



FY 2020 GOVERNOR'S RECOMMENDATION

Agriculture Development Division



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Agriculture Development Division

Mission

- The Agriculture Development Division delivers expertise and leadership to support economic development in Michigan's food and agriculture industry

Division Teams

- **Food and Agriculture Development**
- **Craft Beverage Council**
- **International Marketing**
- **Grants and Commodity Programs**
- **Producer Security**

Agriculture Development Division

Why Does it Matter?

- Michigan's food and agriculture sector contributes \$104.7 billion to Michigan's economy annually; with \$2.12 billion in exports
- Michigan ranks 17th according to US Census Bureau for Value-Added food manufacturing



Food and Agriculture Development Focus

Focus Areas

- Accelerate the Growth of Michigan Food and Agriculture Companies
 - Food and Agriculture Investment Program
 - Value-Added Grant Program
 - Supply Chain, Education, Regulatory Support
- Support Development of Rural Communities
 - Rural Development Fund
- Increase Export and Marketing Activities



Food and Agriculture Investment Fund Program

Food and Agriculture Investment
Fund Appropriation
FY 2020 - \$2.5 million GF/GP

Food and Agriculture Investment Fund

- Accelerate Growth of Food and Ag. Companies
- Project Based
- Commission Approved

Value-Added Grants

- Competitive
- Annual Award
- Processing, Food Hub, Food Access



Food and Agriculture Investment Fund

Food and Agriculture Investment Fund

- Project based focus to match opportunities
- Flexible incentive to support food and agriculture projects
- Performance-based grants, loans or loan guarantees, infrastructure development, other economic assistance, program administration
- Projects approved by Commission of Agriculture and Rural Development
- Projects will have grant agreement with required milestones that must be met for disbursement of funding



Food and Agriculture Investment Fund Results

- FY 2017 and FY 2018 Impact
 - 29 Projects Approved
 - \$848.2 million in Private Investment
 - Approximately 684 New Jobs
 - Adding Over 10 million Pounds of Daily Dairy Processing Capacity
 - 10 Projects Completed
- FY 2019
 - 2 Projects Approved
 - 11 Projects to be considered at the March Commission for Agriculture and Rural Development Meeting



Food and Agriculture Investment Fund

- Project Examples
 - House of Flavors (Ludington)
 - Revolution Farms (Caledonia)
 - Greenville Venture Partners (Greenville)
 - Continental Dairy (Coopersville)
 - Great Lakes HPP (Taylor)
 - Spartan Michigan (St. Johns)
 - Quality Roasting (Tuscola County)
 - Drought Juice (Berkley)
 - VernDale Dairy (Detroit)
 - Pigeon Hill Brewing (Muskegon)
 - StoneCrest Creamery (Onaway)
 - Liberty Farms and Flour Mill (Skandia)



Value-Added Grants

Value-Added Grants

- Value-Added Processing, Food Hubs, Food Access
- 10 to 15 Grants Funded Each Year
- Approximately \$1 million of funding
- Maximum Grant is \$125,000
- Required Match of 30%
- FY 2019 Timeline
 - Grant Applications Due: May 8
 - Grant Awards Announcement: August



Value-Added Grants

- 2018 Grantees

- Byron Center Meats (Byron Center)
- Michigan Farm to Freezer (Detroit)
- Johnston's Meats (Peck)
- Oomen Farms (Hart)
- Mackinaw Trail Winery (Petoskey)
- Snackwerks of Michigan (Battle Creek)
- Stuart Family Organics (Custer)
- Superior Honey Farm (Chassell)
- Wunch Farms (Traverse City)
- Todd Greiner Farms Packing (Hart)
- Anderson & Girls Orchard (Stanton)
- Kejara's Bridge/The Redheads (Lake Leelanau)
- Ypsilanti Food Cooperative (Ypsilanti)



Michigan Craft Beverage Council

- Created by PA's 154 and 155 of 2018
- Legislation Earmarks 50% of Annual Funding Allocations for Research Grants
- Program Funded by Non-Retail Liquor Fees
 - Approximately \$600,000/year



Michigan Craft Beverage Council

- Nine Member Council Appointed in September 2018
- Council Created Two Subcommittees
 - Research Committee
 - Promotion Committee
- Request For Proposals Issued for Research Grant Proposals
 - 28 Proposals Submitted
- Maximum grant is \$50,000
- Awards Announced in April



Questions?

Michigan.gov/agdevelopment
Michigan.gov/mdardgrants
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