



**STATE OF VERMONT**  
JOINT FISCAL OFFICE

**MEMORANDUM**

To: James Reardon, Commissioner of Finance & Management  
From: Nathan Lavery, Fiscal Analyst  
Date: September 23, 2009  
Subject: JFO #2392, #2393, #2394

No Joint Fiscal Committee member has requested that any of the following items be held for review:

**JFO #2392** — \$13,070 worth of materials and labor from Ennis Paint, Inc. to the Agency of Transportation. Ennis Paint will supply materials and installation of a road surface treatment designed to reduce winter accidents. The product will be evaluated by the State for effectiveness. The State is under no obligation to purchase or endorse this product.

*[JFO received 8/24/09]*

**JFO #2393** — \$22,500 grant from United States Department of Agriculture (USDA) Rural Development to Agriculture, Food and Markets. This grant will be used to develop a business plan and facilitate additional research into the development of a natural ice cider industry in Vermont.

*[JFO received 8/24/09]*

**JFO #2394** — \$40,000 grant from United States Department of Agriculture (USDA) Rural Development to Agriculture, Food and Markets. These grant funds will be used to conduct a feasibility study on place-based marketing related to Vermont artisan cheese.

*[JFO received 8/24/09]*

In accordance with 32 V.S.A. §5, the requisite 30 days having elapsed since these items were submitted to the Joint Fiscal Committee, the Governor's approval may now be considered final. We ask that you inform the Secretary of Administration and your staff of this action.

cc: David Dill, Secretary  
Roger Allbee, Secretary



**STATE OF VERMONT**  
JOINT FISCAL OFFICE

**MEMORANDUM**

To: Joint Fiscal Committee Members  
From: Nathan Lavery, Fiscal Analyst  
Date: September 4, 2009  
Subject: Grant Requests

Enclosed please find two (2) requests that the Joint Fiscal Office has received from the administration. These requests were previously distributed to Joint Fiscal Committee members, but the submissions were incomplete due to a clerical error during photocopying (missing every other page). As a result of this error, the deadline for raising issues or concerns has been extended to September 18.

**JFO #2393** — \$22,500 grant from United States Department of Agriculture (USDA) Rural Development to Agriculture, Food and Markets. This grant will be used to develop a business plan and facilitate additional research into the development of a natural ice cider industry in Vermont.  
[JFO received 8/24/09]

**JFO #2394** — \$40,000 grant from United States Department of Agriculture (USDA) Rural Development to Agriculture, Food and Markets. These grant funds will be used to conduct a feasibility study on place-based marketing related to Vermont artisan cheese.  
[JFO received 8/24/09]

The Joint Fiscal Office has reviewed these submissions and determined that all appropriate forms bearing the necessary approvals are in order. In accordance with the procedures for processing such requests, we ask you to review the enclosed and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; [nlavery@leg.state.vt.us](mailto:nlavery@leg.state.vt.us)) if you have questions or would like an item held for Joint Fiscal Committee review. Unless we hear from you to the contrary by September 18 we will assume that you agree to consider as final the Governor's acceptance of these requests.

**State of Vermont**  
 Department of Finance & Management  
 109 State Street, Pavilion Building  
 Montpelier, VT 05620-0401

*Agency of Administration*

[phone] 802-828-2376  
 [fax] 802-828-2428

**STATE OF VERMONT  
 FINANCE & MANAGEMENT GRANT REVIEW FORM**

<b>Grant Summary:</b>		This grant is a Rural Business Enterprise Grant from the USDA. It is for a feasibility study on place-based marketing related to Vermont Artisan Cheese.			
<b>Date:</b>		7/27/2009			
<b>Department:</b>		Agriculture, Food and Markets			
<b>Legal Title of Grant:</b>		Rural Business Enterprise Grant-Feasibility Study of Place-Based Marketing of Artisan Cheeses.			
<b>Federal Catalog #:</b>		10.769			
<b>Grant/Donor Name and Address:</b>		United States Department of Agriculture (USDA) Rural Development, City Center 3 <sup>rd</sup> Floor, 89 Main Street, Montpelier VT 05602			
<b>Grant Period:</b>		<b>From:</b>	<b>To:</b>		
		7/2/2009	6/30/2010		
<b>Grant/Donation</b>		\$40,000			
	<b>SFY 1</b>	<b>SFY 2</b>	<b>SFY 3</b>	<b>Total</b>	<b>Comments</b>
<b>Grant Amount:</b>	\$40,000	\$	\$	\$40,000	The project has \$15,000 in addition to this grant from other sources-- \$5,000 each in-kind from UVM and the Center for Agricultural Economy, as well as a \$5,000 grant from the Castenea Foundation.
<b>Position Information:</b>		<b># Positions</b>	<b>Explanation/Comments</b>		
		0			

**STATE OF VERMONT  
FINANCE & MANAGEMENT GRANT REVIEW FORM**

<b>Additional Comments:</b>	The other grants totaling \$15,000 on top of the \$40,000 USDA grant are each for \$5,000 and copies of the memos notifying the JFC and the Secretary of Administration of these awards are attached.
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<b>Department of Finance &amp; Management</b> <i>ZH</i>	<i>R TBS</i>	(Initial)
<b>Secretary of Administration</b>	<i>7/FL 8/1/09</i>	(Initial)
<b>Sent To Joint Fiscal Office</b>	<i>8/18/09</i>	Date

**RECEIVED**  
AUG 24 2009  
**JOINT FISCAL OFFICE**



STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)

BASIC GRANT INFORMATION					
<b>1. Agency:</b>		Agency of Agriculture, Food & Markets			
<b>2. Department:</b>					
<b>3. Program:</b>		Feasibility Study: Place-Based Marketing & Geographical Indicators for Vermont Artisan Cheese			
<b>4. Legal Title of Grant:</b>		Rural Business Enterprise Grant			
<b>5. Federal Catalog #:</b>		10.769			
<b>6. Grant/Donor Name and Address:</b> United States Department of Agriculture Rural Development City Center 3 <sup>rd</sup> Floor, 89 Main Street Montpelier, VT 05602					
<b>7. Grant Period:</b>		<b>From:</b> 7/2/2009	<b>To:</b> 6/30/2010		
<b>8. Purpose of Grant:</b> Feasibility study establishing a "Taste of Place" that will apply a Vermont system of geographical indicators to artisan cheese production.					
<b>9. Impact on existing program if grant is not Accepted:</b> None.					
10. BUDGET INFORMATION					
	<b>SFY 1</b>	<b>SFY 2</b>	<b>SFY 3</b>	<b>Comments</b>	
<b>Expenditures:</b>	<b>FY 2010</b>	<b>FY</b>	<b>FY</b>		
Personal Services	\$60,000	\$	\$		
Operating Expenses	\$5,000	\$	\$		
Grants	\$	\$	\$		
<b>Total</b>	<b>\$65,000</b>	<b>\$</b>	<b>\$</b>		
<b>Revenues:</b>					
State Funds:	\$	\$	\$		
Cash	\$10,000	\$	\$		
In-Kind	\$	\$	\$		
Federal Funds:	\$	\$	\$		
(Direct Costs)	\$40,000	\$	\$		
(Statewide Indirect)	\$	\$	\$		
(Departmental Indirect)	\$	\$	\$		
Other Funds:	\$5,000	\$	\$	Castenea-see memo attached	
Grant (source In-kind - UVM \$5,000 and Ctr. for Ag Economy \$5,000)	\$10,000	\$	\$	See attached memos	
<b>Total</b>	<b>\$65,000</b>	<b>\$</b>	<b>\$</b>		
<b>Appropriation No:</b>	2200030000	<b>Amount:</b>	\$40,000		

JUL 2 0 2009

# STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)

		\$
		\$
		\$
		\$
		\$
		\$
		\$
		\$
	<b>Total</b>	\$

**PERSONAL SERVICE INFORMATION**

**11. Will monies from this grant be used to fund one or more Personal Service Contracts?**  Yes  No  
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: Roger Allbee Agreed by RA (initial)

12. Limited Service Position Information:	# Positions	Title
<b>Total Positions</b>		

**12a. Equipment and space for these positions:**  Is presently available.  Can be obtained with available funds.

**13. AUTHORIZATION AGENCY/DEPARTMENT**

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <u>[Signature]</u>	Date: <u>7-16-09</u>
	Title: _____	
	Signature: _____	Date: _____
	Title: _____	

**14. ACTION BY GOVERNOR**

<input checked="" type="checkbox"/>	Check One Box: Accepted	<u>[Signature]</u> (Governor's signature)	Date: <u>8/15/09</u>
<input type="checkbox"/>	Rejected		

**15. SECRETARY OF ADMINISTRATION**

<input checked="" type="checkbox"/>	Check One Box: Request to JFO	<u>[Signature]</u> (Secretary's signature or designee)	Date: <u>8.4.09</u>
<input type="checkbox"/>	Information to JFO		

**16. DOCUMENTATION REQUIRED**

Required GRANT Documentation	
<input type="checkbox"/> Request Memo <input type="checkbox"/> Dept. project approval (if applicable) <input type="checkbox"/> Notice of Award <input type="checkbox"/> Grant Agreement <input type="checkbox"/> Grant Budget	<input type="checkbox"/> Notice of Donation (if any) <input type="checkbox"/> Grant (Project) Timeline (if applicable) <input type="checkbox"/> Request for Extension (if applicable) <input type="checkbox"/> Form AA-1PN attached (if applicable)

**STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)**

**End Form AA-1**



United States Department of Agriculture  
Rural Development  
Vermont/New Hampshire

July 2, 2009

Dave Lane, Deputy Secretary of Agriculture  
State of VT, Agency of Agriculture  
116 State Street, Drawer 20  
Montpelier, VT 05620-2901


Re: \$40,000 Rural Business Enterprise Grant  
Feasibility Study establishing a "Taste of Place" that will apply a Vermont system of geographical indicators to artisan cheese production.

Dear ~~Mr. Lane~~: *Dave*

Enclosed please find your copy of form 1940-1, Request for Obligation of Funds.

This is your notification that the above grant for your feasibility study has been approved subject to the conditions stated in our Letter of Conditions to you dated June 23, 2009. USDA Rural Development is pleased to provide the State of VT, Agency of Agriculture with funds for this project.

If you have any questions, please don't hesitate to contact Sherry Paige of our Montpelier Area Office at 802-828-6034.

Sincerely,  
  
RHONDA L. SHIPPEE  
Acting State Director - VT/NH

Attachment

cc: Montpelier Area Office

City Center, 89 Main Street, 3<sup>rd</sup> floor • Montpelier, VT 05602  
802-828-6080 (voice) 802-828-6018 (fax) [rhonda.shippee@vt.usda.gov](mailto:rhonda.shippee@vt.usda.gov)  
<http://www.rurdev.usda.gov/vt>  
*Committed to the future of rural communities*

USDA is an equal opportunity provider, employer and lender.  
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W.,  
Washington, DC 20250-9410 or call (800)795-3272 (voice) or (202) 720-6382 (TDD)



REQUEST FOR OBLIGATION OF FUNDS

<b>INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ( )</b> Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.				
1. CASE NUMBER ST CO BORROWER ID 53-012-036000264		LOAN NUMBER 00	FISCAL YEAR	
2. BORROWER NAME STATE OF VERMONT VT AGENCY OF AG 116 STATE STREET DRAWER 20 MONTPELIER, VT 05620-2901		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)		
4. STATE NAME VERMONT		5. COUNTY NAME WASHINGTON		
<b>GENERAL BORROWER/LOAN INFORMATION</b>				
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - HISPANIC 4 - HISPANIC 5 - API 6 - AIAN	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY	5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - OTHER	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY	4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS
9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.	10. SEX CODE 1 - MALE 2 - FEMALE	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	(Shaded area)	
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)		
<b>COMPLETE FOR OBLIGATION OF FUNDS</b>				
19. TYPE OF ASSISTANCE 471 (See FMI)	20. PURPOSE CODE	21. SOURCE OF FUNDS 0	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION	
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT 2	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT \$40,000.00		
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR 06-23-2009	28. INTEREST RATE 0%	29. REPAYMENT TERMS 0	
<b>COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS</b>				
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT	(Shaded area)			
<b>COMPLETE FOR EM LOANS ONLY</b>		<b>COMPLETE FOR CREDIT SALE-ASSUMPTION</b>		
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN			
<b>FINANCE OFFICE USE ONLY</b>		<b>COMPLETE FOR FP LOANS ONLY</b>		
33. OBLIGATION DATE MO DA YR	34. BEGINNING FARMER/RANCHER (See FMI)			

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Initial Here

See Attachment "A"

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date ~~xx~~ ~~xxxxxx~~ ~~xx~~

Dave Lane

(Signature of Applicant)

Date June 23, 2009 ~~xx~~

Deputy Secretary of Agriculture

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with: I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: DAVID H. ROBINSON

Date Approved: 6/23/09

Title: Business Programs Director

38. TO THE APPLICANT: As of this date 7/2/2009 this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

**Request For Obligation of Funds**

Page # 1  
(Attachments)

Borrower: Vermont Agency of Agriculture, Food and Markets

***Comments And Requirements of Certifying Official***

The Grantee understands the requirements for receipt of funds under the Rural Business Enterprise Grant Program. The Grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders and other generally applicable requirements, including those set out in Part 1942, Subpart G, Attachment 1, "General Requirement for Administration of Rural Business Enterprise and Television Demonstration Grants," 7 CFR, Parts 3015, 3016, 3017, 3018, 3019 and 3052; including revisions through June 23, 2009 ; approved Scope of Work/Work Plan and the Letter of Conditions dated: June 23, 2009.

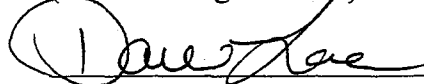
Name of Grantee: VT Agency of Agriculture, Food & Markets

Grant \$40,000 FY 09

**ATTACHMENT A**

Vermont Agency of Agriculture,  
Food and Markets

(Name of Organization)

  
Dave Lane

Deputy Secretary of Agriculture

Title

Date: June 23, 2009

**Vermont Agency of Agriculture, Food and Markets  
(VAAFMM)**

**Rural Business Enterprise Grant Program**

**Grant Agreement**

**\$40,000.00**

**June 23, 2009**

**Section B**

III. Responsibilities of the Grantee

This section contains information regarding the responsibilities of the grantee for receipt of monies under the RBE/television demonstration grant program. This section shall become a permanent attachment to Form RD 1940-1 as outlined in Section A, paragraph II. H. of this Attachment. These requirements do not supersede the requirement for receipt of Federal funds as stated in Parts 3015, 3016, and 3019 of the Uniform Federal Assistance Regulations; however, specific areas related to the RBE/television demonstration grant program are cited below. (Revised 07-16-03, PN 361.)

Grantee agrees to:

A. Comply with property management standards established by 7 CFR Parts 3015, 3016, and 3019 for real and personal property. "Personal property" means property of any kind except real property. It may be tangible - having physical existence - or intangible - having no physical existence; such as patents, inventions, and copyrights. "Nonexpendable personal property" means tangible personal property having a useful life of more than 1 year and an acquisition cost of \$300 or more per unit. A grantee may use its own definition of nonexpendable personal property provided that such definition would at least include all tangible personal property as defined above. "Expendable personal property" refers to all tangible personal property other than nonexpendable property. When real property or nonexpendable property is acquired by a grantee with project funds, title shall not be taken by the Federal Government but shall be vested in the grantee subject to the following conditions: (Revised 07-16-03, PN 361.)

1. Right to transfer title. For items of real or nonexpendable personal property having a unit acquisition cost of \$1,000 or more, the Agency may reserve the right to transfer the title to the Federal Government or to a third party named by the Federal Government when such third party is otherwise eligible under existing statutes. Such reservation shall be subject to the following standards:

a. The property shall be appropriately identified in the grant or otherwise made known to the grantee in writing.

b. The Agency shall issue disposition instructions within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Agency fails to issue disposition instructions within the 120 calendar day period, the grantee shall apply the standards of Section B, paragraphs III. A. 2. and 3. of this Attachment.

c. When the Agency exercises its right to take title, the personal property shall be subject to the provisions for federally owned nonexpendable property discussed in Section B, paragraphs III. A. 2. and 3. of this Attachment.

d. When title is transferred either to the Federal Government or to a third party and the grantee is instructed to ship the property elsewhere, the grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the grantee participation in the cost of the original grant project or program to the current fair market value of the property, plus any reasonable shipping or interim storage costs incurred.

2. Use of other real or nonexpendable personal property for which the grantee has title.

a. The grantee shall use the property in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When it is no longer needed for the original project or program, the grantee shall use the property in connection with its other federally sponsored activities in the following order of priority:

i. Activities sponsored by Rural Development.

ii. Activities sponsored by other Federal agencies.

b. Shared use. During the time that nonexpendable personal property is held for use on the project or program for which it was acquired, the grantee shall make it available for use on other projects or programs if such other use will not interfere with the work on the project or program for which the property was originally acquired. First preference for such other use shall be given to projects or programs sponsored by Rural Development; second preference shall be given to projects or programs sponsored by other Federal agencies. If the property is owned by the Federal Government, use for other activities not sponsored by the Federal Government shall be permissible if authorized by Rural Development. User charges should be considered, if appropriate.

3. Disposition of real or nonexpendable personal property. When the grantee no longer needs the property as provided in Section B, paragraph III A 2 of this Attachment, the property may be used for other activities in accordance with the following standards:

a. Personal property with a unit acquisition cost of less than \$1,000. The grantee may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.

b. Real or nonexpendable personal property with a unit acquisition cost of \$1,000 or more. The grantee may retain the property for other use provided that compensation is made to Rural Development or its successor. The amounts of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to current fair market value of the property. If the grantee has no need for the property and the property has further use value, the grantee shall request disposition instructions from the original grantor agency.

c. Rural Development shall determine whether the property can be used to meet the agency's requirements. If no need exists within Rural Development, the General Services Administration's Federal Property Management Regulations (FPMR) will be used by Rural Development to determine whether a need for the property exists in other Federal agencies. Rural Development shall issue instructions to the grantee no later than 120 days after the grantee request and the following procedures shall govern:

i. If so instructed, or if disposition instructions are not issued within 120 calendar days after the grantee's request, the grantee shall sell the property and reimburse Rural Development an amount computed by applying to the original project or program. However, the grantee shall be permitted to deduct and retain from the Federal share \$100 or 10 percent of the proceeds, whichever is greater, for the grantee's selling and handling expenses.

ii. If the grantee is instructed to dispose of the property other than as described in Section B, paragraphs III A 2 and 3 of this Attachment, the grantee shall be reimbursed by Rural Development for such costs incurred in its disposition.

iii. Property management standards for nonexpendable personal property. The grantee's property management standards for nonexpendable personal property shall include the following procedural requirements:1111

a. Property records shall be maintained accurately and shall include:

i. A description of the property.

ii. Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.

iii. Sources of the property including grant or other a agreement number.

iv. Whether title vests in the grantee or the Federal Government.

v. Acquisition date (or date received, if the property was furnished by the Federal Government) and cost.

vi. Percentage (at the end of the budget year) of Federal participation in the cost of the project or program for which the property was acquired. (Not applicable to property furnished by the Federal Government).

vii. Location, use, and condition of the property and the date the information was reported.

viii. Unit acquisition cost.

ix. Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a grantee compensates the Federal agency for its share.

b. Property owned by the Federal Government must be marked to indicate Federal ownership.

c. A physical inventory of property shall be taken and the results reconciled with the property records at least once every 2 years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The grantee shall, in connection with the inventory, verify the existence, current utilization, and continued need for the property.

d. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or the theft of nonexpendable property shall be investigated and fully documented; if the property was owned by the Federal Government, the grantee shall promptly notify Rural Development.

e. Adequate maintenance procedures shall be implemented to keep the property in good condition.

f. Where the grantee is authorized or required to sell the property, proper sales procedures shall be established which would provide for completion to the extent practicable and result in the highest possible return.



g. Expendable personal property shall vest in the grantee upon acquisition. If there is a residual inventory of such property exceeding \$1,000 in total aggregate fair market value, upon termination or completion of the grant and if the property is not needed for any other federally sponsored project or program, the grantee shall retain the property for use on non-federally sponsored activities, or sell it, but must, in either case, compensate the Federal Government for its share. The amount of compensation shall be computed in the same manner as nonexpendable personal property.

This Attachment covers the following described personal property and any additional property acquired wholly or in part with grant funds (use continuation sheets as necessary):

**Grant proceeds will not be disbursed to acquire personal property.** DEK

When real property is no longer needed as provided above, return all real property, furnished or purchased wholly with Federal grant funds to the grantor. In the case of property purchased in part with Federal grant funds, the grantee may be permitted to take title to the Federal interest therein upon compensating the Federal Government for its fair share of the property. The Federal share of the property shall be the amount computed by applying the percentage of the Federal participation in the total cost of the grant program for which the property was acquired to the current fair market value of the property.

This Attachment covers the following described real property purchased/to be purchased wholly or in part with grant funds (use continuation sheets as necessary):

**Grant proceeds will not be disbursed to acquire real estate property.** DEK

- B. Cause said program to be completed within the total sums available to it, including said grant, in accordance with the program plan and any necessary modifications thereof prepared by grantee and approved by grantor.
- C. Permit periodic inspection of the program operations by a representative of grantor.
- D. Make the program available to all persons in grantee's service area without regard to race, color, national origin, religion, sex, marital status, age, physical or mental handicap who have also received Rural Development related assistance from the grantee.

E. Not use grant funds to replace any financial support previously provided or assured from any other source. The grantee agrees that the general level of expenditure by the grantee for the benefit of program area and/or program covered by this attachment shall be maintained and not reduced as a result of the Federal share of funds received under this grant.

F. No nonexpendable personal property to be owned or used by the borrower or its affiliate(s) for use other than the grant purposes will be acquired wholly or in part with grant funds.

G. Use of the property including land, land improvement, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed. The grantee shall obtain approval of the grantor before using the real property for other purposes when the grantee determines that the property is no longer needed for the original grant purposes.

H. Provide financial management systems which will include:

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.
2. Records which identify adequately the source and application of funds for grant-supporting activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
3. Effective control over, and accountability for, all funds. Grantees shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.
4. Accounting records supported by source documentation.

I. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least 3 years after grant closing except that the records shall be retained beyond the 3-year period if audit findings have not been resolved. Microfilm copies may be substituted in lieu of original records. The grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the grantee governments which are pertinent to the specific grant program for the purpose of making audit, examination, excerpts, and transcripts.

J. Provide information as requested by the grantor to determine the need for and complete any necessary environmental assessments or Environmental Impact Statements.

K. Grantees expending \$300,000 or more of Federal assistance in the year(s) that Agency grant funds are expended shall submit an audit in accordance with OMB Circular A-133 as codified in 7 CFR 3052. Grantees that expend less than \$300,000 a year in Federal award are exempt from Federal audit requirements for that year except as noted in 7 CFR 3052.215(a), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office. (Revised 07-17-02, PN 348.)

L. Provide grantor with such periodic reports as it may require and permit periodic inspection of its operations by a designated representative of the grantor.

M. Not to encumber, transfer, or dispose of the property or any part thereof, furnished by the grantor or acquired wholly or in part with grantor funds without the written consent of the grantor except as provided in Section B, paragraph III. A. of this Attachment.

N. Execute Form RD 400-1, Form RD 400-4, and any other agreements required by grantor to implement the civil rights requirements. If any such form has been executed by grantee as a result of a loan being made to grantee by grantor contemporaneously with the making of this grant, another form of the same type need not be executed in connection with this grant.

O. In contracts in excess of \$2,000 and in other contracts in excess of \$2,500 which involve the employment of mechanics or laborers, to include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR, Part 5). Applies only where Davis Bacon requirements apply.

P. Include in all contracts in excess of \$100,000 a provision for compliance with all applicable standards, orders, or regulations issued pursuant to the Clear Air Act of 1970. Violations shall be reported to the grantor and the Regional Office of the Environmental Protection Agency.

Q. Upon any default under its representations or agreements set forth in this instrument, grantee, at the option and the demand of grantor, will, to the extent legally permissible, repay to grantor forthwith the original principal amount of the grant stated hereinabove, with interest equal to the rate of interest paid on U.S. 26-week Treasury Bills adjusted quarterly from the date of the default. The provisions of this Attachment may be enforced by grantor at its option and without regard to prior waivers by it of previous defaults of grantee, by judicial proceedings to require specific performance of the terms of this Attachment or by such other proceedings in law or equity, in either Federal or State courts as may be deemed necessary by grantor to ensure compliance

with the provisions of this Attachment and the laws and regulations under which this grant is made.

R. That no member of Congress shall be admitted to any share or part of this grant or any benefit that may rise therefrom; but this provision shall not be construed to bar as a contractor under the grant a publicly held corporation whose ownership might include a member of Congress.

S. That all non-confidential information resulting from its activities shall be made available to the general public on an equal basis.

T. That the purpose and Scope of Work for which this grant is made shall not duplicate programs for which monies have been received, are committed, or are applied to from other sources, public or private.

U. That grantee shall relinquish any and all copyrights and/or privileges to the materials developed under this grant, such material being the sole property of the Federal Government. In the event anything developed under this grant is published in whole or in part, the material shall contain notice and be identified by language to the following effect: "The material is the result of tax-supported research and as such is not copyrightable. It may be freely reprinted with the customary crediting of the source."

V. That the grantee shall abide by the policies promulgated in 7 CFR Parts 3015, 3016, and 3019 which provides standards for use by grantees in establishing procedures for the procurement of supplies, equipment, and other services with Federal grant funds. (Revised 07-16-03, PN 361.)

W. To the following termination provisions:

1. Termination for cause: The grantor agency may terminate any grant in whole, or in part, at any time before the date of completion, whenever it is determined that the grantee has failed to comply with the conditions of the grant. The grantor agency shall promptly notify the grantee in writing of the determination and the reasons for termination, together with the effective date.

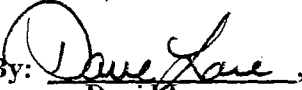
2. Termination for convenience: The grantor agency or grantee may terminate grants in whole, or in part, when both parties agree that the continuation of the program would not produce beneficial results commensurate with the further expenditure of funds. The two parties shall agree upon the termination conditions, including the effective date, and in the case of partial terminations, the portion to be terminated. The grantee shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The

grantor agency shall allow full credit to the grantee for the Federal share of the non-cancelable obligations, properly incurred by the grantee prior to termination.

X. That grantee will remit interest earned on grant funds deposited in an interest bearing account in accordance with 7 CFR Parts 3015, 3016, and 3019. (Revised 07-16-03, PN 361.)


This Scope of Work is submitted by the grantee. Upon approval by the grantor, the grantee agrees that no changes will be made to the Scope of Work without prior written approval by the grantor.

Vermont Agency of Agriculture, Food & Markets (VAAFMM) (GRANTEE)

By: , Deputy Secretary of Agriculture June 23, 2009  
David Lane (Title) (Date)

This Scope of Work is hereby approved by USDA - Rural Development.

USDA - RURAL DEVELOPMENT

By: , Business Program Specialist June 23, 2009  
Sherry L. Paige (Title) (Date)

**FEASIBILITY STUDY:  
PLACE-BASED MARKETING & GEOGRAPHICAL INDICATORS FOR VERMONT  
ARTISAN CHEESE**

The Vermont Agency of Agriculture is applying for a Rural Business Enterprise Grant (RBEG) from Rural Development (hereafter referred to as "grantor"), an Agency of the USDA. The following scope of work will be used to measure the performance of the Vermont Agency of Agriculture.

**Overview of Proposed Project:**

The European system of geographical indicators for unique, artisan products has developed a powerful economic tool for small-scale and traditional farmers to remain viable. These systems feature:

- A producer collective with a product uniquely rooted in their region.
- A set of criteria that distinguish this product as truly unique; combining environmental, production, and cultural factors.
- Assistance from outside researchers to establish what components of these factors affect the final character of the food.
- Assistance from regulatory agencies in establishing protocols by which all participating producers meet the same quality criteria.
- A marketing plan built around the unique product.

The U.S. depends more on branding, non-place based differentiators like "organic", and in some cases "local" marketing that signifies a place of origin, but not necessarily specific tastes unique to that region. This grant proposes performing a feasibility study for applying a Vermont system of geographical indicators to artisan cheese production. The farmers participating will come from the Hardwick (Caledonia County) region, with Hardwick's Center for an Agricultural Economy serving as the on-the-ground convener with producers. Technical assistance will come from the newly formed Food Systems Research Collaborative (FSRC) at the University of Vermont (UVM), which brings together researchers across multiple disciplines to study areas of common concern. The Vermont Agency of Agriculture, Food and Markets (VAAFMM) will manage this project.

The feasibility study will have several components:

- Initial education sessions with area farmers to discuss what geographical indicators mean, the European system of managing these indicators, and to explore how this system is different from current product development and marketing strategies.
- Series of producer and researcher meetings to determine a common understanding of what creates a unique product -- for example soils, feed, production techniques, cultural history - and what research (if any) would be needed to establish these factors' effect on taste.
- An initial marketing study of customers in Vermont, Boston and New York City to understand how the European *terroir* can translate into an attractive characteristic for the New England consumer.

- Final report that synthesizes producers' impression of what makes their product unique, producers' interest level in developing a collective product to market under a geographical indicator label, consumer market study, and additional research needs.

The final report will be publicly available and also set the stage for the Vermont Agency of Agriculture's Taste of Place Working Group to develop a place-based cheese product as part of its larger efforts to improve place-based marketing in Vermont. This study will provide farmers with an additional tool for developing new products and stimulate new job opportunities directly through growth of the artisan cheese sector and indirectly through other agricultural sectors that may be able to take advantage of these principles.

### **Description of the Service to be Provided:**

The primary service provided through this grant will be a feasibility study for developing a geographical indicator system that translates the success of model programs in Europe to a Vermont context. This study will focus on the artisan cheese sector. This grant refers to the Vermont version of geographical indicators as "Taste of Place" – a rough translation of the French word *terroir*.

Geographical indicators use several concepts that are not widely applied to Vermont, or even U.S., specialty food production. These concepts include:

- Scientific proof that the natural characteristics of a particular region and specific production choices produce a unique flavor profile.
- Documentation of a product's connection to cultural traditions of its region.
- Collective production methods, in which multiple farmers follow standards to produce the same regional specialty (individual farms may have other lines of products that are not part of the collective process).
- Partnership with government regulators to set and maintain standards that are determined by the will of the producers.
- Consumer recognition that a product marked with a geographical indicator, or "protected designation of origin", is truly unique and so merits a premium price. An example of a widely known indicator is Champagne, referring to both the drink and its region.

This feasibility study will assess Vermont's ability to create corollaries to these concepts in the case of artisan cheese.

The specific services, and partners providing each service, are described below. Services will take place primarily in the Hardwick, VT area (Caledonia County). The description below indicates what organization is responsible for each component of the work. More details on these partners are available in the Key Personnel section.

- Convening farmers, or prospective farmers, interested in exploring the Taste of Place (Center for an Agricultural Economy).
- Two information sessions that provide information on the basic tenets of the geographical indicator systems of Europe and lead participants in discussing:
  - How these systems do / do not correspond to their current marketing practices
  - How these systems might improve their market share
  - Types of products / particular cheeses that they see as having potential to be part



of a Taste of Place system.

(VAAFAM will lead sessions, with assistance from UVM and convening by Center for an Agricultural Economy).

- Facilitating a series of three technical standards meetings in which farmers discuss what elements affect the uniqueness of their product and what type of product might be seen as a “signature” Vermont cheese. Factors may include:
  - Geology
  - Climate
  - Native plant species
  - Animal breeds
  - Traditional production practices
  - Cultural history

A team of experts in a variety of fields will be available to answer questions about the elements impacting taste / character of a cheese and also help identify areas that require further research. (FSRC at UVM, with help from VAAFAM and convening by Center for an Agricultural Economy).

- Evaluating producer participants’ interest in moving forward with a Taste of Place product (VAAFAM, FSRC, Center for an Agricultural Economy).
- Conducting a consumer study parallel to producer research. Study would evaluate consumer interest in unique products that combine local culture and natural elements, what they consider unique to Vermont, cues that prompt a Taste of Place understanding similar to the *terroir* concept in France. Consumer study would have three parts:
  - Phone surveys in Boston market
  - Phone surveys in New York City market
  - Focus groups in Vermont(FSRC)
- Completing a final report on results to present to the Taste of Place Working Group and producers participating in study (see Local Planning for information on this Working Group). (VAAFAM)

**Area Served:**

The primary center of activity will be in Hardwick, VT (Caledonia County) through the Hardwick-based Center for an Agricultural Economy, which will serve as the study’s convener. Participant farmers will come from Caledonia County and bordering regions of Lamoille and Orleans Counties.

According to the Vermont Department of Labor, Caledonia County has a 2007 average unemployment rate of 4.3% compared to the statewide average of 3.9% and a 2007 median household income of \$41,034 compared to the statewide median of \$49,698.

**Specific Businesses that Will Benefit:**

Because this project is a feasibility study, the information acquired is primarily general data on businesses aided by these *types* of place-based marketing efforts. See Need for Grant below. However, due to the nature of Vermont’s artisan cheese making, it is certain that the businesses benefited by this project will be principally small businesses by USDA standards. The location of the feasibility study allows direct benefits to go first to businesses in a region with higher than

average unemployment and lower earnings levels.

The supporting documents section contains letters of support from businesses that anticipate benefits from successful implementation of a Vermont version of geographical indicator systems.

### **Need for Technical Assistance Grant:**

The Vermont Agency of Agriculture first became interested in the geographical indicator system after observing France's success in using these indicators to help small farmers who could not compete in a global commodity market, but who were nevertheless a key part of their regions' character and food culture. France's strictest indicators, called AOC standards, allow farmers to prove the uniqueness of their product and receive a premium associated with a food that cannot be replicated anywhere else.

French products selling under an AOC label receive an average of 30% more than products without this designation. Many farmers see these labels as a promising strategy. While the country has experienced a decline in overall farming numbers, the number of farmers joining a collective to produce products for the AOC system has been steadily increasing. These trends indicate that France is meeting its original goal of using origin protected names to build viable career paths in farming outside the commodity system through returning economic value to family farms<sup>1</sup>.

Vermont has several characteristics similar to France. Specialty foods and niche marketing have been a growth area for our farmers – for example Vermont's organic certification system now has 1,100 certified farms, or almost a fifth of the state's farms, not including those that produce organically but do not seek certification. Local food activity is the highest in the country, with both the highest per capita number of farmers markets and highest per capita spending on products sold directly to consumers. Furthermore, technical assistance to preserve the integrity of these specialized products has been well received. Vermont's voluntary Seal of Quality program has over 400 registered farms. The Vermont Institute for Artisan Cheese provides assistance in quality control to producers around the world and is a premier center for artisan cheese standards. Other agricultural industries, such as agricultural tourism and Christmas trees, are in the process of developing or updating voluntary standards for premium quality.

These factors set the stage for exploring how the European model of geographical indicators might work in Vermont and situate our food products to better compete with the highest quality goods from other regions of the world. However, the systems used in these regions have several distinct characteristics, as described in the overview of services. Distinctions include:

- Standards based not just on quality, but also on a product's verifiable uniqueness
- Standards developed with input from a variety of disciplines, from anthropology to chemistry to geology.
- Collective production and collective decision-making by farmers; government regulatory standards set by producers' decisions.

The Vermont Agency of Agriculture recently began exploring how these characteristics might apply in Vermont.

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<sup>1</sup> Information provided by Christian Berger, Counselor for Agriculture, French Embassy

In November, 2008, the Vermont Agency of Agriculture, UVM, and Middlebury College convened a weekend long workshop that brought Vermont experts in a variety of fields together with delegations from France, Quebec, and Canada to discuss the future of geographical indicator systems in Vermont. The delegates attending represented both the traditional AOC model used in France and variations on that model used in other regions. The conference discussion led to a decision to move forward in three general areas:

- Culinary Traditions of Vermont: Identifying traditions with local foods and recipes, including both creating records of our heritage and engaging Vermonters in exploring this heritage, and continuing to build our food culture.
- Model Products: Supporting producers who are interested in experimenting with products that reflect a food verifiably unique to their region, in the style of the AOC system used by France.
- International Context: Continuing to learn from what other countries are doing to develop their own geographical indicator systems.

The project outlined in this grant proposal focuses on the goal of developing model products. Specific conference discussions identified maple syrup and artisan cheese as two areas with potential for piloting the Taste of Place. A separate group has received funding to work on the maple syrup options. This grant would go towards the opportunities in artisan cheese. Full results of the conference are available online at [www.vermontagriculture.com](http://www.vermontagriculture.com).

**Timetable for Project:** The following benchmarks outline a 1 year program from receipt of the grant to completion of the project. The requested completion date covers 15 months to allow for unforeseen circumstances (e.g. inclement weather) that may delay the planned monthly meeting schedule:

*Month 1:*

- Assemble VAAFM, UVM, and Center for an Agricultural Economy teams to announce award, confirm goals of project, review common talking points for project outreach.
- Center for an Agricultural Economy begins local outreach around project.
- VAAFM and UVM develop educational materials on Taste of Place.
- UVM graduate students hired to assist in consumer survey.

*Month 2:*

- Preliminary information session held with Hardwick area farmers
- Information session attendees confirm interest in participating in full project.
- Center for an Agricultural Economy meets one-on-one with any farmers identified as important to the project but who could not attend initial meeting.
- VAAFM approves detailed outline for consumer research and study begins (ongoing from this point).

*Month 3:*

- Second information session with participating farmers – general discussion of how Taste of Place could apply to their business model.

*Month 4:*

- First meeting of technical group to discuss protocols for unique cheese products.

*Month 5:*

- Second meeting of technical group to discuss protocols for unique cheese products.

*Month 6:*

- Third meeting of technical group to discuss protocols for unique cheese products.

*Month 7:*

- Full group (VAAF, UVM, Center for Agricultural Economy) reconvenes to review results of discussions, preliminary results of consumer research.
- Group designs evaluation / debriefing framework for producers.

*Months 8 & 9:*

- Follow up interviews and evaluations with:
  - Producers – to determine interest in moving forward & areas that need more study
  - Researchers from Technical Team – to determine areas that need more study
- Completion of consumer survey

*Months 10 & 11:*

- Final report written
- Report presented to Taste of Place Working Group
- Report presented to study participants
- Next steps determined

*Month 12:*

- Final report to USDA.

**Method for Evaluating Effectiveness of Services:**

This grant is a feasibility study and does not include direct services; effectiveness of project concept will be studied as part of feasibility.

**Project's Consistency with Local Planning:**

The Northeastern Vermont Development Association published a comprehensive regional plan for the Northeast Kingdom, including Caledonia County, in 2006. This plan recognized agriculture as an important part of the local economy and local land use patterns. However, planners flagged the need for more assistance with a transition from commodity dairy to more diversified products and specialties. Specifically, the plan calls for:

- Increasing and diversifying the region's agricultural output
- Adding value to local staple products and raw materials.
- Researching new methods of promoting sustainability in the agricultural field.
- Identifying funding sources for, and marketing, existing and new food ventures in the region.
- Supporting education efforts that teach sustainable agricultural practices.

A project working with farmers to build new marketing opportunities for specialized products would meet the plan's goals for a regional economy of small-scale, family farms selling value-added products. (Full regional plan available at [www.nvda.net](http://www.nvda.net)).

The Vermont Agency of Agriculture's plans for agricultural development also support Taste of Place work. The proposed artisan cheese feasibility study is one component of a larger initiative to identify new strategies for place-based product marketing. The Vermont Secretary of Agriculture has convened a Taste of Place Working Group to manage comprehensive strategic planning around this topic.

In addition to regional and statewide planning, this proposed feasibility study fits into town-specific planning already in place in the Hardwick area. This study:

- Promotes collaboration between UVM researchers and Hardwick-area food businesses, a goal outlined in a 2008 Memorandum of Understanding between Hardwick and UVM.
- Furthers the goals established by the Center for an Agricultural Economy (the Hardwick region's leading agricultural planning center) to convene residents of Hardwick, and surrounding communities, to develop the cultural and physical infrastructure needed to support the many food and agricultural ventures that are emerging in the region and beyond, and share in the benefits these changes will bring to the state economy.
- Falls within the Hardwick Town Plan, which encourages agricultural development within the town, and adds agricultural processing as a provision of multiple zoning areas.

#### **Final Results of Grant Assistance & Who Will Benefit:**

The end result of the grant will be a feasibility study for implementing a Vermont-style geographical indicator system with artisan cheese products. The immediate beneficiaries will be artisan cheese producers in the Hardwick area who participate in the study and can use its results as an immediate starting point to implement Taste of Place strategies. However, the project will also inform other farmers. The original conference on the Taste of Place identified several groups who could benefit through this system and established the Taste of Place Working Group to ensure that model projects can be applied more broadly. Other producer groups identified as likely future participants in Taste of Place work include:

- Maple syrup producers
- Apple growers
- Spirits producers
- Cheesemakers in other regions of the state

These different industries represent over 1,600 Vermont farms that could benefit from Taste of Place studies (according to 2007 NASS Agricultural Census). In addition, a viable system for place-based product development in Vermont could open the door to new enterprises at all stages of production and marketing.

#### **Key Personnel & Qualifications:**

The three primary organizations and personnel supporting this project are the Vermont Agency of Agriculture (Helen Labun Jordan, project manager), UVM Food Systems Research Collaborative (Prof. Jane Kolodinsky, lead researcher), and Center for an Agricultural Economy (Monty Fischer, Executive Director).

*Vermont Agency of Agriculture:* The Vermont Agency of Agriculture was co-convenor of the 2008 Taste of Place conference, which set the foundation for this project proposal. Helen Labun Jordan was the primary staff person for the conference, composing the conference report and conducting follow-up work. This project fits within her ongoing work in market development for Vermont agricultural products. She has experience in a variety of comparable projects, including studies for local foods in state government, the Governor's Hunger Task Force, and the Moving Vermont Agriculture Forward planning process. A short résumé is enclosed at the end of this application.

*University of Vermont Food Systems Research Collaborative:* The Food Systems Research Collaborative is a new program of the Center for Rural Studies at the University of Vermont. The Center for Rural Studies has a thirty-year track record of helping Vermont communities with research, planning, and development of projects to support the local economy. Within the Center for Rural Studies, the Food Systems Research Collaborative collects a strong portfolio of food-related research projects under one umbrella, allowing for easier collaboration across departments within the College of Agriculture and Life Sciences. Existing projects include feasibility analysis of online local food sales sites, studying connections between farmers' outlooks and land use trends, understanding consumer behavior and obesity, and a variety of market studies measuring consumer interest in different food products.

Professor Jane Kolodinsky is Chair of the Department of Community Development and Applied Economics at UVM and Director of the Center for Rural Studies. She will serve as the lead for the Taste of Place project in Hardwick. A short résumé is attached at the end of this application.

Dr. Amy Trubek will be assisting with background work and education for both faculty and producers around the Taste of Place. Dr. Trubek teaches in the Department of Nutrition and Food Sciences at UVM. The French concept of *terroir* is the focus of her research and she recently published The Taste of Place: A Cultural Journey into Terroir (University of California Press 2008). A short résumé is attached at the end of this application.

*Center for an Agricultural Economy:* The Center for an Agricultural Economy was established in 2004 by a group of Hardwick-area entrepreneurs interested in revitalizing a healthy local food system and strong local economy. The Center has led a variety of initiatives from developing community gardens to launching the first phase of an incubator project for new farm businesses. The Center recently completed a strategic planning process that includes a goal to further define and enhance the market potential offered by the positive association held with their region of Vermont. The Taste of Place project will support this goal.

Monty Fischer is the Executive Director of the Center for an Agricultural Economy. Prior to this position, he was senior staff for the National Wildlife Federation for 18 years. His past experience encompasses many key sustainability programs, including as Executive Director for Vermont's Natural Resources Council and Chair of Vermont's Governor's Council of Environmental Advisors. A biographical summary is included at the end of this application.

**Evidence that Project does not Duplicate Existing Technical Assistance Programs:**

Currently, no other organization in Vermont is focused on developing voluntary standards for products seeking a place-based designation. Work to develop other types of standards, for example safety protocols in raw milk cheeses or quality controls for artisan cheese, contributes to but does not replace these efforts. As outlined previously in this project proposal, the Taste of Place models its work on European efforts that have several components not widely used in the United States:

- Standards based on just on quality, but also on a product's verifiable uniqueness
- Standards developed with input from a variety of disciplines, from anthropology to geology.
- Collective production and collective decision-making by farmers; government regulatory framework following in support of producer decisions.

This feasibility study also takes advantage of the resources of several new technical assistance organizations in Vermont.

- The Food Systems Research Collaborative at UVM creates a new framework for researchers across disciplines to come together and contribute their skills to complex food systems issues that cannot be solved with a single research perspective.
- The Center for an Agricultural Economy is a newly established non-profit organization designed to support and advance Hardwick's multiple grassroots efforts in strengthening the local economy through agriculture. The Center for an Agricultural Economy builds innovative models that are now studied internationally.
- The Center for an Agricultural Economy recently partnered with the new owners Lakeview Inn in their plan to offer residential learning opportunities to interested individuals to promote awareness, consumption, and production of food and products of small scale food enterprises in Vermont and other rural landscapes. The vision builds from the Vermont Institute for Artisan Cheese, the only comprehensive artisan cheese learning center in the U.S.

**Other Pertinent Information:** See letters of support attached at the end of this application.

**Budget Narrative:**

<b>Good / Service</b>	<b>Cost</b>	<b>Source of Estimate</b>	<b>Source of Funds</b>
Consumer Survey	\$10,000	UVM – based on cost of previous, similar surveys	\$10,000 Requested
Information Sessions – Planning meetings, materials, meeting time, facilitation	\$7,000	100 hours at \$50 / hour; \$2,000 for printing and materials	\$5,000 in-kind donation Dr. Amy Trubek; \$2,000 VAAFAM general fund
Technical Sessions – three sessions, includes consultants’ time	\$20,000	UVM – based on cost of similar projects	\$15,000 Requested \$5,000 VT Dairy Promotion Council
Convener & farmer liaison – includes space rental	\$25,000	Center for an Agricultural Economy – based on cost of previous projects	\$15,000 Requested \$5,000 Granted \$5,000 In-kind time donation
Additional Materials & Travel Costs	\$3,000		\$3,000 VAAFAM general fund
Project Manager	In-kind		VAAFAM
<b>Total Cost</b>	<b>\$65,000</b>		
<b>Total Raised</b>	<b>\$25,000</b>		
<b>Total Requested</b>	<b>\$40,000</b>		

Please see attached letters pledging contributions from:

- Dr. Amy Trubek
- Center for an Agricultural Economy
- Vermont Dairy Promotion Council
- Vermont Agency of Agriculture
- Castanea Foundation

**Written Commitment from Benefiting Business**

Because this grant is for a feasibility study that will be widely applied, there is a large number of anticipated benefiting businesses. The enclosed letters of support are from cheesemaking businesses that have been involved in the Taste of Place project’s initial stages and anticipate a direct benefit from bringing the work to the next phase.

Each of the businesses contributing letters meet the definition of “small and emerging business” *except* Cabot Cheese, which is submitting a letter representing its partnerships, and potential for future partnerships, with small and emerging cheesemaking businesses.

**Other Funds Documentation:**

See enclosed letters.



### **Federal Integrity Act:**

There are no known relationships between the Vermont Agency of Agriculture, its employees and USDA Rural Development employees.

### **Program Accessibility**

This program will be accessible to employees and participants with disabilities. Because the project focuses on information gathering for a feasibility study, there are many options for accommodating study participants with disabilities, including scheduling meetings for ADA accessible locations, performing in-person interviews, performing telephone interviews, and submitting written surveys. Partners conducting this study will make all necessary accommodations.

### **Enclosed Documents:**

- **Additional USDA Forms**
- **Letters of Funds Pledged**
  - Vermont Agency of Agriculture
  - Vermont Dairy Promotion Council
  - Dr. Amy Trubek
  - Center for an Agricultural Economy
  - Castanea Foundation
- **Letters of Support from Benefiting Businesses**
- **Credentials for Key Personnel**
  - Dr. Jane Kolodinsky
  - Dr. Amy Trubek
  - Helen Labun Jordan
  - R. Montgomery Fischer



Agency of Agriculture, Food & Markets  
116 State Street  
Montpelier, VT 05620-2901  
[www.VermontAgriculture.com](http://www.VermontAgriculture.com)

To: Secretary Neale Lunderville  
Agency of Administration

From: Secretary Roger Allbee  
Agency of Agriculture, Food and Markets

Date: July 14, 2009


Re: Grant Funding "Place Based Marketing & Geographical Indicators for Vermont Artisan Cheese"

This memo is to inform the Agency of Administration that the Vermont Agency of Agriculture has received a grant from the United States Department of Agriculture through its Rural Business Enterprise Grant program for a project entitled "Feasibility Study of Place Based Marketing & Geographical Indicators for Vermont Artisan Cheese."

The Castanea Foundation will be supporting this project with a matching grant of \$5,000.

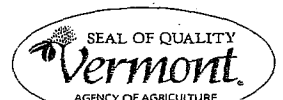
An AA-1 for the federal funds has been submitted to Finance and Management. We are submitting this memo in accordance with Title 32 Chapter 1 Section 5(a)(3).

Sincerely,



Roger Allbee  
Secretary, Vermont Agency of Agriculture

Cc: Joint Fiscal Committee







Agency of Agriculture, Food & Markets  
116 State Street  
Montpelier, VT 05620-2901  
[www.VermontAgriculture.com](http://www.VermontAgriculture.com)

To: Secretary Neale Lunderville  
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From: Secretary Roger Allbee  
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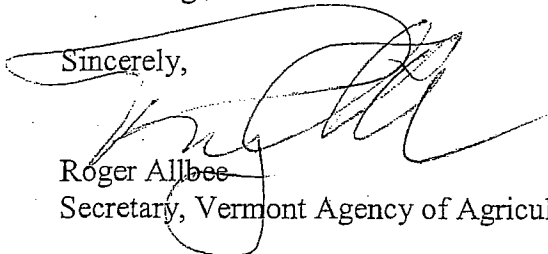
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Professor Amy Trubek of the University of Vermont will be supporting this project with an in-kind matching contribution of \$5,000.

An AA-1 for the federal funds has been submitted to Finance and Management. We are submitting this memo in accordance with Title 32 Chapter 1 Section 5(a)(3).

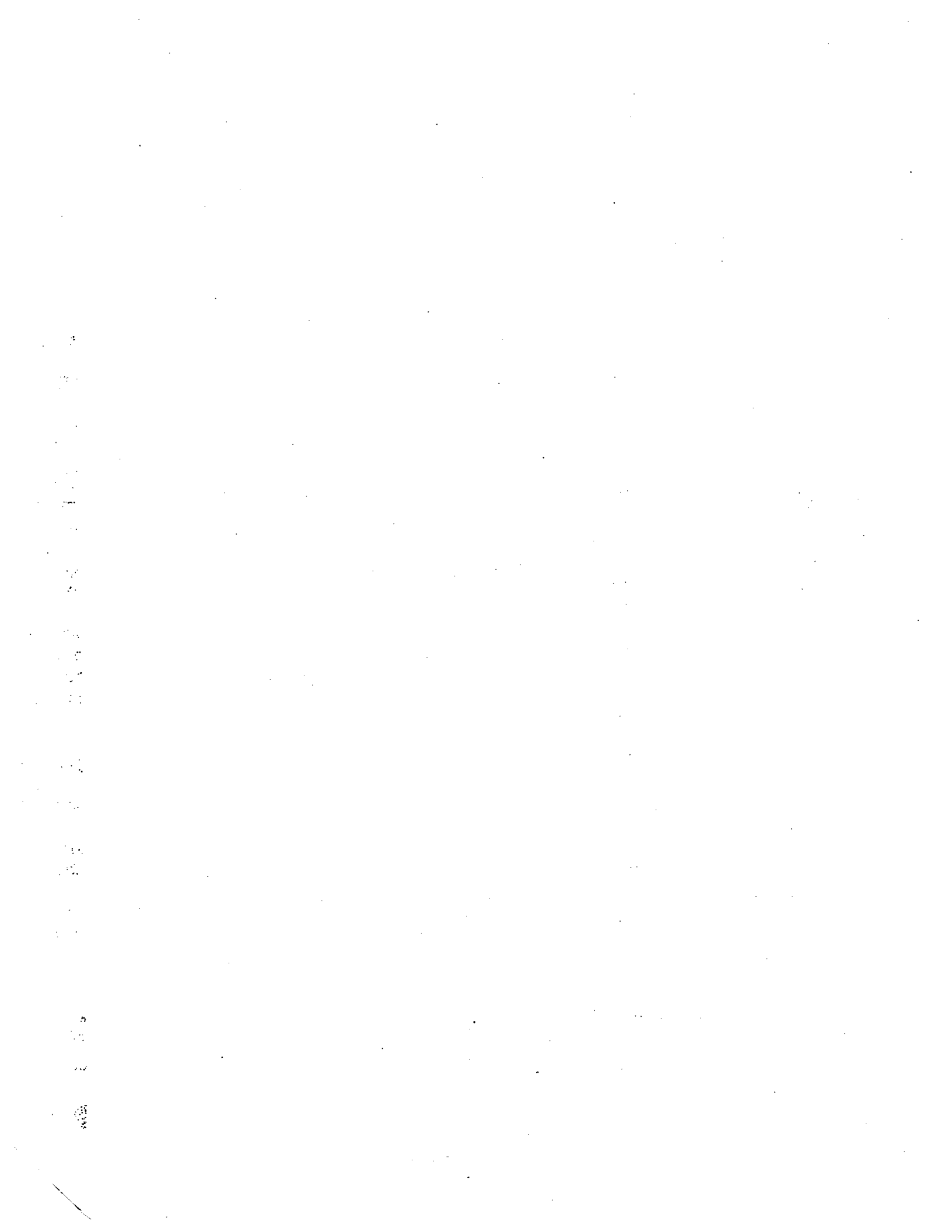
Sincerely,



Roger Allbee  
Secretary, Vermont Agency of Agriculture

Cc: Joint Fiscal Committee







Agency of Agriculture, Food & Markets  
116 State Street  
Montpelier, VT 05620-2901  
[www.VermontAgriculture.com](http://www.VermontAgriculture.com)

To: Secretary Neale Lunderville  
Agency of Administration

From: Secretary Roger Allbee  
Agency of Agriculture, Food and Markets

Date: July 14, 2009

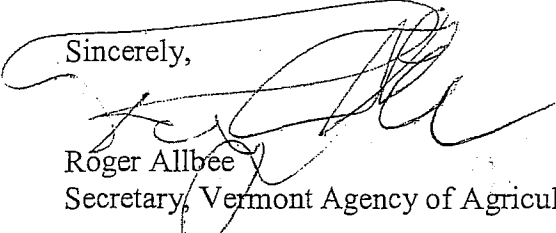
Re: Grant Funding "Place Based Marketing & Geographical Indicators for Vermont Artisan Cheese"

This memo is to inform the Agency of Administration that the Vermont Agency of Agriculture has received a grant from the United States Department of Agriculture through its Rural Business Enterprise Grant program for a project entitled "Feasibility Study of Place Based Marketing & Geographical Indicators for Vermont Artisan Cheese."

The Center for an Agricultural Economy will be supporting this project with an in-kind matching contribution of \$5,000.

An AA-1 for the federal funds has been submitted to Finance and Management. We are submitting this memo in accordance with Title 32 Chapter 1 Section 5(a)(3).

Sincerely,



Roger Allbee  
Secretary, Vermont Agency of Agriculture

Cc: Joint Fiscal Committee





**State of Vermont**  
 Department of Finance & Management  
 109 State Street, Pavilion Building  
 Montpelier, VT 05620-0401

Agency of Administration

[phone] 802-828-2376  
 [fax] 802-828-2428

**STATE OF VERMONT**  
**FINANCE & MANAGEMENT GRANT REVIEW FORM**

<b>Grant Summary:</b>		This grant is a Rural Business Enterprise Grant from the USDA. It is for a feasibility study on place-based marketing related to Vermont Artisan Cheese.			
<b>Date:</b>		7/27/2009			
<b>Department:</b>		Agriculture, Food and Markets			
<b>Legal Title of Grant:</b>		Rural Business Enterprise Grant-Feasibility Study of Place-Based Marketing of Artisan Cheeses.			
<b>Federal Catalog #:</b>		10.769			
<b>Grant/Donor Name and Address:</b>		United States Department of Agriculture (USDA) Rural Development, City Center 3 <sup>rd</sup> Floor, 89 Main Street, Montpelier VT 05602			
<b>Grant Period:</b>		<b>From:</b>	<b>To:</b>		
		7/2/2009	6/30/2010		
<b>Grant/Donation</b>		\$40,000			
	<b>SFY 1</b>	<b>SFY 2</b>	<b>SFY 3</b>	<b>Total</b>	<b>Comments</b>
<b>Grant Amount:</b>	\$40,000	\$	\$	\$40,000	The project has \$15,000 in addition to this grant from other sources-- \$5,000 each in-kind from UVM and the Center for Agricultural Economy, as well as a \$5,000 grant from the Castenea Foundation.
<b>Position Information:</b>		<b># Positions</b>	<b>Explanation/Comments</b>		
		0			



**STATE OF VERMONT  
FINANCE & MANAGEMENT GRANT REVIEW FORM**

<b>Additional Comments:</b>	The other grants totaling \$15,000 on top of the \$40,000 USDA grant are each for \$5,000 and copies of the memos notifying the JFC and the Secretary of Administration of these awards are attached.
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<b>Department of Finance &amp; Management</b> <i>ZH</i>	<i>R 7/23/09</i>	(Initial)
<b>Secretary of Administration</b>	<i>NFL 8/14/09</i>	(Initial)
<b>Sent To Joint Fiscal Office</b>	<i>8/18/09</i>	Date

**RECEIVED**  
AUG 24 2009  
**JOINT FISCAL OFFICE**



**STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)**

<b>BASIC GRANT INFORMATION</b>				
<b>1. Agency:</b>	Agency of Agriculture, Food & Markets			
<b>2. Department:</b>				
<b>3. Program:</b>	Feasibility Study: Place-Based Marketing & Geographical Indicators for Vermont Artisan Cheese			
<b>4. Legal Title of Grant:</b>	Rural Business Enterprise Grant			
<b>5. Federal Catalog #:</b>	10.769			
<b>6. Grant/Donor Name and Address:</b>	United States Department of Agriculture Rural Development City Center 3 <sup>rd</sup> Floor, 89 Main Street Montpelier, VT 05602			
<b>7. Grant Period:</b>	<b>From:</b>	7/2/2009	<b>To:</b>	6/30/2010
<b>8. Purpose of Grant:</b>	Feasibility study establishing a "Taste of Place" that will apply a Vermont system of geographical indicators to artisan cheese production.			
<b>9. Impact on existing program if grant is not Accepted:</b>	None.			
<b>10. BUDGET INFORMATION</b>				
	SFY 1	SFY 2	SFY 3	Comments
Expenditures:	FY 2010	FY	FY	
Personal Services	\$60,000	\$	\$	
Operating Expenses	\$5,000	\$	\$	
Grants	\$	\$	\$	
<b>Total</b>	<b>\$65,000</b>	<b>\$</b>	<b>\$</b>	
Revenues:				
State Funds:	\$	\$	\$	
Cash	\$10,000	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$40,000	\$	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$5,000	\$	\$	Castenea-see memo attached
Grant (source In-kind - UVM \$5,000 and Ctr. for Ag Economy \$5,000)	\$10,000	\$	\$	See attached memos
<b>Total</b>	<b>\$65,000</b>	<b>\$</b>	<b>\$</b>	
<b>Appropriation No:</b>	2200030000	<b>Amount:</b>	\$40,000	

JUL 20 2009

# STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)

			\$
			\$
			\$
			\$
			\$
			\$
		<b>Total</b>	\$

## PERSONAL SERVICE INFORMATION

**11. Will monies from this grant be used to fund one or more Personal Service Contracts?**  Yes  No  
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: Roger Allbee Agreed by RA (initial)

12. Limited Service Position Information:	# Positions	Title
<b>Total Positions</b>		

**12a. Equipment and space for these positions:**  Is presently available.  Can be obtained with available funds.

## 13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <u>[Signature]</u>	Date: <u>7-16-09</u>
	Title: _____	
	Signature: _____	Date: _____
	Title: _____	

## 14. ACTION BY GOVERNOR

<input checked="" type="checkbox"/>	Check One Box: Accepted	<u>[Signature]</u> (Governor's signature)	Date: <u>8/15/09</u>
<input type="checkbox"/>	Rejected		

## 15. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/>	Check One Box: Request to JFO	<u>[Signature]</u> <u>8.4.09</u> (Secretary's signature or designee)	Date: _____
<input type="checkbox"/>	Information to JFO		

## 16. DOCUMENTATION REQUIRED

Required GRANT Documentation	
<input type="checkbox"/> Request Memo <input type="checkbox"/> Dept. project approval (if applicable) <input type="checkbox"/> Notice of Award <input type="checkbox"/> Grant Agreement <input type="checkbox"/> Grant Budget	<input type="checkbox"/> Notice of Donation (if any) <input type="checkbox"/> Grant (Project) Timeline (if applicable) <input type="checkbox"/> Request for Extension (if applicable) <input type="checkbox"/> Form AA-1PN attached (if applicable)

**STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)**

**End Form AA-1**



United States Department of Agriculture  
Rural Development  
Vermont/New Hampshire

July 2, 2009

Dave Lane, Deputy Secretary of Agriculture  
State of VT, Agency of Agriculture  
116 State Street, Drawer 20  
Montpelier, VT 05620-2901

Re: \$40,000 Rural Business Enterprise Grant  
Feasibility Study establishing a "Taste of Place" that will apply a Vermont system of geographical indicators to artisan cheese production.

Dear Mr. Lane: *Dave*

Enclosed please find your copy of form 1940-1, Request for Obligation of Funds.

This is your notification that the above grant for your feasibility study has been approved subject to the conditions stated in our Letter of Conditions to you dated June 23, 2009. USDA Rural Development is pleased to provide the State of VT, Agency of Agriculture with funds for this project.

If you have any questions, please don't hesitate to contact Sherry Paige of our Montpelier Area Office at 802-828-6034.

Sincerely,

A handwritten signature in cursive script that reads "Rhonda L. Shippee".

RHONDA L. SHIPPEE  
Acting State Director – VT/NH

Attachment

cc: Montpelier Area Office

City Center, 89 Main Street, 3<sup>rd</sup> floor • Montpelier, VT 05602  
802-828-6080 (voice) 802-828-6018 (fax) [rhonda.shippee@vt.usda.gov](mailto:rhonda.shippee@vt.usda.gov)  
<http://www.rurdev.usda.gov/vt>

*Committed to the future of rural communities*

REQUEST FOR OBLIGATION OF FUNDS

<b>INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ( )</b> Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 53-012-036000264		LOAN NUMBER 00	FISCAL YEAR
2. BORROWER NAME STATE OF VERMONT VT AGENCY OF AG 116 STATE STREET DRAWER 20 MONTPELIER, VT 05620-2901		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
4. STATE NAME VERMONT		5. COUNTY NAME WASHINGTON	
<b>GENERAL BORROWER/LOAN INFORMATION</b>			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - ASIAN 4 - HISPANIC 5 - API	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - OTHER	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROP ONLY 7 - SECURED BY BONDS	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	(Shaded area)
17. COMMUNITY SIZE 1 - 10 000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
<b>COMPLETE FOR OBLIGATION OF FUNDS</b>			
19. TYPE OF ASSISTANCE 471 (See FMI)	20. PURPOSE CODE	21. SOURCE OF FUNDS 0	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT 2	24. AMOUNT OF LOAN	25. AMOUNT OF GRANT \$40,000.00	
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR 06-23-2009	28. INTEREST RATE 0 %	29. REPAYMENT TERMS 0
<b>COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS</b>			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT	(Shaded area)		
<b>COMPLETE FOR EM LOANS ONLY</b>		<b>COMPLETE FOR CREDIT SALE-ASSUMPTION</b>	
31. DISASTER DESIGNATION NUMBER (See FMI)	32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN		
<b>FINANCE OFFICE USE ONLY</b>		<b>COMPLETE FOR FP LOANS ONLY</b>	
33. OBLIGATION DATE MO DA YR		34. BEGINNING FARMER/RANCHER (See FMI)	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Initial Here

See Attachment "A"

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."

Date ~~xx~~ ~~xxxxxx~~ ~~20xx~~

Dave Lane

(Signature of Applicant)

Date June 23, 2009 ~~xx~~

Deputy Secretary of Agriculture

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with: I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: DAVID H. ROBINSON

Date Approved: 6/23/09

Title: Business Programs Director

38. TO THE APPLICANT: As of this date 7/2/2009, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

**Request For Obligation of Funds**

Page # 1  
(Attachments)

Borrower: Vermont Agency of Agriculture, Food and Markets

***Comments And Requirements of Certifying Official***

The Grantee understands the requirements for receipt of funds under the Rural Business Enterprise Grant Program. The Grantee assures and certifies that it is in compliance with all applicable laws, regulations, Executive Orders and other generally applicable requirements, including those set out in Part 1942, Subpart G, Attachment 1, "General Requirement for Administration of Rural Business Enterprise and Television Demonstration Grants," 7 CFR, Parts 3015, 3016, 3017, 3018, 3019 and 3052; including revisions through June 23, 2009 ; approved Scope of Work/Work Plan and the Letter of Conditions dated: June 23, 2009.

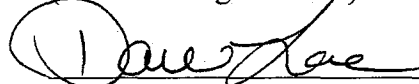
Name of Grantee: VT Agency of Agriculture, Food & Markets

Grant \$40,000 FY 09

**ATTACHMENT A**

Vermont Agency of Agriculture,  
Food and Markets

(Name of Organization)

  
Dave Lane

Deputy Secretary of Agriculture

Title

Date: June 23, 2009



**Vermont Agency of Agriculture, Food and Markets  
(VAAFMM)**

**Rural Business Enterprise Grant Program**

**Grant Agreement**

**\$40,000.00**

**June 23, 2009**

**Section B**

III. Responsibilities of the Grantee

This section contains information regarding the responsibilities of the grantee for receipt of monies under the RBE/television demonstration grant program. This section shall become a permanent attachment to Form RD 1940-1 as outlined in Section A, paragraph II. H. of this Attachment. These requirements do not supersede the requirement for receipt of Federal funds as stated in Parts 3015, 3016, and 3019 of the Uniform Federal Assistance Regulations; however, specific areas related to the RBE/television demonstration grant program are cited below. (Revised 07-16-03, PN 361.)

Grantee agrees to:

A. Comply with property management standards established by 7 CFR Parts 3015, 3016, and 3019 for real and personal property. "Personal property" means property of any kind except real property. It may be tangible - having physical existence - or intangible - having no physical existence; such as patents, inventions, and copyrights. "Nonexpendable personal property" means tangible personal property having a useful life of more than 1 year and an acquisition cost of \$300 or more per unit. A grantee may use its own definition of nonexpendable personal property provided that such definition would at least include all tangible personal property as defined above. "Expendable personal property" refers to all tangible personal property other than nonexpendable property. When real property or nonexpendable property is acquired by a grantee with project funds, title shall not be taken by the Federal Government but shall be vested in the grantee subject to the following conditions: (Revised 07-16-03, PN 361.)

1. Right to transfer title. For items of real or nonexpendable personal property having a unit acquisition cost of \$1,000 or more, the Agency may reserve the right to transfer the title to the Federal Government or to a third party named by the Federal Government when such third party is otherwise eligible under existing statutes. Such reservation shall be subject to the following standards:

a. The property shall be appropriately identified in the grant or otherwise made known to the grantee in writing.

b. The Agency shall issue disposition instructions within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Agency fails to issue disposition instructions within the 120 calendar day period, the grantee shall apply the standards of Section B, paragraphs III. A. 2. and 3. of this Attachment.

c. When the Agency exercises its right to take title, the personal property shall be subject to the provisions for federally owned nonexpendable property discussed in Section B, paragraphs III. A. 2. and 3. of this Attachment.

d. When title is transferred either to the Federal Government or to a third party and the grantee is instructed to ship the property elsewhere, the grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the grantee participation in the cost of the original grant project or program to the current fair market value of the property, plus any reasonable shipping or interim storage costs incurred.

2. Use of other real or nonexpendable personal property for which the grantee has title.

a. The grantee shall use the property in the project or program for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When it is no longer needed for the original project or program, the grantee shall use the property in connection with its other federally sponsored activities in the following order of priority:

i. Activities sponsored by Rural Development.

ii. Activities sponsored by other Federal agencies.

b. Shared use. During the time that nonexpendable personal property is held for use on the project or program for which it was acquired, the grantee shall make it available for use on other projects or programs if such other use will not interfere with the work on the project or program for which the property was originally acquired. First preference for such other use shall be given to projects or programs sponsored by Rural Development; second preference shall be given to projects or programs sponsored by other Federal agencies. If the property is owned by the Federal Government, use for other activities not sponsored by the Federal Government shall be permissible if authorized by Rural Development. User charges should be considered, if appropriate.

3. Disposition of real or nonexpendable personal property. When the grantee no longer needs the property as provided in Section B, paragraph III A 2 of this Attachment, the property may be used for other activities in accordance with the following standards:

a. Personal property with a unit acquisition cost of less than \$1,000. The grantee may use the property for other activities without reimbursement to the Federal Government or sell the property and retain the proceeds.

b. Real or nonexpendable personal property with a unit acquisition cost of \$1,000 or more. The grantee may retain the property for other use provided that compensation is made to Rural Development or its successor. The amounts of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to current fair market value of the property. If the grantee has no need for the property and the property has further use value, the grantee shall request disposition instructions from the original grantor agency.

c. Rural Development shall determine whether the property can be used to meet the agency's requirements. If no need exists within Rural Development, the General Services Administration's Federal Property Management Regulations (FPMR) will be used by Rural Development to determine whether a need for the property exists in other Federal agencies. Rural Development shall issue instructions to the grantee no later than 120 days after the grantee request and the following procedures shall govern:

i. If so instructed, or if disposition instructions are not issued within 120 calendar days after the grantee's request, the grantee shall sell the property and reimburse Rural Development an amount computed by applying to the original project or program. However, the grantee shall be permitted to deduct and retain from the Federal share \$100 or 10 percent of the proceeds, whichever is greater, for the grantee's selling and handling expenses.

ii. If the grantee is instructed to dispose of the property other than as described in Section B, paragraphs III A 2 and 3 of this Attachment, the grantee shall be reimbursed by Rural Development for such costs incurred in its disposition.

iii. Property management standards for nonexpendable personal property. The grantee's property management standards for nonexpendable personal property shall include the following procedural requirements:llll

a. Property records shall be maintained accurately and shall include:

i. A description of the property.

ii. Manufacturer's serial number, model number, Federal stock number, national stock number, or other identification number.

iii. Sources of the property including grant or other a agreement number.

iv. Whether title vests in the grantee or the Federal Government.

v. Acquisition date (or date received, if the property was furnished by the Federal Government) and cost.

vi. Percentage (at the end of the budget year) of Federal participation in the cost of the project or program for which the property was acquired. (Not applicable to property furnished by the Federal Government).

vii. Location, use, and condition of the property and the date the information was reported.

viii. Unit acquisition cost.

ix. Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a grantee compensates the Federal agency for its share.

b. Property owned by the Federal Government must be marked to indicate Federal ownership.

c. A physical inventory of property shall be taken and the results reconciled with the property records at least once every 2 years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The grantee shall, in connection with the inventory, verify the existence, current utilization, and continued need for the property.

d. A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or the theft of nonexpendable property shall be investigated and fully documented; if the property was owned by the Federal Government, the grantee shall promptly notify Rural Development.

e. Adequate maintenance procedures shall be implemented to keep the property in good condition.

f. Where the grantee is authorized or required to sell the property, proper sales procedures shall be established which would provide for completion to the extent practicable and result in the highest possible return.

g. Expendable personal property shall vest in the grantee upon acquisition. If there is a residual inventory of such property exceeding \$1,000 in total aggregate fair market value, upon termination or completion of the grant and if the property is not needed for any other federally sponsored project or program, the grantee shall retain the property for use on non-federally sponsored activities, or sell it, but must, in either case, compensate the Federal Government for its share. The amount of compensation shall be computed in the same manner as nonexpendable personal property.

This Attachment covers the following described personal property and any additional property acquired wholly or in part with grant funds (use continuation sheets as necessary):

**Grant proceeds will not be disbursed to acquire personal property.** DEZ

When real property is no longer needed as provided above, return all real property, furnished or purchased wholly with Federal grant funds to the grantor. In the case of property purchased in part with Federal grant funds, the grantee may be permitted to take title to the Federal interest therein upon compensating the Federal Government for its fair share of the property. The Federal share of the property shall be the amount computed by applying the percentage of the Federal participation in the total cost of the grant program for which the property was acquired to the current fair market value of the property.

This Attachment covers the following described real property purchased/to be purchased wholly or in part with grant funds (use continuation sheets as necessary):

**Grant proceeds will not be disbursed to acquire real estate property.** DEZ

B. Cause said program to be completed within the total sums available to it, including said grant, in accordance with the program plan and any necessary modifications thereof prepared by grantee and approved by grantor.

C. Permit periodic inspection of the program operations by a representative of grantor.

D. Make the program available to all persons in grantee's service area without regard to race, color, national origin, religion, sex, marital status, age, physical or mental handicap who have also received Rural Development related assistance from the grantee.

E. Not use grant funds to replace any financial support previously provided or assured from any other source. The grantee agrees that the general level of expenditure by the grantee for the benefit of program area and/or program covered by this attachment shall be maintained and not reduced as a result of the Federal share of funds received under this grant.

F. No nonexpendable personal property to be owned or used by the borrower or its affiliate(s) for use other than the grant purposes will be acquired wholly or in part with grant funds.

G. Use of the property including land, land improvement, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed. The grantee shall obtain approval of the grantor before using the real property for other purposes when the grantee determines that the property is no longer needed for the original grant purposes.

H. Provide financial management systems which will include:

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.
2. Records which identify adequately the source and application of funds for grant-supporting activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
3. Effective control over, and accountability for, all funds. Grantees shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.
4. Accounting records supported by source documentation.

I. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least 3 years after grant closing except that the records shall be retained beyond the 3-year period if audit findings have not been resolved. Microfilm copies may be substituted in lieu of original records. The grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the grantee governments which are pertinent to the specific grant program for the purpose of making audit, examination, excerpts, and transcripts.

J. Provide information as requested by the grantor to determine the need for and complete any necessary environmental assessments or Environmental Impact Statements.

- K. Grantees expending \$300,000 or more of Federal assistance in the year(s) that Agency grant funds are expended shall submit an audit in accordance with OMB Circular A-133 as codified in 7 CFR 3052. Grantees that expend less than \$300,000 a year in Federal award are exempt from Federal audit requirements for that year except as noted in 7 CFR 3052.215(a), but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office. (Revised 07-17-02, PN 348.)
- L. Provide grantor with such periodic reports as it may require and permit periodic inspection of its operations by a designated representative of the grantor.
- M. Not to encumber, transfer, or dispose of the property or any part thereof, furnished by the grantor or acquired wholly or in part with grantor funds without the written consent of the grantor except as provided in Section B, paragraph III. A. of this Attachment.
- N. Execute Form RD 400-1, Form RD 400-4, and any other agreements required by grantor to implement the civil rights requirements. If any such form has been executed by grantee as a result of a loan being made to grantee by grantor contemporaneously with the making of this grant, another form of the same type need not be executed in connection with this grant.
- O. In contracts in excess of \$2,000 and in other contracts in excess of \$2,500 which involve the employment of mechanics or laborers, to include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations (29 CFR, Part 5). Applies only where Davis Bacon requirements apply.
- P. Include in all contracts in excess of \$100,000 a provision for compliance with all applicable standards, orders, or regulations issued pursuant to the Clear Air Act of 1970. Violations shall be reported to the grantor and the Regional Office of the Environmental Protection Agency.
- Q. Upon any default under its representations or agreements set forth in this instrument, grantee, at the option and the demand of grantor, will, to the extent legally permissible, repay to grantor forthwith the original principal amount of the grant stated hereinabove, with interest equal to the rate of interest paid on U.S. 26-week Treasury Bills adjusted quarterly from the date of the default. The provisions of this Attachment may be enforced by grantor at its option and without regard to prior waivers by it of previous defaults of grantee, by judicial proceedings to require specific performance of the terms of this Attachment or by such other proceedings in law or equity, in either Federal or State courts as may be deemed necessary by grantor to ensure compliance



with the provisions of this Attachment and the laws and regulations under which this grant is made.

R. That no member of Congress shall be admitted to any share or part of this grant or any benefit that may rise therefrom; but this provision shall not be construed to bar as a contractor under the grant a publicly held corporation whose ownership might include a member of Congress.

S. That all non-confidential information resulting from its activities shall be made available to the general public on an equal basis.

T. That the purpose and Scope of Work for which this grant is made shall not duplicate programs for which monies have been received, are committed, or are applied to from other sources, public or private.

U. That grantee shall relinquish any and all copyrights and/or privileges to the materials developed under this grant, such material being the sole property of the Federal Government. In the event anything developed under this grant is published in whole or in part, the material shall contain notice and be identified by language to the following effect: "The material is the result of tax-supported research and as such is not copyrightable. It may be freely reprinted with the customary crediting of the source."

V. That the grantee shall abide by the policies promulgated in 7 CFR Parts 3015, 3016, and 3019 which provides standards for use by grantees in establishing procedures for the procurement of supplies, equipment, and other services with Federal grant funds. (Revised 07-16-03, PN 361.)

W. To the following termination provisions:

1. Termination for cause: The grantor agency may terminate any grant in whole, or in part, at any time before the date of completion, whenever it is determined that the grantee has failed to comply with the conditions of the grant. The grantor agency shall promptly notify the grantee in writing of the determination and the reasons for termination, together with the effective date.

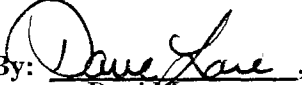
2. Termination for convenience: The grantor agency or grantee may terminate grants in whole, or in part, when both parties agree that the continuation of the program would not produce beneficial results commensurate with the further expenditure of funds. The two parties shall agree upon the termination conditions, including the effective date, and in the case of partial terminations, the portion to be terminated. The grantee shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The

grantor agency shall allow full credit to the grantee for the Federal share of the non-cancelable obligations, properly incurred by the grantee prior to termination.

X. That grantee will remit interest earned on grant funds deposited in an interest bearing account in accordance with 7 CFR Parts 3015, 3016, and 3019. (Revised 07-16-03, PN 361.)


This Scope of Work is submitted by the grantee. Upon approval by the grantor, the grantee agrees that no changes will be made to the Scope of Work without prior written approval by the grantor.

Vermont Agency of Agriculture, Food & Markets (VAAFMM) (GRANTEE)

By: , Deputy Secretary of Agriculture June 23, 2009  
David Lane (Title) (Date)

This Scope of Work is hereby approved by USDA - Rural Development.

USDA - RURAL DEVELOPMENT

By: , Business Program Specialist June 23, 2009  
Sherry L. Paige (Title) (Date)

**FEASIBILITY STUDY:  
PLACE-BASED MARKETING & GEOGRAPHICAL INDICATORS FOR VERMONT  
ARTISAN CHEESE**

The Vermont Agency of Agriculture is applying for a Rural Business Enterprise Grant (RBEG) from Rural Development (hereafter referred to as "grantor"), an Agency of the USDA. The following scope of work will be used to measure the performance of the Vermont Agency of Agriculture.

**Overview of Proposed Project:**

The European system of geographical indicators for unique, artisan products has developed a powerful economic tool for small-scale and traditional farmers to remain viable. These systems feature:

- A producer collective with a product uniquely rooted in their region.
- A set of criteria that distinguish this product as truly unique; combining environmental, production, and cultural factors.
- Assistance from outside researchers to establish what components of these factors affect the final character of the food.
- Assistance from regulatory agencies in establishing protocols by which all participating producers meet the same quality criteria.
- A marketing plan built around the unique product.

The U.S. depends more on branding, non-place based differentiators like "organic", and in some cases "local" marketing that signifies a place of origin, but not necessarily specific tastes unique to that region. This grant proposes performing a feasibility study for applying a Vermont system of geographical indicators to artisan cheese production. The farmers participating will come from the Hardwick (Caledonia County) region, with Hardwick's Center for an Agricultural Economy serving as the on-the-ground convener with producers. Technical assistance will come from the newly formed Food Systems Research Collaborative (FSRC) at the University of Vermont (UVM), which brings together researchers across multiple disciplines to study areas of common concern. The Vermont Agency of Agriculture, Food and Markets (VAAFAM) will manage this project.

The feasibility study will have several components:

- Initial education sessions with area farmers to discuss what geographical indicators mean, the European system of managing these indicators, and to explore how this system is different from current product development and marketing strategies.
- Series of producer and researcher meetings to determine a common understanding of what creates a unique product – for example soils, feed, production techniques, cultural history - and what research (if any) would be needed to establish these factors' effect on taste.
- An initial marketing study of customers in Vermont, Boston and New York City to understand how the European *terroir* can translate into an attractive characteristic for the New England consumer.

- Final report that synthesizes producers' impression of what makes their product unique, producers' interest level in developing a collective product to market under a geographical indicator label, consumer market study, and additional research needs.

The final report will be publicly available and also set the stage for the Vermont Agency of Agriculture's Taste of Place Working Group to develop a place-based cheese product as part of its larger efforts to improve place-based marketing in Vermont. This study will provide farmers with an additional tool for developing new products and stimulate new job opportunities directly through growth of the artisan cheese sector and indirectly through other agricultural sectors that may be able to take advantage of these principles.

**Description of the Service to be Provided:**

The primary service provided through this grant will be a feasibility study for developing a geographical indicator system that translates the success of model programs in Europe to a Vermont context. This study will focus on the artisan cheese sector. This grant refers to the Vermont version of geographical indicators as "Taste of Place" – a rough translation of the French word *terroir*.

Geographical indicators use several concepts that are not widely applied to Vermont, or even U.S., specialty food production. These concepts include:

- Scientific proof that the natural characteristics of a particular region and specific production choices produce a unique flavor profile.
- Documentation of a product's connection to cultural traditions of its region.
- Collective production methods, in which multiple farmers follow standards to produce the same regional specialty (individual farms may have other lines of products that are not part of the collective process).
- Partnership with government regulators to set and maintain standards that are determined by the will of the producers.
- Consumer recognition that a product marked with a geographical indicator, or "protected designation of origin", is truly unique and so merits a premium price. An example of a widely known indicator is Champagne, referring to both the drink and its region.

This feasibility study will assess Vermont's ability to create corollaries to these concepts in the case of artisan cheese.

The specific services, and partners providing each service, are described below. Services will take place primarily in the Hardwick, VT area (Caledonia County). The description below indicates what organization is responsible for each component of the work. More details on these partners are available in the Key Personnel section.

- Convening farmers, or prospective farmers, interested in exploring the Taste of Place (Center for an Agricultural Economy):
- Two information sessions that provide information on the basic tenets of the geographical indicator systems of Europe and lead participants in discussing:
  - How these systems do / do not correspond to their current marketing practices
  - How these systems might improve their market share
  - Types of products / particular cheeses that they see as having potential to be part

of a Taste of Place system.

(VAAFAM will lead sessions, with assistance from UVM and convening by Center for an Agricultural Economy).

- Facilitating a series of three technical standards meetings in which farmers discuss what elements affect the uniqueness of their product and what type of product might be seen as a “signature” Vermont cheese. Factors may include:
  - Geology
  - Climate
  - Native plant species
  - Animal breeds
  - Traditional production practices
  - Cultural history

A team of experts in a variety of fields will be available to answer questions about the elements impacting taste / character of a cheese and also help identify areas that require further research. (FSRC at UVM, with help from VAAFAM and convening by Center for an Agricultural Economy).

- Evaluating producer participants’ interest in moving forward with a Taste of Place product (VAAFAM, FSRC, Center for an Agricultural Economy).
- Conducting a consumer study parallel to producer research. Study would evaluate consumer interest in unique products that combine local culture and natural elements, what they consider unique to Vermont, cues that prompt a Taste of Place understanding similar to the *terroir* concept in France. Consumer study would have three parts:
  - Phone surveys in Boston market
  - Phone surveys in New York City market
  - Focus groups in Vermont(FSRC)
- Completing a final report on results to present to the Taste of Place Working Group and producers participating in study (see Local Planning for information on this Working Group). (VAAFAM)

**Area Served:**

The primary center of activity will be in Hardwick, VT (Caledonia County) through the Hardwick-based Center for an Agricultural Economy, which will serve as the study’s convener. Participant farmers will come from Caledonia County and bordering regions of Lamoille and Orleans Counties.

According to the Vermont Department of Labor, Caledonia County has a 2007 average unemployment rate of 4.3% compared to the statewide average of 3.9% and a 2007 median household income of \$41,034 compared to the statewide median of \$49,698.

**Specific Businesses that Will Benefit:**

Because this project is a feasibility study, the information acquired is primarily general data on businesses aided by these *types* of place-based marketing efforts. See Need for Grant below. However, due to the nature of Vermont’s artisan cheese making, it is certain that the businesses benefited by this project will be principally small businesses by USDA standards. The location of the feasibility study allows direct benefits to go first to businesses in a region with higher than

average unemployment and lower earnings levels.

The supporting documents section contains letters of support from businesses that anticipate benefits from successful implementation of a Vermont version of geographical indicator systems.

### **Need for Technical Assistance Grant:**

The Vermont Agency of Agriculture first became interested in the geographical indicator system after observing France's success in using these indicators to help small farmers who could not compete in a global commodity market, but who were nevertheless a key part of their regions' character and food culture. France's strictest indicators, called AOC standards, allow farmers to prove the uniqueness of their product and receive a premium associated with a food that cannot be replicated anywhere else.

French products selling under an AOC label receive an average of 30% more than products without this designation. Many farmers see these labels as a promising strategy. While the country has experienced a decline in overall farming numbers, the number of farmers joining a collective to produce products for the AOC system has been steadily increasing. These trends indicate that France is meeting its original goal of using origin protected names to build viable career paths in farming outside the commodity system through returning economic value to family farms<sup>1</sup>.

Vermont has several characteristics similar to France. Specialty foods and niche marketing have been a growth area for our farmers – for example Vermont's organic certification system now has 1,100 certified farms, or almost a fifth of the state's farms, not including those that produce organically but do not seek certification. Local food activity is the highest in the country, with both the highest per capita number of farmers markets and highest per capita spending on products sold directly to consumers. Furthermore, technical assistance to preserve the integrity of these specialized products has been well received. Vermont's voluntary Seal of Quality program has over 400 registered farms. The Vermont Institute for Artisan Cheese provides assistance in quality control to producers around the world and is a premier center for artisan cheese standards. Other agricultural industries, such as agricultural tourism and Christmas trees, are in the process of developing or updating voluntary standards for premium quality.

These factors set the stage for exploring how the European model of geographical indicators might work in Vermont and situate our food products to better compete with the highest quality goods from other regions of the world. However, the systems used in these regions have several distinct characteristics, as described in the overview of services. Distinctions include:

- Standards based not just on quality, but also on a product's verifiable uniqueness
- Standards developed with input from a variety of disciplines, from anthropology to chemistry to geology.
- Collective production and collective decision-making by farmers; government regulatory standards set by producers' decisions.

The Vermont Agency of Agriculture recently began exploring how these characteristics might apply in Vermont.

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<sup>1</sup> Information provided by Christian Berger, Counselor for Agriculture, French Embassy

In November, 2008, the Vermont Agency of Agriculture, UVM, and Middlebury College convened a weekend long workshop that brought Vermont experts in a variety of fields together with delegations from France, Quebec, and Canada to discuss the future of geographical indicator systems in Vermont. The delegates attending represented both the traditional AOC model used in France and variations on that model used in other regions. The conference discussion led to a decision to move forward in three general areas:

- Culinary Traditions of Vermont: Identifying traditions with local foods and recipes, including both creating records of our heritage and engaging Vermonters in exploring this heritage, and continuing to build our food culture.
- Model Products: Supporting producers who are interested in experimenting with products that reflect a food verifiably unique to their region, in the style of the AOC system used by France.
- International Context: Continuing to learn from what other countries are doing to develop their own geographical indicator systems.

The project outlined in this grant proposal focuses on the goal of developing model products. Specific conference discussions identified maple syrup and artisan cheese as two areas with potential for piloting the Taste of Place. A separate group has received funding to work on the maple syrup options. This grant would go towards the opportunities in artisan cheese. Full results of the conference are available online at [www.vermontagriculture.com](http://www.vermontagriculture.com).

**Timetable for Project:** The following benchmarks outline a 1 year program from receipt of the grant to completion of the project. The requested completion date covers 15 months to allow for unforeseen circumstances (e.g. inclement weather) that may delay the planned monthly meeting schedule:

*Month 1:*

- Assemble VAAFM, UVM, and Center for an Agricultural Economy teams to announce award, confirm goals of project, review common talking points for project outreach.
- Center for an Agricultural Economy begins local outreach around project.
- VAAFM and UVM develop educational materials on Taste of Place.
- UVM graduate students hired to assist in consumer survey.

*Month 2:*

- Preliminary information session held with Hardwick area farmers
- Information session attendees confirm interest in participating in full project.
- Center for an Agricultural Economy meets one-on-one with any farmers identified as important to the project but who could not attend initial meeting.
- VAAFM approves detailed outline for consumer research and study begins (ongoing from this point).

*Month 3:*

- Second information session with participating farmers – general discussion of how Taste of Place could apply to their business model.



*Month 4:*

- First meeting of technical group to discuss protocols for unique cheese products.

*Month 5:*

- Second meeting of technical group to discuss protocols for unique cheese products.

*Month 6:*

- Third meeting of technical group to discuss protocols for unique cheese products.

*Month 7:*

- Full group (VAAF, UVM, Center for Agricultural Economy) reconvenes to review results of discussions, preliminary results of consumer research.
- Group designs evaluation / debriefing framework for producers.

*Months 8 & 9:*

- Follow up interviews and evaluations with:
  - Producers – to determine interest in moving forward & areas that need more study
  - Researchers from Technical Team – to determine areas that need more study
- Completion of consumer survey

*Months 10 & 11:*

- Final report written
- Report presented to Taste of Place Working Group
- Report presented to study participants
- Next steps determined

*Month 12:*

- Final report to USDA.

**Method for Evaluating Effectiveness of Services:**

This grant is a feasibility study and does not include direct services; effectiveness of project concept will be studied as part of feasibility.

**Project's Consistency with Local Planning:**

The Northeastern Vermont Development Association published a comprehensive regional plan for the Northeast Kingdom, including Caledonia County, in 2006. This plan recognized agriculture as an important part of the local economy and local land use patterns. However, planners flagged the need for more assistance with a transition from commodity dairy to more diversified products and specialties. Specifically, the plan calls for:

- Increasing and diversifying the region's agricultural output
- Adding value to local staple products and raw materials.
- Researching new methods of promoting sustainability in the agricultural field.
- Identifying funding sources for, and marketing, existing and new food ventures in the region.
- Supporting education efforts that teach sustainable agricultural practices.

A project working with farmers to build new marketing opportunities for specialized products would meet the plan's goals for a regional economy of small-scale, family farms selling value-added products. (Full regional plan available at [www.nvda.net](http://www.nvda.net)).

The Vermont Agency of Agriculture's plans for agricultural development also support Taste of Place work. The proposed artisan cheese feasibility study is one component of a larger initiative to identify new strategies for place-based product marketing. The Vermont Secretary of Agriculture has convened a Taste of Place Working Group to manage comprehensive strategic planning around this topic.

In addition to regional and statewide planning, this proposed feasibility study fits into town-specific planning already in place in the Hardwick area. This study:

- Promotes collaboration between UVM researchers and Hardwick-area food businesses, a goal outlined in a 2008 Memorandum of Understanding between Hardwick and UVM.
- Furthers the goals established by the Center for an Agricultural Economy (the Hardwick region's leading agricultural planning center) to convene residents of Hardwick, and surrounding communities, to develop the cultural and physical infrastructure needed to support the many food and agricultural ventures that are emerging in the region and beyond, and share in the benefits these changes will bring to the state economy.
- Falls within the Hardwick Town Plan, which encourages agricultural development within the town, and adds agricultural processing as a provision of multiple zoning areas.

#### **Final Results of Grant Assistance & Who Will Benefit:**

The end result of the grant will be a feasibility study for implementing a Vermont-style geographical indicator system with artisan cheese products. The immediate beneficiaries will be artisan cheese producers in the Hardwick area who participate in the study and can use its results as an immediate starting point to implement Taste of Place strategies. However, the project will also inform other farmers. The original conference on the Taste of Place identified several groups who could benefit through this system and established the Taste of Place Working Group to ensure that model projects can be applied more broadly. Other producer groups identified as likely future participants in Taste of Place work include:

- Maple syrup producers
- Apple growers
- Spirits producers
- Cheesemakers in other regions of the state

These different industries represent over 1,600 Vermont farms that could benefit from Taste of Place studies (according to 2007 NASS Agricultural Census). In addition, a viable system for place-based product development in Vermont could open the door to new enterprises at all stages of production and marketing.

#### **Key Personnel & Qualifications:**

The three primary organizations and personnel supporting this project are the Vermont Agency of Agriculture (Helen Labun Jordan, project manager), UVM Food Systems Research Collaborative (Prof. Jane Kolodinsky, lead researcher), and Center for an Agricultural Economy (Monty Fischer, Executive Director).

*Vermont Agency of Agriculture:* The Vermont Agency of Agriculture was co-convenor of the 2008 Taste of Place conference, which set the foundation for this project proposal. Helen Labun Jordan was the primary staff person for the conference, composing the conference report and conducting follow-up work. This project fits within her ongoing work in market development for Vermont agricultural products. She has experience in a variety of comparable projects, including studies for local foods in state government, the Governor's Hunger Task Force, and the Moving Vermont Agriculture Forward planning process. A short résumé is enclosed at the end of this application.

*University of Vermont Food Systems Research Collaborative:* The Food Systems Research Collaborative is a new program of the Center for Rural Studies at the University of Vermont. The Center for Rural Studies has a thirty-year track record of helping Vermont communities with research, planning, and development of projects to support the local economy. Within the Center for Rural Studies, the Food Systems Research Collaborative collects a strong portfolio of food-related research projects under one umbrella, allowing for easier collaboration across departments within the College of Agriculture and Life Sciences. Existing projects include feasibility analysis of online local food sales sites, studying connections between farmers' outlooks and land use trends, understanding consumer behavior and obesity, and a variety of market studies measuring consumer interest in different food products.

Professor Jane Kolodinsky is Chair of the Department of Community Development and Applied Economics at UVM and Director of the Center for Rural Studies. She will serve as the lead for the Taste of Place project in Hardwick. A short résumé is attached at the end of this application.

Dr. Amy Trubek will be assisting with background work and education for both faculty and producers around the Taste of Place. Dr. Trubek teaches in the Department of Nutrition and Food Sciences at UVM. The French concept of *terroir* is the focus of her research and she recently published The Taste of Place: A Cultural Journey into Terroir (University of California Press 2008). A short résumé is attached at the end of this application.

*Center for an Agricultural Economy:* The Center for an Agricultural Economy was established in 2004 by a group of Hardwick-area entrepreneurs interested in revitalizing a healthy local food system and strong local economy. The Center has led a variety of initiatives from developing community gardens to launching the first phase of an incubator project for new farm businesses. The Center recently completed a strategic planning process that includes a goal to further define and enhance the market potential offered by the positive association held with their region of Vermont. The Taste of Place project will support this goal.

Monty Fischer is the Executive Director of the Center for an Agricultural Economy. Prior to this position, he was senior staff for the National Wildlife Federation for 18 years. His past experience encompasses many key sustainability programs, including as Executive Director for Vermont's Natural Resources Council and Chair of Vermont's Governor's Council of Environmental Advisors. A biographical summary is included at the end of this application.

**Evidence that Project does not Duplicate Existing Technical Assistance Programs:**

Currently, no other organization in Vermont is focused on developing voluntary standards for products seeking a place-based designation. Work to develop other types of standards, for example safety protocols in raw milk cheeses or quality controls for artisan cheese, contributes to but does not replace these efforts. As outlined previously in this project proposal, the Taste of Place models its work on European efforts that have several components not widely used in the United States:

- Standards based on just on quality, but also on a product's verifiable uniqueness
- Standards developed with input from a variety of disciplines, from anthropology to geology.
- Collective production and collective decision-making by farmers; government regulatory framework following in support of producer decisions.

This feasibility study also takes advantage of the resources of several new technical assistance organizations in Vermont.

- The Food Systems Research Collaborative at UVM creates a new framework for researchers across disciplines to come together and contribute their skills to complex food systems issues that cannot be solved with a single research perspective.
- The Center for an Agricultural Economy is a newly established non-profit organization designed to support and advance Hardwick's multiple grassroots efforts in strengthening the local economy through agriculture. The Center for an Agricultural Economy builds innovative models that are now studied internationally.
- The Center for an Agricultural Economy recently partnered with the new owners Lakeview Inn in their plan to offer residential learning opportunities to interested individuals to promote awareness, consumption, and production of food and products of small scale food enterprises in Vermont and other rural landscapes. The vision builds from the Vermont Institute for Artisan Cheese, the only comprehensive artisan cheese learning center in the U.S.

**Other Pertinent Information:** See letters of support attached at the end of this application.

**Budget Narrative:**

<b>Good / Service</b>	<b>Cost</b>	<b>Source of Estimate</b>	<b>Source of Funds</b>
Consumer Survey	\$10,000	UVM – based on cost of previous, similar surveys	\$10,000 Requested
Information Sessions – Planning meetings, materials, meeting time, facilitation	\$7,000	100 hours at \$50 / hour; \$2,000 for printing and materials	\$5,000 in-kind donation Dr. Amy Trubek; \$2,000 VAAFAM general fund
Technical Sessions – three sessions, includes consultants' time	\$20,000	UVM – based on cost of similar projects	\$15,000 Requested \$5,000 VT Dairy Promotion Council
Convener & farmer liaison – includes space rental	\$25,000	Center for an Agricultural Economy – based on cost of previous projects	\$15,000 Requested \$5,000 Granted \$5,000 In-kind time donation
Additional Materials & Travel Costs	\$3,000		\$3,000 VAAFAM general fund
Project Manager	In-kind		VAAFAM
<b>Total Cost</b>	<b>\$65,000</b>		
<b>Total Raised</b>	<b>\$25,000</b>		
<b>Total Requested</b>	<b>\$40,000</b>		

Please see attached letters pledging contributions from:

- Dr. Amy Trubek
- Center for an Agricultural Economy
- Vermont Dairy Promotion Council
- Vermont Agency of Agriculture
- Castanea Foundation

**Written Commitment from Benefiting Business**

Because this grant is for a feasibility study that will be widely applied, there is a large number of anticipated benefiting businesses. The enclosed letters of support are from cheesemaking businesses that have been involved in the Taste of Place project's initial stages and anticipate a direct benefit from bringing the work to the next phase.

Each of the businesses contributing letters meet the definition of "small and emerging business" *except* Cabot Cheese, which is submitting a letter representing its partnerships, and potential for future partnerships, with small and emerging cheesemaking businesses.

**Other Funds Documentation:**

See enclosed letters.

### **Federal Integrity Act:**

There are no known relationships between the Vermont Agency of Agriculture, its employees and USDA Rural Development employees.

### **Program Accessibility**

This program will be accessible to employees and participants with disabilities. Because the project focuses on information gathering for a feasibility study, there are many options for accommodating study participants with disabilities, including scheduling meetings for ADA accessible locations, performing in-person interviews, performing telephone interviews, and submitting written surveys. Partners conducting this study will make all necessary accommodations.

### **Enclosed Documents:**

- **Additional USDA Forms**
  
- **Letters of Funds Pledged**
  - Vermont Agency of Agriculture
  - Vermont Dairy Promotion Council
  - Dr. Amy Trubek
  - Center for an Agricultural Economy
  - Castanea Foundation
  
- **Letters of Support from Benefiting Businesses**
  
- **Credentials for Key Personnel**
  - Dr. Jane Kolodinsky
  - Dr. Amy Trubek
  - Helen Labun Jordan
  - R. Montgomery Fischer



Agency of Agriculture, Food & Markets  
116 State Street  
Montpelier, VT 05620-2901  
[www.VermontAgriculture.com](http://www.VermontAgriculture.com)

To: Secretary Neale Lunderville  
Agency of Administration

From: Secretary Roger Allbee  
Agency of Agriculture, Food and Markets

Date: July 14, 2009

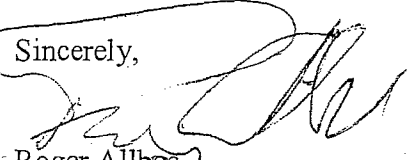
Re: Grant Funding "Place Based Marketing & Geographical Indicators for Vermont Artisan Cheese"

This memo is to inform the Agency of Administration that the Vermont Agency of Agriculture has received a grant from the United States Department of Agriculture through its Rural Business Enterprise Grant program for a project entitled "Feasibility Study of Place Based Marketing & Geographical Indicators for Vermont Artisan Cheese."

The Castanea Foundation will be supporting this project with a matching grant of \$5,000.

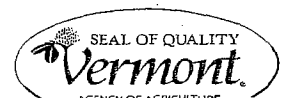
An AA-1 for the federal funds has been submitted to Finance and Management. We are submitting this memo in accordance with Title 32 Chapter 1 Section 5(a)(3).

Sincerely,



Roger Allbee  
Secretary, Vermont Agency of Agriculture

Cc: Joint Fiscal Committee





Agency of Agriculture, Food & Markets  
116 State Street  
Montpelier, VT 05620-2901  
[www.VermontAgriculture.com](http://www.VermontAgriculture.com)

To: Secretary Neale Lunderville  
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From: Secretary Roger Allbee  
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Date: July 14, 2009

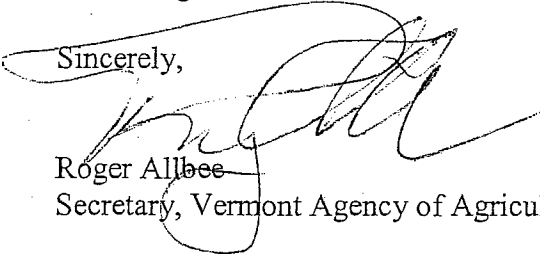
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Professor Amy Trubek of the University of Vermont will be supporting this project with an in-kind matching contribution of \$5,000.

An AA-1 for the federal funds has been submitted to Finance and Management. We are submitting this memo in accordance with Title 32 Chapter 1 Section 5(a)(3).

Sincerely,



Roger Allbee  
Secretary, Vermont Agency of Agriculture

Cc: Joint Fiscal Committee







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Montpelier, VT 05620-2901  
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To: Secretary Neale Lunderville  
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From: Secretary Roger Allbee  
Agency of Agriculture, Food and Markets

Date: July 14, 2009

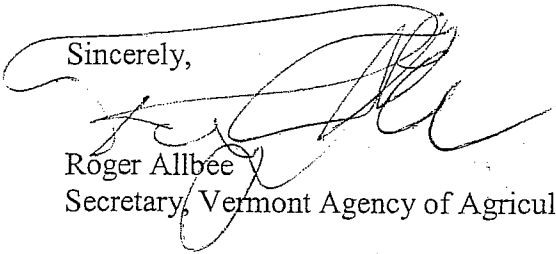
Re: Grant Funding "Place Based Marketing & Geographical Indicators for Vermont Artisan Cheese"

This memo is to inform the Agency of Administration that the Vermont Agency of Agriculture has received a grant from the United States Department of Agriculture through its Rural Business Enterprise Grant program for a project entitled "Feasibility Study of Place Based Marketing & Geographical Indicators for Vermont Artisan Cheese."

The Center for an Agricultural Economy will be supporting this project with an in-kind matching contribution of \$5,000.

An AA-1 for the federal funds has been submitted to Finance and Management. We are submitting this memo in accordance with Title 32 Chapter 1 Section 5(a)(3).

Sincerely,



Roger Allbee  
Secretary, Vermont Agency of Agriculture

Cc: Joint Fiscal Committee





**STATE OF VERMONT**  
JOINT FISCAL OFFICE

**MEMORANDUM**

To: Joint Fiscal Committee Members  
From: Nathan Lavery, Fiscal Analyst  
Date: August 31, 2009  
Subject: Grant Requests

Enclosed please find four (4) requests that the Joint Fiscal Office has received from the administration:

**JFO #2392** — \$13,070 worth of materials and labor from Ennis Paint, Inc. to the Agency of Transportation. Ennis Paint will supply materials and installation of a road surface treatment designed to reduce winter accidents. The product will be evaluated by the State for effectiveness. The State is under no obligation to purchase or endorse this product.

*[JFO received 8/24/09]*

**JFO #2393** — \$22,500 grant from United States Department of Agriculture (USDA) Rural Development to Agriculture, Food and Markets. This grant will be used to develop a business plan and facilitate additional research into the development of a natural ice cider industry in Vermont.

*[JFO received 8/24/09]*

**JFO #2394** — \$40,000 grant from United States Department of Agriculture (USDA) Rural Development to Agriculture, Food and Markets. These grant funds will be used to conduct a feasibility study on place-based marketing related to Vermont artisan cheese.

*[JFO received 8/24/09]*

**JFO #2395** — \$17,500 grant from the Federal Emergency Management Agency to the Department of Public Safety. These grant funds will be used to purchase two underwater camera systems as part of an effort to monitor Vermont's waterways.

*[JFO received 8/31/09]*

The Joint Fiscal Office has reviewed these submissions and determined that all appropriate forms bearing the necessary approvals are in order. In accordance with the procedures for processing such requests, we ask you to review the enclosed and notify the Joint Fiscal Office (Nathan Lavery at (802) 828-1488; [nlavery@leg.state.vt.us](mailto:nlavery@leg.state.vt.us)) if you have questions or would like an item held for Joint Fiscal Committee review. Unless we hear from you to the contrary by September 16 we will assume that you agree to consider as final the Governor's acceptance of these requests.

cc: James Reardon, Commissioner  
David Dill, Secretary  
Roger Allbee, Secretary  
Thomas Tremblay, Commissioner



**STATE OF VERMONT**  
JOINT FISCAL OFFICE

**MEMORANDUM**

To: Representative Carolyn Partridge

From: Nathan Lavery, Fiscal Analyst

Date: August 31, 2009

Subject: JFO #2393 & #2394

Representative Michael Obuchowski asked that I forward to you a copy of the enclosed grant materials and cover memo. He requests your observations regarding the enclosed item.

cc: Rep. Michael Obuchowski  
Stephen Klein

**State of Vermont**  
 Department of Finance & Management  
 109 State Street, Pavilion Building  
 Montpelier, VT 05620-0401

Agency of Administration

[phone] 802-828-2376  
 [fax] 802-828-2428

**STATE OF VERMONT  
 FINANCE & MANAGEMENT GRANT REVIEW FORM**

<b>Grant Summary:</b>		This grant is a Rural Business Enterprise Grant from the USDA. It is for a feasibility study on place-based marketing related to Vermont Artisan Cheese.			
<b>Date:</b>		7/27/2009			
<b>Department:</b>		Agriculture, Food and Markets			
<b>Legal Title of Grant:</b>		Rural Business Enterprise Grant-Feasibility Study of Place-Based Marketing of Artisan Cheeses.			
<b>Federal Catalog #:</b>		10.769			
<b>Grant/Donor Name and Address:</b>		United States Department of Agriculture (USDA) Rural Development, City Center 3 <sup>rd</sup> Floor, 89 Main Street, Montpelier VT 05602			
<b>Grant Period:</b>		<b>From:</b>	<b>To:</b>		
		7/2/2009	6/30/2010		
<b>Grant/Donation</b>		\$40,000			
	<b>SFY 1</b>	<b>SFY 2</b>	<b>SFY 3</b>	<b>Total</b>	<b>Comments</b>
<b>Grant Amount:</b>	\$40,000	\$	\$	\$40,000	The project has \$15,000 in addition to this grant from other sources-- \$5,000 each in-kind from UVM and the Center for Agricultural Economy, as well as a \$5,000 grant from the Castenea Foundation.
<b>Position Information:</b>		<b># Positions</b>	<b>Explanation/Comments</b>		
		0			



**STATE OF VERMONT  
FINANCE & MANAGEMENT GRANT REVIEW FORM**

**Additional Comments:**

The other grants totaling \$15,000 on top of the \$40,000 USDA grant are each for \$5,000 and copies of the memos notifying the JFC and the Secretary of Administration of these awards are attached.

Department of Finance & Management <i>ZH</i>	<i>f 7/23/09</i>	(Initial)
Secretary of Administration	<i>NFL 8/4/09</i>	(Initial)
Sent To Joint Fiscal Office	<i>8/18/09</i>	Date

**RECEIVED**  
AUG 24 2009  
**JOINT FISCAL OFFICE**



**STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)**

<b>BASIC GRANT INFORMATION</b>				
<b>1. Agency:</b>	Agency of Agriculture, Food & Markets			
<b>2. Department:</b>				
<b>3. Program:</b>	Feasibility Study: Place-Based Marketing & Geographical Indicators for Vermont Artisan Cheese			
<b>4. Legal Title of Grant:</b>	Rural Business Enterprise Grant			
<b>5. Federal Catalog #:</b>	10.769			
<b>6. Grant/Donor Name and Address:</b> United States Department of Agriculture Rural Development City Center 3 <sup>rd</sup> Floor, 89 Main Street Montpelier, VT 05602				
<b>7. Grant Period:</b>	<b>From:</b>	7/2/2009	<b>To:</b>	6/30/2010
<b>8. Purpose of Grant:</b> Feasibility study establishing a "Taste of Place" that will apply a Vermont system of geographical indicators to artisan cheese production.				
<b>9. Impact on existing program if grant is not Accepted:</b> None.				
<b>10. BUDGET INFORMATION</b>				
	<b>SFY 1</b>	<b>SFY 2</b>	<b>SFY 3</b>	<b>Comments</b>
<b>Expenditures:</b>	<b>FY 2010</b>	<b>FY</b>	<b>FY</b>	
Personal Services	\$60,000	\$	\$	
Operating Expenses	\$5,000	\$	\$	
Grants	\$	\$	\$	
<b>Total</b>	<b>\$65,000</b>	<b>\$</b>	<b>\$</b>	
<b>Revenues:</b>				
State Funds:	\$	\$	\$	
Cash	\$10,000	\$	\$	
In-Kind	\$	\$	\$	
Federal Funds:	\$	\$	\$	
(Direct Costs)	\$40,000	\$	\$	
(Statewide Indirect)	\$	\$	\$	
(Departmental Indirect)	\$	\$	\$	
Other Funds:	\$5,000	\$	\$	Castenea-see memo attached
Grant (source In-kind - UVM \$5,000 and Ctr. for Ag Economy \$5,000)	\$10,000	\$	\$	See attached memos
<b>Total</b>	<b>\$65,000</b>	<b>\$</b>	<b>\$</b>	
<b>Appropriation No:</b>	2200030000		<b>Amount:</b>	\$40,000

JUL 2 0 2009

# STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)

			\$
			\$
			\$
			\$
			\$
			\$
			\$
	<b>Total</b>		\$

### PERSONAL SERVICE INFORMATION

**11. Will monies from this grant be used to fund one or more Personal Service Contracts?**  Yes  No  
 If "Yes", appointing authority must initial here to indicate intent to follow current competitive bidding process/policy.

Appointing Authority Name: Roger Allbee Agreed by: JJK RA (initial)

12. Limited Service Position Information:	# Positions	Title
<b>Total Positions</b>		

**12a. Equipment and space for these positions:**  Is presently available.  Can be obtained with available funds.

### 13. AUTHORIZATION AGENCY/DEPARTMENT

I/we certify that no funds beyond basic application preparation and filing costs have been expended or committed in anticipation of Joint Fiscal Committee approval of this grant, unless previous notification was made on Form AA-1PN (if applicable):	Signature: <u>Dave Lane for Roger Allbee</u>	Date: <u>7-16-09</u>
	Title:	
	Signature:	Date:
	Title:	

### 14. ACTION BY GOVERNOR

<input checked="" type="checkbox"/>	Check One Box: Accepted	<u>[Signature]</u> (Governor's signature)	Date: <u>8/15/09</u>
<input type="checkbox"/>	Rejected		Date:

### 15. SECRETARY OF ADMINISTRATION

<input checked="" type="checkbox"/>	Check One Box: Request to JFO	<u>Neal F. [Signature]</u> (Secretary's signature or designee)	Date: <u>8.4.09</u>
<input type="checkbox"/>	Information to JFO		Date:

### 16. DOCUMENTATION REQUIRED

#### Required GRANT Documentation

<input type="checkbox"/> Request Memo <input type="checkbox"/> Dept. project approval (if applicable) <input type="checkbox"/> Notice of Award <input type="checkbox"/> Grant Agreement <input type="checkbox"/> Grant Budget	<input type="checkbox"/> Notice of Donation (if any) <input type="checkbox"/> Grant (Project) Timeline (if applicable) <input type="checkbox"/> Request for Extension (if applicable) <input type="checkbox"/> Form AA-1PN attached (if applicable)
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**STATE OF VERMONT REQUEST FOR GRANT ACCEPTANCE (Form AA-1)**

**End Form AA-1**