FSA & NRCS Primer for Urban Agriculture

Opening

- This presentation is meant for extension agents and educators, growers, and USDA employees who are interested in approaching familiar programs in a new context, if urban agriculture is new to you, or for anyone in the UA space who is wondering what USDA support programs may be relevant to them.
- This is a primer only, and is not meant to deep dive into eligibility or applications for specific programs. While we'll cover some specific programs at a surface level, this is more an introductory primer to approaching FSA and NRCS through the lens of urban agriculture.

Agenda

- The agenda for today – our goal is to provide some context around the USDA and two specific agencies that might be more useful for urban growers.

Introductions

- To get us started…
- We have a whole host of people on the call today whose primary concern is to help growers access USDA resources, specifically from the Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS). These folks helped put this presentation together and will be available on the chat and in the Q&A at the end to answer remaining questions. These are the subject matter experts! I'll explain more about these agencies in a moment but for now…. (at this point, everyone represented on the slide introduced themselves).

Background

- First some background on why we developed this primer
- The United States Department of Agriculture is Authorized by Congress
    - It all starts with the USDA. The Department has a budget in the hundreds of billions of dollars annually to support food production, trade, and distribution. The USDA provides significant financial and technical support to agricultural industries of all kind, and especially commodity trade crops. The USDA's support for urban growing has been limited, but that is beginning to change. We're here to talk about some of the programs the USDA has to offer urban growers, but before we do that, I want to provide some context that can help organize our expectations around the USDA's support for urban ag.
    - The USDA is a part of the executive branch of the US federal government. As such, it receives its authorization and funding from Congress and must operate within the guardrails of that authorization

and funding. This means the USDA, and agencies like FSA and NRCS, can only do what Congress tells them to do in law. This means, for example, that the USDA may be limited in their ability to administer certain programs because Congress didn't include language about specific practices. These guardrails cannot be changed until Congress passes new legislation. This legislation usually comes as part of the Farm Bill, the unofficial name given to a package of agricultural legislation that is revisited every 5 years or so. This relationship between the USDA and Congress partially explains why the USDA hasn't provided much support for urban ag in the past, and also why it takes so long to see significant changes at the USDA. We won't discuss the farm bill in today's session, but do note that the current Farm Bill is up for reauthorization and negotiations are still under way. So, if you want to see continued or increased support for urban ag from the USDA, now is a perfect time to get involved with some grassroots organizations to lobby your congressional representation.

USDA History with Urban Agriculture

- As I hinted, the great news is that the USDA has been investing more and more in urban agriculture in recent years and the time is ripe, right now!, for urban growers to start working with the department if they aren't already. The first significant resource available for urban growers came in 2016 with the creation of an "Urban Agriculture Toolkit." This toolkit provided a single hub directing urban growers to over 70 resources, including some existing USDA programs that urban growers may be eligible for. This tool can easily be found through an online search engine and there is an even more recent document, the urban agriculture programs at a glance, that directs growers to similar resources. The biggest change came as part of the 2018 Farm Bill when Congress authorized the establishment of an Office of Urban Agriculture and Innovative Production as well as expanded support for urban agriculture across the USDA. That's where we are today.
- That 2018 Farm Bill also included more flexibility for two specific USDA agencies, NRCS and FSA, to provide outreach and programming to urban growers. Many of the programs we will discuss today are now relevant to urban growers because of the legislative changes that came from this 2018 Farm Bill.
- It always helps me to find a way to orient the abstract, so I wanted to share a high-level USDA organizational chart. the Farm Service Agency, or FSA, and the Natural Resources Conservation Service, or NRCS, are sister agencies and both fall within the Farm Production and Conservation, of FPAC, mission area, highlighted in yellow. So, you can see there is a lot more to the USDA, but we are just speaking about these two agencies today.
- Because FSA and NRCS staff cover every county in the country...
- Including offices across New York State, making both agencies accessible to every grower in New York.
- FSA and NRCS are somewhat unique at USDA in that they offer boots on the ground, farmer-facing support to all farmers across the country. FSA and NRCS staff often share offices because they work together so closely. And because of growing interest in urban agriculture at both agencies, programs and services

that FSA and NRCS offer are becoming more and more accessible to urban growers.

For Extension, Growers, and County Committees

- Our hope today is to provide a foundational overview of FSA and NRCS and what they have to offer in the context of urban agriculture. As a result of this presentation, we hope that extension folks, who are likely familiar with these agencies and their initiatives, may be inspired to encourage their urban grower partners to use their local USDA service center as a resource. We hope that urban growers can use this presentation to realize the support that USDA can offer them right now, even as USDA is working to create more opportunities for urban growers in the future. And we hope that county committees can use this presentation as a training for their members and to also encourage county committees outside of NYC to start expanding their focuses to be more inclusive of urban agriculture.

Farm Service Agency (FSA)

- First, we'll provide a quick overview of both agencies to highlight both their general roles and the new investments they are making in urban agriculture, starting with the FSA.
- Intro to the Farm Service Agency
    - The Farm Service Agency, or FSA, has its origins in the New Deal era prompted by the dual crises of the Great Depression and Dust Bowl in 1920s and 1930s America. This history informs the FSA's modern mission statement: to ensure a healthy and abundant supply of food and fiber while conserving our land, water, and wildlife, and deliver services efficiently in order to protect the economic security of American farmers.
    - This mission makes evident the FSA's focus on commercial agriculture that supports a certain standard of living for farmers. But this commercial focus can complicate the support that the FSA can offer to urban growers, many of whom do not operate a commercial or for-profit business model.
    - However, the agency's more recent focus on urban agriculture is intended to widen the scope and expand inclusivity of USDA programs.
    - The modern FSA is often called "the gateway to the USDA" because the FSA is responsible for managing farm records, records that are essential for determining if farmers are eligible to access other USDA programs and financial support. The FSA also administers initiatives of its own, called farm programs and farm loans, which we'll review later. Importantly, the FSA has a direct relationship with farming communities through county committees. These committees are made up of a small group of farmers who are elected by their peers to represent them. The 2018 Farm Bill authorized the establishment of an urban pilot program that launched 17, and now soon to be 27, urban county committees and service center staff to support them. Today, we'll discuss some of the great work that these urban committees and staff have done to make the FSA more accessible to urban growers.

Natural Resources Conservation Service (NRCS)

- Intro to the Natural Resources Conservation Service
    - Like the FSA, the Natural Resources Conservation Service, or NRCS, was also born out of the Dust Bowl disaster. The Dust Bowl highlighted the need for strategic and widespread conservation of topsoil and thus the USDA Soil Conservation Service was born. The agency was renamed to reflect a broader mission of natural resource conservation. The agency's mission is "to deliver conservation solutions so agricultural producers can protect natural resources and feed a growing world."
    - The NRCS specifically includes urban agriculture as one of its contemporary priorities and many states have convened urban agriculture working groups who are hard at work finding ways to implement NRCS's technical and financial assistance programs in urban areas.
    - The NRCS also hosts the Office of Urban Agriculture and innovative production. This office was newly formed as part of the 2018 Farm Bill.

NRCS Initiatives

- Now we're going to provide an overview of the most relevant initiatives offered by both NRCS and FSA for urban growers. This is not an exhaustive list of everything these agencies offer, let alone everything the USDA offers, but will be a good place to start. NRCS initiatives may be more familiar for this group, especially because urban soil conservationists at NRCS have been working in urban spaces for longer than the FSA urban pilot has been around, so we'll start here. A key thing to remember is that growers must establish a record with the FSA before they can be eligible for any NRCS initiatives.

Background

- The first thing to know is that there has never been so much money invested in climate-smart agriculture by the USDA as there is now. Due to funds from the Inflation Reduction Act, the USDA invested $2.8 billion in 45,000 conservation contracts in 2023, more than any year in the 89-year history of NRCS. So, now is a great time to get started with NRCS programs. Some funding is specifically held for urban agriculture projects, so urban growers are not always competing with rural growers for funding. Seriously, the time is now! As for eligibility, in theory any kind of urban grower should be eligible for NRCS programs. This includes nonprofits and even noncommercial operations, though commercial operations or those making large-scale, formalized food donations are more likely to be awarded support because many NRCS applications are competitive and the competition process prioritizes scale and impact.
- The NRCS offers support for hundreds of conservation practices, but today we will focus on a few programs that may be most relevant for urban growers.

EQIP

- The Environmental Quality Incentive Program, or EQIP, is one of the most well-known NRCS programs. As the name suggests, this program incentivizes growers to invest in projects that promote environmental quality. EQIP is grounded in the belief that agricultural production and environmental quality can be promoted as compatible goals. These are goals often held by urban growers as well, who seek to improve soil, water, and air quality in their spaces. EQIP provides financial and technical assistance for growers to identify and address environmental concerns on their property, largely with the goal of water conservation. This is a cost share program, so the NRCS will not pay all costs to implement the practice.

- Applications are accepted on a rolling basis and FSA and NRCS agents can help with this paperwork. For EQIP and many other programs, applicant signatures must match across documents, so urban growers with complex land ownership or business models need to keep this in mind.
- FSA staff will largely be concerned with ensuring the eligibility of the applicant and making sure the USDA knows who to pay, and NRCS will be concerned with the eligibility of the land. To be eligible, at least one natural resource concern must be identified and able to be addressed with an approved conservation practice or activity. All land must comply with Highly Erodible Land (HEL) and Wetland Compliance (WC) requirements, though growers may obtain an HEL exception for noncommercial production under 2 acres. This is often not relevant in urban areas where growing does not occur near wetlands and often happens in raised beds with no risk of soil erosion. Again, your NRCS contact can help you navigate these requirements.
- Payout for EQIP can be significant, equaling 90% of the cost of the practice for beginning or historically underserved growers, and many urban growers fit that description. These growers may also receive 50% of their payment upfront, rather than as a reimbursement, making it even easier to purchase things like high tunnels, cover crops, or irrigation equipment covered under EQIP.
- Growers could receive payments for the same conservation practice multiple times, so long as the subsequent practice achieves a higher level of conservation benefit and the payment stays within any limitations set by the Farm Bill.
- I've listed some common examples of EQIP projects here. High tunnels are one of the most beloved examples even on small urban plots, so long as local zoning allows permanent structures. Karen Washington and the growers at Garden of Happiness paved the way for urban growers by securing a high tunnel over 5 years ago in the Bronx. The tunnel can be used to reduce irrigation stress and degraded plant conditions in hot summer months. After a grower establishes records with their FSA office and completes their forms, NRCS staff will confirm and identify conservation opportunities on the land. NRCS staff will then use a state-specific tool to rank the application against others on scheduled batching dates.
- Some other things for urban growers to note:
    - There is no minimum agricultural income requirement or agricultural product value requirement when determining land or producer eligibility. Growers who do not sell, market, or distribute their products may be eligible for EQIP. This is great news for urban growers who many operate a donation-based model.
    - The size and location of production are irrelevant for program eligibility, so a backyard gardener, for example, could be eligible for NRCS programs. Agricultural production is defined as "the use of cultivated

plants or animals to produce products for sustaining or enhancing human life." The only requirement is that the land is in production at the time of the application. Community agriculture may also be eligible.
    - Growers do not need to submit production records or yield data because there is no minimum production duration requirement. But NRCS may certify that ag land is currently in production of some kind with a visual assessment.
    - BUT eligibility does not mean you are guaranteed to win an EQIP contract – it all depends on how many producers apply during a batching period.

CSP

- CSP is the Conservation Stewardship Program. While the goal of EQIP is water quality, the goal of CSP is soil quality above and beyond the levels of conservation that have been achieved through EQIP.
- Applications can be submitted on a rolling basis but batching deadlines happen at specific times throughout the year. These batching periods are not necessarily annual so stay plugged in with your service center, enroll for their newsletters, and check the NRCS website for updates and deadlines. The most recent deadline was just announced for April 19 – 4 days from now!
- CSP is a 5-year program and pays annually, not pay-as-you-go like EQIP. The minimum annual payment is $4,000, so the minimum incentive per contract is $20,000. The maximum is $200,000. After 5 years, a producer can open another 5-year contract so long as they are enhancing their conservation efforts.
- As with EQIP, FSA is the first stop for determining eligibility for CSP. FSA determines applicant eligibility, then NRCS determines if the land is eligible, meaning that the land is in production and that a legitimate resource concern exists that CSP can remedy. Because CSP is a 5-year program, producers who lease land on a year-to-year basis may not be eligible for these projects, but speak with your local NRCS contact to see what they can do to support.
- Here are some examples of the enhancements CSP can cover.
- Here's how the application might go:
    - An urban grower is interested in establishing pollinator habitat and food resources. They have already been growing some pollinator-friendly flowers around their operation, but want to expand a wildflower border. They contact their local FSA office and establish eligibility by completing FPDR and CPA 1200 forms, in addition to any basic farm record documents. NRCS determines if the producer already meets or exceeds an adequate level of conservation criteria, thereby meeting a "stewardship threshold." Like with EQIP, NRCS will then rank the application against other similar eligible applications in the same ranking pool, with the highest scoring applications receiving contract offers first. If their plan is accepted, they could receive at least $4,000 a month to maintain their pollinator habitat.
    - Another example: an urban grower has been planting cover crops over their rows and raised beds, but wants to enhance their practices. They could be eligible for CSP payments by planting multi-species cover crops or deep-rooted cover crops.

    - In both examples, you can see that these are not beginning growers – applicants must already be growing and practicing conservation strategies to be eligible for CSP.

CIG

- Conservation Innovation Grants (CIG) support the development of new approaches to further natural resource conservation on private lands. The emphasis of CIG is on the creation of NEW tools. This is not funding for research projects, per se, but for the application of new technologies.
- CIG requires match funding; this match could be in kind (for example, in equipment), and non-profits could use their own investments to self-match.
- You must apply on grants.gov, so you need a UEI on sam.gov, meaning you have to be registered in SAM which must be done annually.
- This program is related to EQIP, so farmers must currently be eligible to receive EQIP funding to be eligible for CIG. Growers can partner with extension researchers on these projects...
    - ... as this example illustrates. Cornell Cooperative Extension's vegetable program partnered with farmers from around New York to test an innovative method of winter cover cropping under high tunnels to achieve resource conservation goals and reduce the application of pesticides. Cornell currently has another CIG program testing best management practices for high organic matter soils in urban and rural vegetable production. This project also highlights cover cropping.

RCPP

- RCPP is the regional conservation partnership program. RCPP offers yet another funding opportunity for producers to implement conservation practices. The idea is to incentivize joint efforts to maximize available expertise. For example, RCPP may fund a project initiated by a farmer, a conservation organization, and a local government agency. NRCS would act as an additional partner and contribute technical and financial assistance not as a grant but as just one partner on the project.
- Some examples to illustrate this initiative. Sustainable Chesapeake, a nonprofit in Maryland, was awarded $1.2 million to offer more funding to local farmers to practice resource conservation techniques. Their project proposed focusing outreach on urban and historically underserved farmers to increase participation in NRCS programs. As another example, the Northwest Arkansas Land Trust was awarded $650,000 to permanently protect 60 to 120 acres of small and urban farmland.
- To be eligible to participate in most NRCS programs, growers must have a relationship with their FSA office. Both CSP and EQIP require that growers obtain a farm number and establish the necessary records with FSA. RCPP is the exception, as many eligible entities do not farm and therefore would not have farm records with the FSA.
- I mentioned the fact that USDA is an executive agency and is constrained by Congressional authorization. The NRCS and FSA are required to do what the law allows them, and only what the law allows. The most recent Farm Bill has

no NRCS practice standards for indoor, hydroponics, or rooftop growing because of the historic focus on ground-based, soil-based conservation. Therefore, these spaces may not be eligible for NRCS programs. Service for these types of operations would require a Farm Bill change, but NRCS folks in NY are actively working on solutions.

Local Working Groups

- NRCS also organizes working groups. Local Working Groups are made up of individuals from a variety of areas: cooperative extension, growers, soil and water conservation districts, even FSA can participate. NRCS organizers will put out a public call, usually once a year, in their district. These groups meet to discuss resource priorities like specific watersheds and to identify practices or concerns that deserve more attention or funding in their area. Recommendations from these working groups can result in changes to NRCS application ranking, the development of priority resource concerns, evaluation of resource concerns, and funding. You can get involved in your local working group by making sure you're on your local FSA and NRCS office comms list – reach out to your local service center or district conservationist to make sure they have your contact information, and they know you are interested in participating.

OUAIP

- The Office of Urban Agriculture and Innovative Production, or OUAIP, is a special office authorized into existence as part of the 2018 Farm Bill. This office is unique because, while it is hosted under the NRCS, it serves the entire USDA. This office coordinates efforts to expand support for urban agriculture across the USDA, and also offers its own grants and is responsible for overseeing certain projects.
- Urban Agriculture and Innovation Production (UAIP) competitive grants are available to support a wide variety of urban agriculture projects from planning to implementation. Examples include funding to conduct business planning or feasibility studies, or funding to promote agricultural businesses. Currently, these grants are open only annually. The amount of funding for these grants has decreased each year, and increasing funding would require language in the Farm Bill. For anyone who is interested in policy activism, this could be one area to rally around. The deadline for this year just passed, which means growers have plenty of time to build their application for next year.
- The office also awards cooperative agreements to address composting and food waste reduction. Preference is given to projects that increase access to compost for agricultural producers, improve soil quality and encourage innovative, scalable waste management plans that reduce and divert food waste from landfills. Agreements are available to local, municipal, and tribal governments working with partners. Proposals require a 25% match, which can include in-kind contributions. In the past, the funding floor was $55,000 and the ceiling was $400,000 for these agreements. We don't have dates for FY24 yet so stay tuned on the office's website. New York has been taking advantage of this opportunity, with New York City winning funds in 2020, Troy in 2021, and

projects currently active in Thompkins County, Geneva, and with the Seneca Nation in Western NY.

- OUAIP oversees the Federal Advisory Committee for Urban Agricultural and Innovative Production which has convened since 2022 with a rotating cast of 12 members. These members serve 1-3 year terms and come from diverse but relevant backgrounds. New York City's Qiana Mickie, head of the Mayor's Office of Urban Agriculture, was recently appointed. This Committee was authorized by the 2018 Farm Bill to advise the Secretary of Agriculture on the development of policies and outreach relating to urban, indoor, and other emerging agricultural production practices as well as identify any barriers to urban agriculture. They host quarterly meetings in which they discuss recommendations that are then presented to the Secretary. These meetings are open to the public.
- The OUAIP administers the People's Garden initiative. The People's Garden was launched by the Obama administration in 2009. The goal was to celebrate gardening, educate the public, and create a network of support for community gardeners. Gardens must apply for the distinction and are only eligible if they use sustainable practices and offer educational programming to their community. Selection earns garden signage, access to a network of growers through a specific webinar series, and may unlock state-specific funding at the discretion of their local administrators.
- The OUAIP also manages the Urban Growers website under farmers.gov which hosts an abundance of resources, many of which link out to USDA programs and services that may be relevant to urban growers.

FSA Initiatives

Getting Started

- While not all USDA programs require working with the FSA, you must have records with the USDA to receive any funding for your farm or garden. So, meeting with your FSA staff at your local USDA service center is often your first stop en route to unlocking USDA support.
- The USDA has more than 2,300 farm service centers across the nation, which usually co-locate FSA and NRCS staff, and may often also host staff from the local cooperative extension, soil and water conservation district, or other USDA agencies like Rural Development. Urban-specific offices are opening in 17 cities across the US, including right here in NYC. Ten new cities will shortly be added to this list. This is all part of the urban program that the USDA was authorized to pilot in the 2018 Farm Bill. New York City is still in the process of opening its brick-and-mortar office, but we expect to have one by this summer. In the meantime, Mirem Villamil is available by phone and email and can meet farmers in the NYC area at their farm or another convenient location. Urban growers in other areas, like Buffalo or Albany, are encouraged to first reach out to their local service center to get started. If they encounter issues, they can encourage their FSA contact to reach out to Mirem for support.
- One of the FSA's primary functions is establishing farm records and ensuring that growers are eligible to receive funding and support from the USDA. This eligibility requirement is to ensure that the USDA is spending time and

resources with growers who really need them. Establishing eligibility can feel daunting, so we want to clarify what typical eligibility thresholds are for most USDA programs:

- In general, there are adjusted gross income requirements to be eligible for financial support from the USDA. Producers must make less than $900,000 in annual adjusted gross income, though there are some exceptions. For example, non-profits usually clear this hurdle by virtue of their business structure and how they report earnings.
- There is no minimum acreage requirement – what matters is that you have the proper information about your farming operation to help the FSA complete your paperwork. Eligibility for programs does not depend on the size of your operation.
- Paperwork is simplest if the producer owns their land, but ownership is not necessary. If a producer is renting or leasing the land, FSA agents have solutions to get the information and permissions they need – like getting an email from the landlord.
- There are no requirements for an amount of time a producer has been farming, that they are selling product, or that the land has been historically farmed in order for a producer to obtain a farm number. However, there are eligibility requirements for some farm loans and, as you saw, some NRCS programs like CSP. We'll discuss farm loans in a moment.
- A producer also does not need to be a US citizen to register with the FSA and receive USDA support. However, they do need to have some form of government-issued ID and a tax identification number to receive any funds.
- I also want to clarify that the FSA is still early in its pilot urban service center program, and there are significant efforts underway to examine FSA requirements and processes to expand access for urban growers in the future. The FSA's definition of urban ag is intentionally broad to be as inclusive as possible. While the FSA does not yet have any programs that are specifically designed for urban growers, staff are actively seeking ways to include urban growers in existing programs. We'll walk through these momentarily.
- Creating farm records includes creating a farm number and crop acreage reports.
- The farm number itself is just a record of the land with the USDA. The number applies to the land, not to the producer, so if the producer leaves to farm another area, the farm number stays behind. Registering a FSN means the FSA can map your property boundaries, which could be useful for grower records. Land only needs to be registered once – if a grower acquires previously cropped land that had a farm number, they do not need to create a new farm number.
- While you only need to apply for a farm number once, crop acreage reporting is recommended on an annual basis. The FSA wants to know what you are growing, where you are growing it, and when you are growing it. This helps the FSA and NRCS stay aware of compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) compliance, which, as we discussed earlier, is important for eligibility in NRCS programs. While it has acreage in the name, you don't have to be growing a single crop on a whole acre or even farm on a whole acre to complete your reporting. Crop acreage reporting also helps FSA keep an up-to-date map of your production area which can be used to help

producers get access to crop insurance or other FSA safety net programs. We'll discuss these in a moment – while many of these FSA programs may not be applicable to urban growers yet because of the small scale of production typically associated with urban growing, acreage reporting is still a useful and relatively pain free way to keep in touch with your FSA office and be alerted to additional support as it becomes available. After the first map of the farm is established, producers may be able to just call into their FSA office to report crop acreage without completing any paperwork. The FSA agent would just need their signature on a form confirming their records after the call.

- A caveat for urban growers: much of the USDA, including crop acreage reporting, is currently based on production output, not revenue or whole-farm value. Reporting crop acreage could be cumbersome for many urban growers, especially if they practice intensive succession planting and are growing a high diversity of crops in a small geographical space. This complexity is something USDA agents have acknowledged they are working on.
- After meeting with your FSA agent, it's always recommended that you ask for two things:
    1. A receipt of service
    2. And an aerial map of the property you discussed.
    - This ensures you have a record of your conversation that you can reference in the future when you want to check in on the status of your request and to ensure you are fully aligned on the size and boundaries of the land you discussed.
- A caveat here: while rooftop and vacant lot growing should not present issues for mapping, creating maps and farm numbers for indoor operations, especially if there are multiple different operations in one building and stacked on top of one another, do pose an issue. This is something the FSA is working to address, but does not yet have a solution for.
- Like NRCS, FSA offers services to growers to support their operations. These services fall into two categories: farm programs and farm loans. We'll start with farm programs. These programs provide disaster assistance, conservation support, farmer safety nets, and risk management. FSA farm programs are distinct from NRCS programs because of their emphasis on general business support and the provision of financial safety nets, whereas NRCS programs focus more on technical support and cost sharing specifically for the implementation of conservation practices.

ELAP

- ELAP is short for the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program. ELAP provides emergency financial assistance to cover losses due to an eligible adverse weather or loss condition, like blizzards or wildfires, or colony collapse disorder for honeybees.
- There is no cost to participate, just need to meet deadlines for crop acreage reporting. There will be some paperwork required to claim the loss, but none upfront. There are no payment limitations but payout is usually not huge, especially for smaller producers. If you are a new farmer, you can be paid more, receiving up to 90% of the cost of losses based on a national formula.

The payout is not meant to compete with a market rate, just to help cushion the blow of a disaster for producers.
- The bar for eligibility is quite low and again there is no cost to participate. Weather events must be significant to trigger a payout, however, and must be determined as such by the Secretary of Agriculture. There are no payouts for a loss of power that might affect indoor farm-raised fish, even if the power outage was caused by inclement weather.
- Honeybees and maybe some outdoor aquaponic operations are the best fits for this program in an urban context. Once a honeybee operation is recorded through crop acreage reporting, the producer doesn't have to do anything except manage the hive according to best practices to avoid colony collapse disorder, or CCD. If CCD does still occur, the producer must report the loss that year and apply for reimbursement as well as provide some documentation that they did apply best practice strategies before the loss.

FSFL

- Farm Storage Facility Loans are unique because they are technically loans, but are administered by your farm program team at FSA so you don't have to achieve the same loan eligibility standards to participate. FSFLs provide loans for growers to purchase storage infrastructure, which can include cold storage, refrigerated trucks, dehydrating equipment, and might even include portable meat processing equipment. Producers would need to separately procure insurance to cover the infrastructure itself.
- There is a $100, non-refundable service fee. Because of the fee, it's recommended for producers to get help from their county office to work through the loan application for free first so they can decide if they want to move forward. FSA just won't "officially accept" the application until the $100 is paid.
- There are two types of farm storage loans: regular (up to $500,000) or microloans (up to $50,000). The term of the loan depends on the lifespan of the collateral purchased with the loan. For example, if buying a used truck that only has 3 years left on its lifespan, the loan would need to be repaid in 3 years.
- As you can see on the slide, relative to commercial lending rates, the rates for FSFL through FSA are significantly lower, making this a solid option for urban businesses.
- FSFL is an exciting offering because of the range of infrastructure it covers, much of which is applicable for urban growers. It includes but is not limited to permanent or portable, new or used cold / refrigerated storage, storage or handling trucks, vacuums, batch dryers, storage containers, hydraulic self-propelled forklifts, and more. Your county committee can establish what may be eligible for an FSFL if something is not yet on the official list, which can be found online.

OCCSP

- The Organic Certification Cost Share Program reimburses 75% of the certification costs for organic producers and handlers, up to $750.

- There's no application cost, but reimbursement can take a while and producers or handlers are expected to front the certification fees
- OCCSP funds are limited and applications are paid on a first come, first-served basis. You do not need a farm number and you don't even need to be a permanent resident for this reimbursement.

NAP

- NAP, or the Non-Insured Crop Assistance Program, is probably the least relevant of all FSA farm programs to urban growers. But we want to give an overview for awareness because it is popular in rural areas and some urban growers may ask about it.
- NAP is the USDA's safety-net option for agricultural products that are not covered by conventional crop insurance. Crop insurance is offered by private insurance companies, but these marketplaces don't often exist for many fruits and vegetables and cut flowers and honey, the types of crops often grown in urban contexts. NAP partially compensates farmers for crop loss caused by natural disasters and adverse weather events. It's designed to offset expenses incurred, not make up for lost revenue.
- There is an application fee associated with NAP and a premium depending on the level of coverage, just like with traditional insurance.
- Payout depends on how much of the crop is destroyed in the adverse weather event and the national wholesale price for this crop. This makes NAP challenging for urban growers: it requires reporting on each crop, which can mean significant paperwork for intensive, diverse operations. The payout rate also creates challenges, as many urban growers sell their crops at higher, direct-to-consumer rates, not the average wholesale rates that inform the payout formula. States have the option to calculate direct-to-consumer pricing for specific crops, but this is an intensive process that has not been done for all crops in all states.
- However, beginning, limited resources, socially disadvantaged, and veteran growers could benefit from this program. These farmer groups are automatically enrolled in NAP when they register as this type of farmer with the FSA – you can opt out. These groups do not have to pay a service fee or any premium for basic coverage, and have 50% of their premium coverage fee reduced if they opt into more coverage. But again, don't expect a massive payout, and note that a real disaster will be the only thing to trigger this payout.

Ad Hoc Programs

- Various events can trigger an ad hoc program, these are two recent examples.

Farm Loans

- Ok let's talk about and try to demystify: LOANS.
  - The FSA is known as America's Lender of First Opportunity. These loans are designed to help producers start or expand their operations if they cannot get credit elsewhere. Maybe they're just starting and don't have a

longstanding credit history, or just need a small loan that a large bank won't bother lending. The FSA can support with loans in these kinds of instances. Unlike loans from a commercial lender, FSA loans are temporary. The FSA has a goal of helping a producer graduate to taking out a loan from a commercial lender, which is why the FSA is called a "progression" lender.

FSA as a "Progression" Lender

- Being a "progression lender" means the goal is to get a producer started then eventually graduate a producer to commercial credit without USDA support.
- We'll discuss youth, micro, operating, and ownership loans today, which are all direct loans, meaning the producer receives the loan directly through FSA. Guaranteed loans are made by commercial agricultural lenders but are supported by FSA. The lender becomes the FSA customer, and the producer is the customer of the lender. Producers must be unable to secure this loan without a guarantee to be eligible. Because this is a step towards graduating to full commercial loans, the loan limit is much higher than for direct loans. You don't have to complete all steps on this progression, you can enter at any point that is most relevant to you and your business.

FSA Loan Support: "Supervised Credit"

- Because the FSA wants to graduate a producer to commercial credit without USDA support, FSA staff will work with the producer on record keeping, borrower training, and environmental compliance to prepare a producer to build a sustainable business and to eventually work directly with commercial lenders.
- The FSA has a history of discriminatory loan practices, but they are actively working to correct these historical grievances. The FSA has a highly successful loan record and a "guardrail" approach, meaning that FSA staff will be more hands-on than commercial lenders and have more flexibility with their terms to ensure that a loan is successful. And to be clear, producers also have the right to appeal loan decisions to ensure they are awarded the loans they are entitled to, even if one specific loan officer has challenges with their application.
- The point here is to emphasize that while taking out a loan can be daunting, if a producer is ready to expand their operations and cannot get credit from a commercial lender, the FSA offers a relatively low risk loan option that can really prepare growers to achieve their larger business goals.

Farm Loan Eligibility

- Eligibility for farm loans is more extensive than for some farm programs. Full eligibility parameters are available online or you can call your service center to learn more. A couple things to note here – first, you may see the term "operator of a family farm" when reviewing farm loan eligibility. Urban growers should be eligible for loans, even if they are not operating a traditional family farm in which members of the family provide primary labor support. There may be some issues securing loans for immigrant farmers, many of whom move to urban areas, due to the legal identification requirement. However, these folks may still be eligible for other programs and support. The controlled substance violation issue is something the FSA is actively looking into: this isn't a hard no off the bat, and convictions other than those for possession or trafficking have time limitations on the convictions, after which they shouldn't impact eligibility. But work with your local loan officer on this.

Ownership Loans

- To quickly distinguish between the direct loan types:
- Ownerships loans can be used to pay for land purchases, capital improvements, soil and water conservation, and loan closing and related expenses. Ownership loans require three years of previous, relevant experience. Ownership loans cannot be used to purchase land at auction; these loans require that the land is already secured, which is a different process compared with most commercial lenders that requires more communication and flexibility.

Operating Loans

- Operating loans can be used to purchase equipment, livestock, to cover production expenses, or to refinance operating expenses and are paid back on a much shorter term than ownership loans because they are also smaller. operating loans require only one year of relevant farming experience

Microloans and Youth Loans

  - Microloans are just smaller versions of owner and operating loans have a simpler application process and less paperwork. Additionally, having a mentor can supplement the work experience requirement.
  - Youth loans are the smallest loans, offering up to $5,000 to eligible individual youths ages 10 to 20 to finance income-producing, agriculture-related projects. The Youth Loan application requires a recommendation from a project advisor who will sponsor the loan applicant and supervise the project. As an example: perhaps a student participates in an entrepreneurship program with their local urban farm developing a hot sauce brand, they might take out a youth loan for supplies to increase pepper production and would repay the loan with proceeds from their hot sauce sales at farmers markets.

Farm Loans: Things to Know

- The Loan Assistance Tool on farmers.gov provides customers with an interactive online, step-by-step guide to identifying the Direct Loan products that may be a fit for their business needs, and to understanding the application process.
- You'll notice that nonprofits are not eligible to take out farm loans from the FSA – this is something I know the urban county pilot staff are aware of and looking into, but may require updates in the Farm Bill to change.
- If you think you might ever want to expand your operation or buy land or make any kind of purchase that will require some credit, start keeping records now! Keep records of your leases, anything you are renting, any products you are donating or selling, even if in small quantities. Complete a Schedule F tax

document if you can, which reports farm income and loss. These are the records that the FSA can use to build your credit history and prove previous, relevant experience when you are ready for a loan.

- The USDA and FSA design loan programs to make lending more accessible to business owners, but the nature of loans requires applicants to be invested enough personally in their businesses to take on the risk associated with loans. This risk is lower with the USDA than with commercial lenders, but is risk nonetheless.
- Applicants should ask for everything they think they need – the USDA should not turn them down for a loan because an applicant asked for a loan that the USDA feels is unreasonably high. Producers should communicate regularly with their office to develop the loan strategy that is best for them and to get the support they need. It's advised for growers to speak to their loan officer even if they complete an online loan application to ensure the office is aware of the application which will help everyone stay on top of deadlines and milestones related to the loan.
- The folks at the USDA who I've spoken with are aware of the department's history of discriminatory loan practices. I know the folks in NY are exploring ways to make their loans more accessible to diverse customers. For those interested in applying for loans, start the conversation with your service center early to ensure you are getting the "guardrail" support you need throughout the process. The USDA is really proud of its successful loan record, so if you are awarded a loan, they have a lot of tools in place to help make that loan work for you. And if you are not awarded a loan that you deserve, you have a right to appeal.
- Finally, we mentioned FSFLs earlier. FSFLs are not technically farm loans, so this program is open to producers even if they can secure credit from commercial lenders or even if they are nonprofits, but they do have a down payment whereas the other farm loans do not.

FSA Success Story

- That's all a lot of FSA information which can be difficult to conceptualize. But there are plenty of urban growers in NY who are already working with FSA and NRCS, like Groundwork Market Garden in Buffalo. They have participated in multiple FSA initiatives, including microloans, COVID food assistance, and organic cost share. Check them out online for more information about their operation.

Urban Service Centers and UCOCs

- The recent creation of urban service centers and urban county committees are some of the strongest indicators of the USDA's increasing support for urban ag.

Urban Service Centers are Service Centers

- To be clear, urban service centers operate exactly like traditional FSA/ NRCS service centers, but the office staff may have more training and understanding of urban growing practices than traditional staff, at least in the short term. Urban service center staff like Mirem and Liz are actively working to understand how FSA and NRCS programs can be applied to urban growers and to elevate any issues they encounter with their programs.

Urban County Committee Involvement

- UCOCs are the urban county committees. County committees serve a unique function at the USDA. These committees exist in every service area; for example, while NYC is technically comprised of 5 counties, we have one county committee with one representative from each NYC county, making it a 5-member committee. These members must all be growers themselves, and are elected by other growers. The committee helps make determinations that require local discretion or interpretation.
- For example, a county committee might help determine the appropriate lifespan of piece of infrastructure, like a vehicle, for which a grower is applying to take out a loan. This will help determine the term limits for the loan. UCOCs may also determine if equipment is eligible to be considered for a FSFL.
- Above and beyond their technical responsibilities, the county committee is a representative body for growers in their area and can be a mouthpiece for growers directly to the USDA.
- In NYC, the UCOC was responsible for increasing representation from 3 members to 5 members to ensure representation from each borough. They also worked with Mirem to change the voting eligibility requirements in NYC, so now a much wider group of people can vote in county committee elections and therefore be better represented to FSA.

FSA Programs for Nonprofits

- I've mentioned eligibility requirements and limitations for nonprofits throughout this primer. While many urban operations like schools, nonprofits, and government orgs are not considered commercial, the FSA and NRCS can still support them.
- Ad hoc and special programs may include emergency relief, and we wouldn't have the eligibility details until disaster strikes so it's important to get your farm number in advance of a problem
- This slide emphasizes the FSA programs that are available for nonprofits because many NRCS programs should already be available to nonprofits. The best thing you can do is speak with your service center and specifically ask about what support you or your organization can access from both agencies. The Office of Urban Agriculture and Innovative Production grants and compost cooperative agreements should also be available for nonprofits.

Getting Started with the USDA

- Now that we've reviewed what should be available, let's discuss how to access these resources!

Meet your local FSA staff

- The most important thing you can do after today's call is to contact your local service center – and this applies to extension agents as well who may want to build a stronger relationship with these offices or discuss how CCE and USDA can work to better support urban growing across NY.
- For growers:
- Contact your local USDA Service Center: use farmers.gov to find this office. Call them to make an appointment. If you don't want to visit your FSA agent in person at their office, that's ok. You can schedule a visit on your farm or even a local coffee shop as a way to build the relationship in a more public or familiar space.
- Strategically prepare for your in-person meeting with FSA staff: Think about your farm vision and any questions you may have – where would you like guidance? What resources would you like support with? Are you facing any challenges?
- Gather your documents, including proof of identity – a driver's license, social security card; a copy of your deed, lease agreement, or other documentation of land tenure; if you are representing an entity, bring any corporation, estate, cooperative, or trust documents; tax identification, like a social security number or employer ID; and any business planning documents that could illustrate your operation to your FSA agent if you're interested in discussing program support.
- NOTE: if your operation is incorporated or an entity, USDA may need proof of your signature authority.

Your First Visit

- During your meeting, you'll enroll your farm in the FSA database and FSA staff will create a map outlining your farm boundaries with acreage figures. You'll receive a Farm Serial Number (FSN), aka your farm number, and also be enrolled in routine notifications via GovDelivery text or email. You will also need to verify your eligibility, meaning that you or your operation does not make more than $900,000 adjusted gross annual income. You can also use this time to discuss your plans for your farm to determine what FSA, NRCS, or other USDA programs may be a good fit for your operation and make contact with the NRCS staff especially if they share the office. You should make a plan during this meeting to meet conservation compliance and do an environmental review of your operation to ensure your eligibility for FSA and NRCS program support.
- After your visit: Make sure you ask for your receipt of service and the copy of your map! Then, stay in touch with your local office and file your crop acreage reports as best as you can or as needed throughout the year. Your local service center agent can help you determine the cost efficiencies to understand if crop acreage reporting is necessary for you.

"Beginning, Socially Disadvantaged, Limited Resource, and Veteran Farm or Rancher" Certification

- One last thing to note that may benefit quite a few urban growers.

- The USDA has an interest in making it easier for new farmers to engage with USDA programs. Agencies may have slightly different definitions of beginning farmers, but the FSA defines this as someone who has not operated a farm for more than 10 years. If operating as an entity, this applies to all members of the entity.
- This is USDA language to describe someone who is a member of a socially disadvantaged group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity. This includes African Americans, Indigenous Peoples, Hispanic, Asian, Pacific Islander peoples, and women.
- Veterans: are those who have served in the Armed Forces and not operated a farm or ranch for more than 10 years toral or has become a veteran in the past 10 years. At least 50% of an entity must be held by a veteran.

Conclusion: Go Forth and Prosper

- We hope this primer has been helpful and efficient for everyone. Our goal was to shed some new light on programs that many of you might be familiar with, in the hopes that more USDA support and funding can be made available for urban growers. We hope extension folks can think about what nudges to give their partners next time you hear about an urban grower who is interested in, let's say, dehydrating their produce to sell as snacks, or driving their vegetables to a market across town – maybe they could benefit from an FSFL. Perhaps you engage with a grower who is already committed to planting pollinator habitat, and they could qualify for CSP funding to expand their planting. Just some ideas.
- For the growers out there, I hope this inspires you to build a relationship with your service center if you don't have one already. If you need additional support establishing that relationship, the people on this call are here to help you! If you're from USDA NY, I invite you to put your contact information in the chat now.
- And for any USDA or COC folks tuning in, depending on where you are in your career, we hope this provides either solid elementary training or a growth perspective on how to expand your audience to include urban growers.