



**FRUIT AND VEGETABLE STORAGE
ASSISTANCE PROGRAM
2008 - 09**

Deadline for Application is February 29, 2008

All applications and supporting documentation must be submitted to the Agricultural Representative in the applicant's area.

Additional copies of this application may be found at www.gov.nl.ca/agric

**Approval of projects is subject to funding being made available
in the 2008/09 provincial budget.**

PROGRAM CONDITIONS

1. Purpose of Program

The purpose of this program is to enhance the economic viability of horticultural producers through the expansion, upgrade and construction of fruit and vegetable storage facilities including the purchase of cleaning and grading equipment. This program is also available to regional producer associations for the upgrade, expansion or construction of a regional fruit and/or vegetable storage facility.

2. Eligible Activities

Eligible activities must support the objectives of the program with regards to the construction, expansion or upgrade of buildings and equipment relevant to the storage of fruit and vegetables as well as equipment used in the cleaning, grading and packaging of fruits and vegetables. Repairs to buildings and equipment are not eligible.

3. Eligible Applicants

This program is available only to horticultural producers, including producer co-ops in Newfoundland and Labrador. Government departments and/or agencies as well as not-for-profit organizations are ineligible for funding assistance under this program. An exception may be made for not-for-profit organizations that offer fruit and/or vegetable storage services to local producers.

Applicants for on-farm storage facilities must have reported a minimum of **\$15,000** in gross farm sales to Canada Revenue Agency in one of the last three years.

Gross farm sales for the purpose of this program are defined as sales of agricultural products which includes crops, livestock, bedding plants, sods, ranch fur, and also includes income received from crop insurance payments. It does not include income received from grants, wage subsidies, or sales of non-agricultural products or services

Applicants for a regional storage facility must:

- i. be a legal entity comprised of three (3) or more regional fruit and/or vegetable producers. Member producers of this entity must have reported Income Tax as farmers and must have had at least **\$15,000** each in sales in one of the last

three years. Not-for-profit associations offering fruit and/or vegetable storage services to local producers are exempt from this requirement.

- ii. Applicants for the development of a new regional storage facility should also:
 - a. Demonstrate that they have the financial capacity and management ability to operate and maintain the facility;
 - b. Demonstrate that a need for such a facility exists within the region;
 - c. Demonstrate a commitment to fully utilize the facility for vegetable storage;
 - d. Commit at least a 25% equity share in the facility.

New Entrants may be considered for funding based upon their on-farm work experience and demonstrated commercial farm viability and must have made a significant financial investment in their farm business.

4. Ineligible Activities

Costs not covered under this program include:

- i. Expenses incurred prior to the submission of the Fruit and Vegetable Storage Assistance Program application.
- ii. Expenditures for buildings and equipment not used exclusively for the storage of fruit and vegetables.
- iii. Assets purchased from associated or affiliated producers or companies.
- iv. Costs associated with restructuring of existing debts.
- v. HST/GST
- vi. In-kind or “sweat equity” contributions.
- vii. Expenditures not directly related to the construction, expansion or upgrade of the storage facility (e.g. legal fees, financing charges, etc).
- viii. Other costs deemed inappropriate by the Program Management Committee.

5. Available Assistance

All assistance offers are subject to the availability of program funds.

5.1 Individual Applicant

Assistance is in the form of a non-repayable grant and is available to:

- the lesser of 50% of approved costs or \$10,000 for individuals with sales between \$15,000 and \$100,000;
- the lesser of 50% of approved costs or \$20,000 for individuals with sales in excess of \$100,000

5.2 Applicant for Regional Storage Facility

Assistance is in the form of a non-repayable grant and is available up to 75% of approved costs. Assistance is limited based upon the scope, reach (e.g number of farms) and benefit of the facility to the regional producers.

6. Payment Conditions

Once the approved project is complete, the applicant must submit a Project Claim Form provided by the Department of Natural Resources. All project claims must be supported by:

- invoices for purchased goods and services clearly showing vendor's name and contact information,
- non-arm's length transactions must be accompanied by proof of payment,
- cancelled cheques for all third party labour,
- transportation costs for supplies and equipment will only be reimbursed if the costs are actual cash costs and included on a third-party invoice/receipt,
- proof of payment must be shown by cancelled cheque, money order or bank draft for all used equipment purchases. Cash purchases over \$1,000 will not be reimbursed.
- invoices or receipts submitted for payment must be issued to the same entity that is named in the contribution agreement.

7. How to Apply

Producers must:

- 7.1 Complete the attached Fruit and Vegetable Storage Assistance Program application form.
- 7.2 To show that you meet the eligibility criteria in Section 3 please attach a copy of your:
 - a) Statement of Farming Activity (T2042) form for non-CAIS participants or;
 - b) Statement A-Harmonized CAIS Program Information and Statement of

Fruit and Vegetable Storage Assistance Program

- Farming Activity for Individuals (T1273); or
- c) Statement B-Harmonized CAIS Program Information and Statement of Farming Activity for Additional Farming Operations (T1274); or
 - d) For incorporated entities please submit Financial Statements prepared by a licenced public accountant for your most recent complete year. If internally prepared statements are submitted then they must be supported by the Corporation Income Tax Return (T2), or applicable CAIS Program Information forms.
- 7.3 In the case of applications for a new regional storage facility, include a business plan demonstrating that your organization meets the eligibility criteria in Section 3 above and that the proposed facility is viable.
- 7.4 Application for construction or expansion of a fruit/vegetable storage building must submit a reasonably detailed floor plan identifying the work to be undertaken.

Please ensure all sections are complete as incomplete applications will not be accepted. Completed forms should be submitted by **February 29, 2008** to the Agricultural Representative in your area.

**Fruit and Vegetable Storage
Assistance Program**

Application Form

TO BE COMPLETED BY OWNER

Name of Applicant: _____

Name of Contact: _____

Mailing Address: _____

Phone Number: _____ Cell Number: _____

Fax Number: _____

E-Mail Address: _____

Date: _____

**All sections must be completed to be
considered eligible for assistance**

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SECTION 2: FRUIT AND VEGETABLE PRODUCTION INFORMATION

Please list each crop produced by the owners of this fruit/vegetable storage building in 2007 and estimate the following:

Crop	Acres in Production	Acres Harvested	Total Harvested (Kgs)
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			

**For On-Farm Fruit and Vegetable Storage please go to Section 3 on Page 7
For Regional Fruit and Vegetable Storage please continue below.**

TO BE COMPLETED FOR APPLICATIONS FOR A REGIONAL STORAGE FACILITY

Please identify the Owners of the Regional Storage Facility

Name	Number of acres of Fruit and/or Vegetables grown in 2007
1.	
2.	
3.	
4.	
5.	
6.	

SECTION 4: ASSISTANCE REQUESTED

In the space provided below please provide details/specifications related to the construction, expansion or upgrade of this storage facility. Identify building materials and its associated costs; provide details of the equipment, including type, capacity and cost. On the following page, **identify the amount of assistance being requested** and any other government sources of funding for this project.

Description of work to be undertaken: _____

Materials/services to be purchased (e.g. lumber, concrete, electrical, etc): _____

Equipment to be purchased (e.g. cooling system, storage boxes, etc.): _____

SECTION 4 (Cont'd): ASSISTANCE REQUESTED

Total Cost of Project = \$ _____;

Assistance requested from this program \$ _____

Please identify all sources of funding

Applicant or Farm = \$ _____;

Fruit and Vegetable Storage Assistance Program..... = \$ _____;

Provincial Agrifoods Assistance Program = \$ _____;

Other Government Programs (Identify _____)...= \$ _____;

SECTION 5 FLOOR PLAN

To be completed for applications involving the construction or expansion of a fruit/vegetable storage building.

On the following page, please provide a reasonably detailed floor plan of the proposed construction/expansion work to be conducted. The floor plan should identify building dimensions, location of doors and windows, any interior rooms, and location of any washrooms.

SECTION 5 FLOOR PLAN (Cont'd)

Please note that the Department reserves the right to request supporting documentation.

Please verify (✓) that you have completed this application and attached the required documents:

- All Sections of the application form have been completed;
- Attached the appropriate financial documents to show that you meet the eligibility criteria (See page 3, section 7.2 “How to Apply” to determine which document you need to submit.).
- Attached a business plan if applying as a new regional storage;
- Attached a floor plan if applying for the construction/expansion of a fruit/vegetable storage building.

Any payments made by the Department are subject to the right of Government, under the Financial Administration Act, to set off any amounts owing to it by the applicant. Additionally, the amount of assistance made available to you under this Program may be released as public information under the Freedom of Information Act.

I certify that the information provided in this document is complete and accurate.

Applicant’s Signature

Date

Applications must be submitted no later than **February 29, 2008** to the Agricultural Representative in your area.

Incomplete applications will not be accepted