater – greenhouse	Pond liner – irrigation
Fertilizer equipment	High tunnel/hoop house*	system
Field planter	Irrigation	Production line equipment
Flail mower	• Controller system	Roller crimper
Fruit stock	• Drip	Signs*
• Apples	• Filter system	Sink – produce washing
• Blackberries	• Overhead	Soil mixer
• Blueberries	• Pivot	Spader
• Peaches	• Pump	Spray equipment
• Grapes	• Water level control	Sprayer
• Raspberries	• Water storage tanks	Thermostat – greenhouse
Gravel – geotextile preferred	Lighting – not for aesthetics	Trellis materials
• Foundation	• Greenhouse	Walk in cooler*
• Propagation area	Loading area/dock*	Website development – see ineligible
Greenhouse*	Mulch machine	Wood boiler
• Structure	Mulch layer/lifter	
• Hydroponic	Packing facility*	
• Overwintering	Packing line equipment	
• Shade system		

Organic Certification

USDA Organic Certification

This USDA certification is required if requesting 50% cost share. Certification and current letter of compliance are required at time of reimbursement.

TAEF will coordinate with USDA and UT Extension to verify compliance.

RESOURCES:

USDA National Organic Program (NOP)

<http://1.usa.gov/organic-certification>
202-720-3252

USDA Organic Certification Financial Assistance

<http://www.ams.usda.gov/services/grants/occcsp>

USDA Organic Seal

<http://www.ams.usda.gov/rules-regulations/organic-seal>

Environmental Quality Incentives Program (EQIP)

<http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/programs/financial/eqip/>

UT Organic

organics.tennessee.edu

ORGANIC CERTIFICATION AGENCIES NEAR TN:

Quality Certification Services (QCS)

352-377-0133

Georgia Crop Improvement Assoc. (GCIA)

706-542-2351



* Include dimensions and designs with project proposal.

Ineligible Organic Items – Most commonly requested

Advertising	Golf cart	Property – purchase or debt payment
Alcohol production equipment	Insecticides	Renovations –of existing structures
Brochures	Labor – applicant	Seeds – produce, nursery, flowers, etc.
Building – storage	Landscaping	Software
Certifications through TDA	Land – clearing of	Store – general
Chemicals	Livestock	Trade show expenses
Computers	Maintenance of existing structures, equipment, items etc.	Trailers – livestock
Containers – bottles, pots, packaging	Meeting expenses	Used equipment
Drip tape	Merchandise	Water source creation – ponds/wells
Driveways, trails, paths, roads, etc.	Motorized vehicles – ATV, forklift, tractor	Website – annual, domain, or hosting fees
Electrical consumption	Mower	
Fees – membership	Office equipment	
Fencing	Permits	
Fertilizer	Pesticides	
Fuel	Plants – liners/plugs	
Give a way items	Product development	

Value-Added Products Sector

Who is a Value-Added Products Producer?

For the purposes of TAEP, an eligible Value-Added business produces products for sale that use raw foods or fibers produced by their agricultural operation.

Applicants must use agricultural products that have been grown on their farm as primary source of the value-added product.

Businesses within the sector that includes a variety of products such as:

- Cheese
- Clothing
- Crafts
- Farm fresh meats
- Ice cream
- Jams
- Jellies
- Relishes
- Salsa
- Other

Value-Added Products Applicant Requirements

- Applicants may only submit one Application B per Federal IRS Schedule F, per person, per application period.
- Applicants must meet all state and local regulations to be eligible for reimbursement.

Consumer & Industry Services Requirements

- Applicants producing processed foods, meats, dairy, and related products must be licensed and inspected by the State of Tennessee as a food manufacturing facility if applicable.
- Contact the Tennessee Department of Agriculture – Consumer and Industry Services at 615-837-5177 for more information on state regulations.

Value-Added Products Producer Cost Share Opportunities

Standard Producer – 35% Cost Share - \$10,000 Maximum

All approved applicants with Value-Added Products projects are eligible for 35% cost share.

There are no special requirements for 35% cost share.

Master Producer – 50% Cost Share - \$15,000 Maximum

To be eligible for 50% cost share, applicants must complete special requirements prior to the program reimbursement deadline of September 1, 2017.

Special Requirements for 50% Cost Share

Value-Added Educational Courses – applicant must attend (2) eligible events

Additional Special Requirement Information

- The registered name for the special requirement must be the same name as the individual applying for cost share funding.
- Applicant must have participated in events from 2014-2017.
- See eligible special requirements for Value-Added sector projects in sidebar on page 17.
- Visit the Producer Diversification Course Requirements Calendar, www.tn.gov/taep, to view upcoming courses that will apply towards the Value-Added special requirements.

What Value-Added Projects Qualify for TAEP?

The proposed activity/project must encompass quality expansion or improvement of the applicant's farm and business. The eligible categories are: Farm Infrastructure, Specialty Equipment and Marketing. Examples of eligible and ineligible items are provided on page 17.

Competitive Projects – Value-Added Products:

- Priority is given to projects that are focused on improving or increasing production.
- Producers that are producing 100% of the raw food or fiber product(s) to be used in their value-added enterprise are given priority over off-farm sourcing of raw product.
- Marketing projects are allowed but are not considered as competitive as those involving production.

Value-Added Products Sector

Eligible Value-Added Items:

- Not all eligible items are listed; please contact the Producer Diversification Coordinator for project eligibility or clarification prior to applying for TAEP cost share.
- All eligible items requested may not be approved due to the competitive evaluation of the program.

Cold storage*
E-Commerce development
Freezers*
• Walk-in
• Chest

Hand washing areas* – for food safety
Loading dock*
Packaging equipment
Pasteurizers
Processing areas*

Processing equipment
Range/stove
Refrigerators
Retail shelter*
Website development – see ineligible

** Include dimensions and designs with project proposal.*

Ineligible Value-Added Products Items – Most commonly requested

Advertising
Alcohol production equipment
Brochures
Building – storage
Chemicals
Computers
Containers – bottles, pots, packaging
Driveways, trails, paths, roads, etc.
Electrical consumption
Fees – membership
Fencing
Fertilizer
Fuel

Give a way items
Golf cart
Ingredients
Items for resale
Labels
Labor – applicant
Landscaping
Land – clearing of
Livestock
Maintenance of existing structures, equipment, items etc.
Merchandise
Motorized vehicles – ATV, forklift, tractor
Office equipment

Permits
Product development
Property – purchase or debt payment
Renovations – of existing structures
Rent
Software
Store – general
Trailers – livestock
Used equipment
Water source creation – ponds/wells
Website – annual, domain, or hosting fees

Value-Added Events

The following events count as 50% special requirements.

CPA – Direct Farm Marketing for Success

March 2014 – Athens, Cookeville, Milan, Spring Hill, White Pine
March 2016 – Knoxville, Murfreesboro

CPA – Farmers Market Boot Camp

February 2014 – Dickson, Dyersburg, Memphis
February 2015 – Clarksville, Covington, Franklin
March 2015 – Alcoa, Cookeville, Greeneville
January 2016 – Athens, White Pine
February 2016 – Lebanon, Winchester
March 2016 – Clarksville, Trenton

CPA – Food for Profit

April 2014 – Alcoa, Chattanooga, Murfreesboro
September 2014 – Clarksville, Jackson, White Pine
April 2015 – Greeneville, Knoxville
May 2015 – Bolivar, Lebanon

CPA – Fruit Production and Direct Marketing

January 2015 – Bolivar, Greeneville, Lewisburg, Madisonville

CPA – Growing Your Business: Seeds for Successful Direct Marketing of Fruits and Vegetables

December 2014 – Chattanooga

CPA – Southern Style Hospitality Seminar

December 2014 – Chattanooga, Clarksville, Cookeville, Memphis

TSU Small Farm Workshop

May 2016 – Pulaski

FARM FRESH MEAT PRODUCERS ONLY

CPA – Value-Added Beef Conference

March 2014 – Manchester

CPA – Managing Risks of Small Scale Poultry Processing

January 2015 – Cleveland, Lexington, Murfreesboro

CPA – Marketing Live Animals for Custom Processing (1/2 course must ALSO attend the Locally Raised Beef in order to receive full credit)

March 2015 – Greeneville, Lebanon, Paris

CPA – Locally Raised Beef (1/2 course must ALSO attend Marketing Live Animals for Custom Processing in order to receive full credit)

March 2015 – Loudon, McMinnville, Waverly

(CPA) Center for Profitable Agriculture

Preparing Application B

Things to consider before applying

Know what to expect

Read the Producer Diversification Overview (page 3) which highlights the key aspects of the program.

Determine if you are eligible to apply

Basic eligibility requirements and rules are featured on pages 4 & 5. Review criteria for each sector. Each sector has a definition of who qualifies as a producer and sector specific applicant requirements.

Determine if there is opportunity within this cost share program for your operation

One key element of this program is that it allows the producers to customize their projects according to the needs of their operations. Think about what improvement or expansions are needed to assist in increasing your farm income. Determine if this project is eligible for cost share within the program guidelines.

If the project is eligible, research the cost of the project and decide if your operation can afford to do this project. Your project may be eligible for cost share if approved, but the financial liability of completing the project is your responsibility. Approved projects must be completed prior to requesting reimbursement. **Cost share funding is not provided prior to project completion.**

The program time line is another factor to consider. You will apply for cost share during the application period (October 1- November 1, 2016). Approval notifications will be announced in January. If you plan on completing the project regardless of whether it is approved for cost share, the earliest you may start your project is October 1, 2016. Invoices dated **prior** to October 1, 2016 are not eligible per TAEP Reimbursement Rule #1.

The reimbursement deadline is September 1, 2017. Your approved project(s) must be fully completed and reimbursement materials submitted by this date (postmark or hand delivered) to be considered for cost share funding. **It is recommended that you submit your reimbursement request as soon as your project is completed.** It is not necessary to wait until the reimbursement deadline. Processing payments can take longer at deadline time due to the high volume of requests received.

Make the most of application tools to maximize your chances of approval

This program is competitive by industry sector. Each application will be reviewed by a committee and compared to other proposals within each sector. Your ability to describe your operation and justify how your project(s) will benefit your operation is important to increasing your chances of approval. **It is recommended to request the proposal questionnaire template** (see pg. 19 – required materials). This template provides the format and questionnaire required for your proposal. The proposal instructions (pages 20-22) give key points to address within each question. Remember that the proposal is your opportunity to share who you are, what you do and how your operation will benefit from cost share assistance. Be complete and concise. Research all project costs and provide cost sources along with cost estimates. **Incomplete information is the number one reason for not receiving cost share.** Ask someone to review your application materials for completeness. Please note that TDA staff cannot review proposals prior to submission.

Communication is the key to success. Please contact TAEP directly if you have any questions or concerns. The reference list on page 25 provides additional resources.

Preparing Application B

Required Application Materials

1. Application B Form (page 23-24)

- Complete all sections of the form, date and sign
- Special requirements for 50% cost share must be in the name of the individual applying for cost share

2. Proposal (pages 20-22)

- Request a copy of the proposal questionnaire template by emailing Producer.Diversification@tn.gov.

This template provides the required format for preparing your written proposal. It outlines your agricultural operation(s), previous TAEP history, marketing plan, proposed project(s), line-item project budget(s), and participation in special requirements – if requesting 50% cost share.

3. Project cost quotes

- Research all costs associated with each project
- Secure cost quotes for each project request
- Outline project costs in a line-item budget format

Providing a line-item budget allows the review committee to make adjustments to the budget if there are items listed that are not approved. This allows for a partial project approval – if needed. Funding allocation is based upon the final approved budget and the cost share percentage requested. Allocation amounts cannot exceed the program maximums.

4. Other support materials – if applicable

- Designs – required for infrastructure projects; include dimensions
- Pictures – “before” pictures are helpful to illustrate why improvement is needed

How to Submit

Make a copy of your application materials for your files and submit the original by hand delivery or mail.

Please consider using a traceable method of delivery if mailing your application. For example, USPS Return Receipt method will provide the sender with evidence of delivery (to whom the mail was delivered and date of delivery).

Hand Delivery

Applications may be hand delivered to the TAEP office, which is located in the Holeman Building at the Ellington Agricultural Center. The physical address is: 424 Hogan Rd., Nashville, TN 37220.

Mailing Address

TN Dept of Agriculture
Attn: TAEP 2016-B
P.O. Box 40627
Nashville, TN 37204

Application B - Proposal Instructions

- It is strongly recommended to submit your proposal and budget in the format outline presented below.
- You are encouraged to request an electronic copy (available in Microsoft Word format) of the proposal questionnaire template to use in preparing your submission. Email your request for a template to Producer.Diversification@tn.gov.

2016 Producer Diversification Proposal Questionnaire

1) Describe your agricultural operation.

- Farm/business name
- Give a brief description of your operation, the services/products it provides and how it impacts your income.
- Briefly describe the goals you have for this operation – short term (3 yrs) and long term (5 yrs).
Include formal business plan if available.
- Industry sector(s)
- History
 - Describe when and how your operation began
 - Include years experience in various industry sectors, especially the sector you are applying for cost share
 - Explain any expansions and/or downsizing – past, present, future
- Staff – include paid full, part-time, and seasonal
Describe staff involvement – special skills, knowledge, and experience within the operation.
- Current facilities of your operation– e.g. existing structures, parking, restrooms, flooring, lighting, climate control, handicap accessibility, permanent signage etc.
- Agriculture production on the farm
 - Number of acres and types of products produced
 - Type and number of livestock
Honey production – include number of hives, years of beekeeping experience, and total pounds of honey production each year from producing colonies
- Sales income from this operation for the past three years (2013, 2014, 2015)
 - Primary sector income
 - Income generated from production agriculture crops and/or livestock raised on your farm
 - Income generated from other farm products, services, and events

2) Indicate if you have applied for TAEP cost share previously using the format below.

TAEP History				
Year Applied	Program	Project Description	Approval Status	\$ Allocated
2015	Producer Diversification	(2) Hoop houses	Approved	\$8,000
2013	Livestock Equipment	Handling equipment	Approved	\$3,500
2011	Producer Diversification	Irrigation	Approved	\$3,400
2007	Genetics	Bull	Approved	\$700

Application B - Proposal Instructions

3) Describe your proposed cost share project(s).

- a. List each proposed project in detail.

Include what the proposed project is and what products or services will be provided using that project.

- b. Explain how each project (separately) will improve or expand your operation.

Explanation must provide adequate detail as to how the project will increase your operation's ability to generate income.

- c. List the projected increase in annual income generated for the next three years – 2017-2018-2019 as a result of each project.

The projected increase is the amount that you expect income to increase as a result of that project specifically. Do not list the projected total income from your entire operation.

- d. Is this projected income feasible enough to justify the total project cost? Please explain.

- e. Indicate whether you had any help in planning this project from your county extension agent, industry expert, specialized group or association etc.

- f. In a month to month time line, outline "realistic" steps required for completing your project(s) by the program deadline September 1, 2017.

e.g. March – purchase greenhouse materials / April – materials delivered / May – concrete slab poured then construct greenhouse / July – completed project.

4) Summarize your marketing plan for your operation.

- a) Specify how you promote your operation.

Elaborate on specific activities that you utilize in your promotions. e.g. auctions/organized sales, brochures, websites, radio, television, flyers, banners, e-commerce, print media, social media, etc.

- b) Explain how and where your products are currently being sold or will be sold.

List different outlets where your products are sold (wholesale, retail farm stand, farmers markets, etc.).

- c) Describe your competitive advantage over similar operations and what sets your product/service apart from other local or regional competitors.

This is an important business concept. Explain why customers buy your product/service. e.g. price, convenience, product differentiation, etc.

Application B - Proposal Instructions

5) Provide a detailed, line-item budget, along with cost quotes, for each proposed project using the format presented below.

Any purchase made prior to October 1, 2016 is not eligible for cost share. Used equipment, used materials and leased equipment are not eligible.

- Research all costs associated with each project.
- List each item and its cost on a separate line. Provide the source of the cost quote with complete contact information and written cost estimate for all materials needed for each project.
- All projects will be required to provide cost quotes/estimates. Labor must be separated from materials cost.
- Labor is only eligible for infrastructure projects. Labor must be quoted and performed by a contractor to be eligible. Labor is not eligible for reimbursement if performed by the applicant.
- Attach legible written cost estimates from each vendor/supplier. Estimates must include complete contact information (name, address, phone number, and business logo/name).
- The total amount of cost share requested cannot exceed the maximum of \$10,000 (35%) or \$15,000 (50%).
- Present your line-item budget using example formats below.

Proposed Budget						
Project Sector	Item Description	Source of Cost Quote	QTY	Total Cost	%	Amount Requested
Fruit & Vegetable	Peach tree liners	The Peach Seed Co.	300	\$9,000	50%	\$4,500
Value-Added Products	Fruit press	Jacto, Inc.	1	\$2,500	35%	\$875
TOTALS				\$11,500		\$5,375

6) If you are requesting 50% cost share, indicate what special requirements you have met or plan to meet before reimbursement deadline (September 1, 2017).

Refer to individual sector pages to determine what special requirements must be completed for 50% cost share eligibility. Present your special requirements using this table format.

Special Requirements - 50%			
Project Sector	Course/Event Title	Date	Location
Fruit & Vegetable	CPA – Food for Profit	April 10, 2014	Murfreesboro
Fruit & Vegetable	Pick TN Conference	Plan to attend February 2017	Franklin

Important! This form will be scanned. Please complete in CAPITAL LETTERS using a black or dark blue ink pen. Do not use a felt tip pen, pencil, or marker. Please do not write outside the boxes.

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 1 2 3 4 5 6 7 8 9 0

2016 TAEP Cost Share- Application B

Producer Diversification

Official Use Only

1. APPLICANT INFORMATION

Last Name:

First Name:

Middle Name:

Title: MR MRS MS MISS Suffix: JR SR II III IV

Social Security Number - Last four digits only: - -

This is for identification purposes ONLY. Applicant will provide taxpayer information at time of reimbursement.

Mailing Address:

City: ZIP:

Home Address - same as mailing address (PO BOX not allowed)

Home Address:

City: ZIP:

Home Phone: - - Cell Phone: - -

Email:

Farm County:

2. FEDERAL IRS SCHEDULE F: I certify that I have filed a Federal IRS Schedule F in one of the following years.

Please check year(s) filed: 2014 2015 No

3. TAEP PRODUCER NUMBER (TPN):

This number replaces the previously required premises account number and ID. The TPN is exclusive to an individual and cannot be transferred. If you have applied for TAEP within the past three years, your TPN will be mailed to you in September. Please include your TPN on this form. New TAEP applicants will not have a TPN until applications are processed.

4. INDUSTRY SECTOR:

Indicate sector(s) that apply to your cost share projects.

Agritourism Fruit & Vegetable Honey Bee Horticulture Organics Value-Added Products

5. COST SHARE REQUEST AMOUNT:

Requested amount cannot exceed program maximums. \$,

6. APPLICANT AGREEMENT

- I certify that I am a citizen of the United States of America and/or lawfully present in the United States.
- I certify that I am a resident of Tennessee and that I am at least 18 years old during application period.
- I understand that only one Application B is allowed per Federal IRS Schedule F, per person, per application period.
- I understand that it is my responsibility to ensure that my project is eligible and meets all TAEP criteria.
- I certify that all the information on this application is complete, true and factual to the best of my knowledge and belief.
- I understand that providing any false, fraudulent or misleading information may result in penalties and/or make this farm/tract ineligible to participate in present and/or future Tennessee Department of Agriculture programs.
- I also understand that failure to utilize allocated funds can affect eligibility for future programs.
- I have reviewed and understand all of the guidelines listed in this application booklet.

Print Name:

Date:

 / /

Signature:

7. APPLICATION B CHECKLIST

Prepare your application materials in the following order and submit together.

- Application B Form - required
- Proposal - required
- Project cost quotes - required
- Project dimensions, designs, and/or photos – if applicable

8. HOW TO SUBMIT APPLICATION B

- Application must be postmarked or hand delivered Oct. 1 – Nov. 1 , 2016
- FAXES AND EMAILS ARE NOT ACCEPTED
- If mailing, it is recommended to make a copy and mail the original using a traceable method of delivery
- Applicant will be notified in writing of approval or denial of application. Notifications will be mailed January 2017.

Mail to:

**TN Dept. of Agriculture
Attn: TAEP FY2016-B
P.O. Box 40627
Nashville, TN 37204**

References

TAEP Producer Diversification.....	615-837-5348
TDA Agritourism Marketing Specialist.....	615-837-5348
TDA Consumer and Industry Services.....	615-837-5193
TDA Fruit and Vegetable Marketing Specialist	615-837-5347
TDA Horticulture Marketing Specialist	615-837-5160
TDA Organic Marketing Specialist	615-837-5163
TDA State Apiarist	615-837-5342
TDA Value – Added Meats Marketing Specialist	615-837-5309
TDA Value – Added Products Marketing Specialist	615-837-5345
UT Master Beekeeper Program	865-974-0209 bees.tennessee.edu/beemaster.htm
UT Center for Profitable Agriculture (CPA)	931-486-2777 cpa.utk.edu
UT/TSU Extension	865-974-7114 utextension.tennessee.edu or www.tnstate.edu/extension for your local UT/TSU Extension Office
UT Mastery Nursery Producer Program (TMNP).....	865-974-7152 www.tnmasternursery.com
UT Organics	865-974-7324 organics.tennessee.edu
Good Agricultural Practices (GAP) Certification	865-974-7274
Organic Certification Agencies near TN:	
Quality Certification Services (QCS)	352-377-0133
Georgia Crop Improvement Association (GCIA).....	706-542-2351
USDA National Organic Program (NOP).....	202-720-3252 www.ams.usda.gov/NOP
Tennessee Small Business Development Center.....	877-898-3900 www.tsbdc.org

TAEP Online

TAEP Online is an account management system that allows TAEP participants to view information about their account. Participants can view their history, make contact updates, and see current status of application and reimbursements.

Past TAEP Participant?

In order to initially access your TAEP Online account, you will need the following:

- Email address – correspondence will be sent to this address.
- TAEP Producer# (TPN) - This number replaces the previously required premises account number and premises ID. If you have applied for TAEP within the past three years, your TPN will be mailed to you in September. Please include your TPN on the application form and any other TAEP correspondence. New TAEP applicants will not have a TPN until applications are processed.
- TAEP ID# - This number can be found on previous approval documentation (see Document A). If you do not have your TAEP ID#, email taep.online@tn.gov to request your number. Include your name, address, and the last four digits of your social security number. Please note that this number must be mailed to you. The last day to request a TAEP ID# for the 2016 application period is September 30, 2016. New TAEP applicants will not have a TAEP ID# until applications are processed.

Complete step-by-step instructions for setting up initial access to your TAEP Online account are available on the TAEP website. Visit www.tn.gov/taep and click on "How to access your TAEP Online account".

Already have a TAEP Online Account?

Go to www.tn.gov/taep and click on "Visit TAEP Online". If you forgot your password or need to reset your account, click on "How to access your TAEP Online account" for useful tips.

New to TAEP?

If you haven't participated in TAEP previously, you will not be able to setup an online account at this time.

Important – Applying online only available for TAEP Application A Programs

Producer Diversification applicants will not be able to submit their applications online. See page 19 for ways to submit Application B.

Additional TAEP Programs

The following cost share programs are also offered by TAEP.
Please contact taep.outreach@tn.gov for additional information.

- Genetics
- Grain Storage
- Hay Storage
- Livestock Equipment
- Livestock Feed Storage
- Livestock Working Facility Cover
- Poultry Grower
- Licensed Livestock Market Equipment
- Veterinarian Equipment

Nondiscrimination

The Tennessee Department of Agriculture prohibits discrimination against persons based on their race, color, national origin, sex, age or disability. Any person alleging discrimination based on a prohibited basis has a right to file a complaint within 180 days of the alleged discrimination with the Tennessee Department of Agriculture and/or the Tennessee Human Rights Commission. For more information contact Human Resources, Title VI Coordinator at 615-837-5115.

Public Disclosure

Under Tennessee's Public Records law, information provided to the state becomes public record and is open to public inspection unless otherwise protected by state or federal law.

A public record is defined as all documents or materials, regardless of physical form or characteristics made or received in connection with the transaction of official business by any governmental agency. Please be aware that information collected by the Tennessee Department of Agriculture could be made available to the public upon request by any citizen of the state. Requests for public records will be examined for compliance with public record laws.

TAEP Contact Information

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Tennessee Agricultural Enhancement Program

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