

**Maine Agriculture, Food System and Forest Products
Infrastructure Investment Fund
Advisory Board Meeting
Wednesday, July 30, 2025; 12:30 – 2:30 pm; via Zoom**

[AFFPIF Webpage](#)

Members of the public, please register for the Zoom meeting [HERE](#)

Desired Outcomes - By the end of this meeting, we will have:

- Considered learnings from interviews conducted by InCommon Group
- Considered a draft Program design
- Provided an opportunity for public input

Agenda

What	When
Welcome Lily Kenny! Agenda Review, Working Agreements	12:30 - 12:40
Presentation and Discussion on Interview Highlights – InCommon Group	12:40 - 1:05
Initial Draft of Program Framework: Presentation and Clarifying Questions – Claire Hawkins	1:05 - 1:30
Breakout Groups – Small Group Discussion of Framework Elements	1:30 - 1:55
Breakout Session Report-out and Discussion	1:55 - 2:20
Public Input	2:20 - 2:25
Next Meeting: August 27, 12:30-2:30 pm, virtual	2:25 - 2:30

Note: Agenda item times are subject to change based on the progress of the group

Agriculture, Food System and Forest Products Infrastructure Advisory Fund Advisory Board Working Agreements

- Meetings will start and end on time.
- When meetings are held in person, Advisory Board members will make every effort to attend in person to maximize learning, communication, and collaboration.
- Cameras will remain on during virtual meetings to facilitate communication and understanding.
- Meeting materials will be shared in advance of meetings with sufficient time for review.
- Come prepared, having read meeting materials and completed assignments.
- Be present and engaged.
- Strive for equal airtime, enabling all to participate fully.
- Listen with curiosity and an openness to learning and understanding.
- Adopt a creative problem-solving orientation.
- Name the tension, kindly.
- Humor is welcome!

The Advisory Board will strive for consensus in its deliberations through a facilitated, discussion-based process. It will not hold votes on program design decisions. The Advisory Board will shift to a voting system as the Fund begins grantmaking.

Maine Agriculture, Food System and Forest Products Infrastructure Investment Fund Advisory Board Members

Board Member	Affiliation	Seat Description
Craig Hickman (Co-Chair)	Annabessacook Farm	Historically underserved racial populations in nondairy farming
Tricia Rouleau (Co-Chair)	Maine Farmland Trust	Statewide industry group representing conventional nondairy farming
Amanda Beal	Commissioner, DACF	Commissioner DACF or designee
Jay Beck	FAME	Financial institutions with experience in the agricultural and forest products industry
Matt Chin		Supply chain in processing, mfg or distribution
Marada Cook	Crown O'Maine	Supply chain in processing, mfg or distribution
Dana Doran	Professional Logging Contractors	Statewide group representing logging and trucking industry
Shannon Hill	Mi'kmaq Farms	Member of a federally recognized Indian nation, tribe, or band
Michael Duguay	Commissioner, DECD	Commissioner DECD or designee
		Mfg of forest products
Muhidin Libah	Liberation Farms	Historically underserved racial populations in nondairy farming
Nicolas Lindholm	MOFGA	Statewide industry group representing organic nondairy farming
Jameson Little	Farm Credit East	Financial institutions with experience in the agricultural and forest products industry
Sarah Littlefield	Maine Dairy Promotion Board	Statewide industry group representing dairy producers
Krysta West	Maine Forest Products Council	Statewide industry group representing forest products industry
Amy Winston	CEI	Provider of mktg assistance, mkt development, or business and financial planning
Jeffrey Wolovitz	Heiwa Tofu	Mfg of value-added products or representative of the value-added agricultural products industry

Maine Agriculture, Food System and Forest Products Infrastructure Investment Fund Advisory Board

Meeting Schedule and Draft Meeting Content

Date	Time	Location	Draft Meeting Content
March 5, 2025	1:00-2:30 PM	Remote Only - Zoom	PFAS Fund Presentation
March 26, 2025	1:00-2:30 PM	Remote Only - Zoom	AIIP and RFSI Presentation Funding Landscape Presentation
April 30, 2025	12:30-2:30 PM	Remote Only - Zoom	Forestry Presentation Benchmark Report Presentation VT guest speaker
May 28, 2025	12:30-3:00 PM	In-Person, Augusta, Marquardt 118	Facilitated discussion focused on Funding Landscape Report, AIIP presentation, RFSI data, and Forestry presentation; Embedding equity considerations into grant decisions
June 25, 2025	12:30-2:30 PM	Remote Only - Zoom	Survey Analysis presentation; Facilitated discussion focused on Benchmarking Report, Survey Analysis, equity
July 30, 2025	12:30-2:30 PM	Remote Only - Zoom	Interviews Analysis Presentation; Facilitated discussion focused on Interviews, equity; Consideration of outline of initial Fund structure
August 27, 2025	12:30-2:30 PM	Remote Only - Zoom	Metrics Framework presentation; Facilitated discussion focused on Metrics, equity; Consideration of revised outline of initial Fund structure; public comment period?
September 24, 2025	12:30-2:30 PM	Remote Only - Zoom	Consideration of public comment; final revisions to initial Fund structure
October 29, 2025	12:30 – 3:00 PM	In-Person, Brewer	Approve plan for initial round of funding
November 19, 2025	12:30-2:30 PM	Remote Only - Zoom	Presentation of draft rules? Public Hearing

§320-A. Agriculture, food system and forest products infrastructure investment

1. Definitions. As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Food system" means all processes, infrastructure and persons involved in feeding a population, including growing, harvesting, collecting, processing, manufacturing, packaging, transporting, marketing, selling, consuming and disposing of food and food-related items in the State. [PL 2021, c. 483, Pt. KK, §2 (NEW).]

B. "Infrastructure" means property, equipment, networks and supporting services associated with the production, harvesting, processing, manufacturing, storage, packaging, transporting, marketing, sales and disposal of food. [PL 2021, c. 483, Pt. KK, §2 (NEW).]

C. "Producer" means a person in the State that grows, manufactures, harvests or otherwise creates agricultural, food or forest products and value-added products, including a person engaged in farming, harvesting or other agricultural and forestry manufacturing activities. [PL 2021, c. 483, Pt. KK, §2 (NEW).]

D. "Supply chain" means the chain of distribution by which agricultural, food and forest products are moved from the producer to the consumer and may include intermediate entities, including aggregators of various products, manufacturers, value-added producers, processors, packagers, warehouse operators and other storage entities, distributors, wholesalers and retailers. [PL 2021, c. 483, Pt. KK, §2 (NEW).]

E. "Value-added" means changing the physical state or form of a product through processing or manufacturing to enhance or increase the product's value, including making the product suitable to generate renewable energy. [PL 2021, c. 483, Pt. KK, §2 (NEW).]

[PL 2021, c. 483, Pt. KK, §2 (NEW).]

2. Goals; investment; inclusiveness. The commissioner, in coordination with the Department of Economic and Community Development, industry stakeholders, representatives of Indian tribes, communities of color and other underserved communities and populations and other relevant agencies, shall:

A. Strengthen the State's agricultural, food and forest products economy with a priority of making resulting efforts more inclusive of and increasing investments in historically marginalized, underrepresented and underserved communities, including communities of color, low-income communities and rural communities that typically lack access to capital to start, sustain, scale and innovate businesses; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

B. Expand infrastructure investments in the agricultural, food and forest products economy to increase access to new markets and opportunities for producers, processors, small businesses and consumers in the State in the producing, processing, manufacturing, packaging, distribution, marketing, sale and consumption of products; and [PL 2021, c. 483, Pt. KK, §2 (NEW).]

C. Collaborate with other state agencies, economic development organizations and other key institutional partners to establish technical assistance programs to support the objectives of this chapter. [PL 2021, c. 483, Pt. KK, §2 (NEW).]

[PL 2021, c. 483, Pt. KK, §2 (NEW).]

3. Powers. In carrying out the purposes of this chapter, the commissioner may:

A. Hire or assign staff or contractors, including community development financial institutions, economic development organizations, quasi-governmental entities or other capital or technical assistance providers; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

B. Seek and accept funds from public and private sources; and [PL 2021, c. 483, Pt. KK, §2 (NEW).]

C. Administer funds, grants and programs. [PL 2021, c. 483, Pt. KK, §2 (NEW).]
[PL 2021, c. 483, Pt. KK, §2 (NEW).]

SECTION HISTORY

PL 2021, c. 483, Pt. KK, §2 (NEW).

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§320-B. Maine Agriculture, Food and Forest Products Investment Fund

1. Fund established. The Maine Agriculture, Food and Forest Products Investment Fund, referred to in this chapter as "the fund," is established and administered by the department to support public-private partnerships to carry out the purposes of this chapter. The fund consists of money appropriated to the fund or received from any other private or public source. Interest in investment of money of the fund is credited to the fund. Unexpended balances at the end of the fiscal year do not lapse but carry over into the next fiscal year. The Maine Agriculture, Food System and Forest Products Infrastructure Investment Advisory Board established in section 320-C shall oversee and determine expenditures from the fund.

[PL 2021, c. 483, Pt. KK, §2 (NEW).]

SECTION HISTORY

PL 2021, c. 483, Pt. KK, §2 (NEW).

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§320-C. Maine Agriculture, Food System and Forest Products Infrastructure Investment Advisory Board

1. The Maine Agriculture, Food System and Forest Products Infrastructure Investment Advisory Board. The Maine Agriculture, Food System and Forest Products Infrastructure Investment Advisory Board established in Title 5, section 12004-J, subsection 1-A, referred to in this section as "the board," is created to oversee and determine expenditures from the Maine Agriculture, Food and Forest Products Investment Fund in section 320-B.

[PL 2021, c. 483, Pt. KK, §2 (NEW).]

2. Membership. The board consists of the commissioner or the commissioner's designee, the Commissioner of Economic and Community Development or the commissioner's designee and 15 members appointed jointly by the commissioner and the Commissioner of Economic and Community Development as follows:

A. One member of a statewide industry group representing conventional nondairy farming; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

B. One member of a statewide industry group representing organic nondairy farming; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

C. One member of a statewide industry group representing dairy producers; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

D. One member of a statewide industry group representing the forest products industry; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

E. Two members from relevant financial institutions with experience in the agricultural and forest products industries; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

F. One manufacturer of forest products; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

G. One manufacturer of value-added agricultural products or representative of the value-added agricultural products industry; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

H. Two members representing the supply chain in processing, manufacturing or distribution; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

I. One member actively engaged in providing marketing assistance, market development or business and financial planning; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

J. One member from a statewide group representing the logging and trucking industry; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

K. One member who is a member of a federally recognized Indian nation, tribe or band in this State; and [PL 2021, c. 483, Pt. KK, §2 (NEW).]

L. Two members who represent historically underserved racial populations in nondairy farming. [PL 2021, c. 483, Pt. KK, §2 (NEW).]

Board membership must reflect a diversity of skills and experience relevant to investment in agricultural, food and forest products processing and manufacturing industries and represent the racial diversity of the food system in the State with specific representation by Indian tribes, communities of color and other underserved communities and populations.

[PL 2021, c. 483, Pt. KK, §2 (NEW).]

3. Terms; officers; committees; rules. Board members serve for 3-year terms and may serve no more than 2 consecutive terms. The members shall elect a chair and may elect officers, establish one or more committees or subcommittees and adopt such procedural rules as the members determine necessary and appropriate to perform the board's work.

[PL 2021, c. 483, Pt. KK, §2 (NEW).]

4. Quorum; meeting; voting. A majority of the sitting members constitute a quorum, and action taken by the board may be authorized by a majority of the members present and voting at any regular or special meeting at which a quorum is present. The board may permit any or all members to participate in a regular or special meeting by or conduct the meeting through the use of any means of communication, including electronic telecommunications or a telephone conference call, by which all members participating may communicate with each other during the meeting. A member participating in a meeting by means approved by the board under this subsection is deemed to be present in person at the meeting.

[PL 2021, c. 483, Pt. KK, §2 (NEW).]

5. Reimbursement. A member of the board is entitled to reimbursement of mileage and other incidental expenses, if funds are available for such purposes, pursuant to Title 5, chapter 379.

[PL 2021, c. 483, Pt. KK, §2 (NEW).]

6. Powers and duties of board. The board, in determining disbursements of the Maine Agriculture, Food and Forest Products Investment Fund, shall:

A. Facilitate strategic investments in the State's agricultural, food and forest products processing and manufacturing industries, including value-added products; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

B. Foster an environment that encourages innovation, sustainable growth, equity and inclusion; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

C. Implement and maintain business technical assistance programs in support of the fund and other funds as needed; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

D. Determine and devise a process for requests for proposals to perform 3rd-party services in support of and for the management and administration of the fund and other potential natural resource-related funds as needed and for technical assistance programs that ensure that economic development organizations, capital providers and community development financial institutions in any region of the State are able to fairly compete for disbursements from the fund to meet identified infrastructure investment needs and fulfill the objectives of the funding and technical assistance programs; [PL 2021, c. 483, Pt. KK, §2 (NEW).]

E. Enter into performance contracts with one or more persons in order to provide investment and services to agricultural, food and forest products industries, including:

- (1) Technical assistance and product research services;
- (2) Marketing assistance, market development and business and financial planning;
- (3) Organizational, regulatory and development assistance, including feasibility studies of facilities or capital investments to optimize construction and other cost efficiencies; and
- (4) Identification of workforce needs and programs in order to develop training and incentive opportunities for the agricultural, food and forest products industries after consulting with the Department of Labor; and [PL 2021, c. 483, Pt. KK, §2 (NEW).]

F. Oversee, analyze and evaluate programs, contractors and other recipients of funds disbursed by the board annually, including:

- (1) Analyzing fund and technical assistance program use;
- (2) Recommending program changes and improvements;
- (3) Preparing a comprehensive report, in collaboration with the Department of Economic and Community Development and other appropriate agencies and organizational partners, on the

performance, use and sustainability of funds and supporting programs of the Maine Agriculture, Food and Forest Products Investment Fund to submit to the commissioner; and

(4) Collaborating with the Department of Economic and Community Development and other appropriate agencies and organizational partners to ensure that investment objectives are appropriately targeted and not duplicative and to establish various grant and loan instruments as part of the fund. [PL 2023, c. 470, §§1-3 (AMD).]

[PL 2023, c. 470, §§1-3 (AMD).]

SECTION HISTORY

PL 2021, c. 483, Pt. KK, §2 (NEW). PL 2023, c. 470, §§1-3 (AMD).

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**Maine Agriculture, Food System and Forest Products
Infrastructure Investment Fund (AFFPIF)
Summary Report for Interviews with the AFFPIF Advisory Board
July 18, 2025
Prepared by InCommon Group**

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Introduction

The Maine Department of Agriculture, Conservation, and Forestry (DACF) and the Department of Economic and Community Development (DECD), in partnership with Coastal Enterprises Inc. (CEI), engaged an external consultant to conduct research to inform the development of the Agriculture, Food System, and Forest Products Infrastructure Investment Fund (AFFPIF).

To support the AFFPIF Advisory Board in developing a framework for the Fund, consulting firm InCommon Group interviewed Advisory Board members to elicit feedback. Interviews were between 30 and 60 minutes long, and interviewees were provided a list of guiding questions in advance to reflect upon. Interviews were not recorded; detailed notes were taken, which were subsequently summarized and then categorized by key themes. Twelve of the sixteen Advisory Board members were interviewed for this report.

The list of guiding interview questions was as follows:

- What is your role outside the Advisory Board / where do you work and what is your role there?
- What do you see as the greatest challenges / gaps in the sector(s) you are representing?

- What role(s) could the Fund play in addressing these challenges?
- In your sector, do you have any thoughts on what technical assistance is needed for farms or businesses to access capital and be viable businesses?
- Do you have any ideas for how to make the Fund equitable / accessible to historically marginalized, underrepresented, and underserved communities, including communities of color, low-income communities, and rural communities?
- Do you have any ideas for possible evaluation metrics to help show Fund impacts toward the goals laid out in statute?
- What resources/information/messaging might be helpful to gain support for the Fund, or to advocate for increased funding?
- Are there any other areas of information or resources that would be useful to the Advisory Board as it advises on the design of the Fund?

This report provides a summary of the Advisory Board interviews, and offers a breadth of rich and detailed findings to help guide the development of the Fund.

Greatest Challenges / Gaps in the Agriculture, Food System & Forest Products Sectors

Advisory Board members shared a variety of challenges facing the agriculture, food system, and forest products sectors, including gaps in infrastructure and capital, markets and labor, and technical assistance.

Infrastructure Gaps

- **Cold storage & freezing capacity** : There is limited access to cold/freezer storage, which is essential for extending product shelf life and enabling year -round markets.
- **Processing capacity** : There is a broad need for centralized, scalable processing infrastructure; small farms and businesses can't meet volume requirements without this.
- **Production equipment** : Limited funding is available for new or maintained infrastructure and equipment, and existing programs are often geared toward larger farms and businesses.
- **Transportation & distribution** :
 - There are inadequate distribution networks, especially for small farms and tribal communities.
 - Distribution needs extend to coordination, aggregation, and route efficiency investments and improvements.
 - Existing food hubs are too localized to meet broader distribution needs.

Capital Access & Financial Barriers

- **High cost of entry** : Equipment, infrastructure, and startup capital needs are enormous (e.g., Cost of land, building renovations, equipment costs, etc.)
- **Lack of equity/collateral** : Many businesses lack assets to secure traditional loans.
- **Gap funding and bridge financing** : There is a need for gap funding and bridge financing options, which are crucial to leverage larger investments.
- **Slow -growth models underfunded** : Community-focused businesses prefer sustainable growth but struggle to attract compatible capital.
- **Small business support** : Technical assistance and access to capital tend to disproportionately benefit large, well-resourced businesses.

Market & Economic Gaps

- **Loss of markets** :
 - The forest products sector has faced the collapse of pulp and paper mills in the post-2020 mill explosion; global competition is also undercutting Maine's pulp market.
 - The agriculture sector is contending with limited wholesale and institutional markets that work for small/mid -scale producers.
- **Disconnect between producers and markets** :
 - Farms and businesses selling into wholesale markets often receive lower prices, which can be a difficult business model to achieve adequate margins. This can be a common issue with farms that sell direct to consumers –when they explore wholesale markets the price point can be much lower and difficult to work into a business model.
 - Tribal farms may be seeking access to new external markets to increase sales and complement local food distribution and food sovereignty goals.
- **Need for value -added product development** : Value-added products, like smoked or freeze-dried products, offer higher value and longer shelf life, but development of these products requires additional investment.

Labor & Workforce

- **Chronic labor shortage** : This is a broad concern, but was especially noted in dairy and other labor-intensive sectors.
- **Visa/access issues** : In addition to the broader issues facing immigrant workers seeking employment, dairy farms can't access year-round workers through the federal H-2A visa program.
- **Aging population and lack of new entrants** : There are fewer young people returning to or entering farming or forestry industries.

- **Workforce training gaps** : Across sectors, there is a lack of skilled labor and insufficient workforce development programs to optimize production and support growth or efficiency.

Sector-Specific Challenges

- **Agriculture** :
 - Short growing season for some crops (4–5 months)
 - Misconceptions about environmental stewardship (e.g., many producers and foresters are implementing conservation practices but this is not always understood by the public)
 - Challenges in coordinating production with institutional buyers' timelines (e.g., gaps when schools are not in session)
 - For tribal producers:
 - Need for grants for equipment, construction, vehicles
 - Need to develop broader markets
 - Challenges accessing mainstream TA and capital systems
- **Forestry** :
 - 40% reduction in timber harvesting capacity in the past 5 years
 - High costs and steep capital requirements for new or upgraded operations
 - Stagnation without support for innovation (e.g., molded fiber, insulation, nanocellulose fuels) and efficiency in existing mills

Climate and Resilience

- **Climate change** : Interviewees cited climate change as a significant challenge, with some citing a MOFGA survey respondents ranked climate change as a top economic barrier facing organic producers.
- **Resilient systems** : Overreliance on large farms or processors is seen as risky; there is interest in networked, distributed systems.

Technical Assistance (TA) Gaps

- **Financial TA** : Specific technical assistance around business finances is needed, such as bookkeeping systems, profit/loss tracking, etc.
- **Access challenges** :
 - Programs exist (e.g., MOFGA, FAME, CEI, etc.) but can be hard to navigate.
 - Application processes are cumbersome and may discourage participation.
 - Time and capacity constraints prevent farm, food, and forest products businesses from engaging in available programs.

- Simplified application processes and outreach is needed, especially for older or under-resourced producers.

How AFFPIF Can Help Address Key Challenges

Advisory Board members overwhelmingly felt that AFFPIF alone cannot solve structural problems, especially with only \$500,000 currently available, but that the Fund can be used strategically to address challenges in the farm, food system, and forest product sectors. Advisory Board members would like to position the Fund as a lever by utilizing it to provide seed capital, matching funds, or catalyst financing for larger public -private investments. There is also support for using the Fund to build a case for bigger investments through research, planning, and piloting.

Advisory Board members suggested the following strategic roles for the Fund:

Leverage & Match Other Funds

- Use the Fund to **provide matching dollars** for state, federal, or private grants.
- Offer funding for down payments or as a risk -sharing tool to **help unlock more capital**.
- Allow funds to be used to **complement federal funding programs** like the Northern Border Regional Commission (NRBC), Community Development Block Grants, and Value-Added Producer Grants (VAPG), and state funding programs like FAME and DACF programs.

Target Infrastructure That Supports Multiple Businesses

- Focus limited dollars on **shared infrastructure** (e.g., storage, processing, etc).
- Prioritize impactful, **system -wide investments** over single large projects.
- **Avoid** spending all of the current pool of funds on **expensive efforts** that only help a few.

Support Growth Stage Businesses (Not Just Startups)

- **Many resources exist for startup phase businesses** (0–5 years), but proven, growth stage businesses (5–15 years) often fall through the cracks.
- Supporting stable businesses with plans to **scale sustainably**, especially in capital-light ways like technical assistance or strategic planning, would be impactful.

Build Distribution and Aggregation Capacity (Systematically)

- Investment in "hub-and-spoke" **cross-docking systems** across Maine could move local food efficiently. Cross-docking systems are when products are moved directly inbound vehicles to outbound vehicles for final delivery, rather than storing them in a facility).
- Support could be provided for **sales, marketing**, and personnel to move products to broader markets.
- Subsidizing distribution or logistics, not just equipment (**trucks alone are not the solution**).

Key Tool Types and Activities Suggestions:

- **Provide matching grants** for other federal/state/private capital.
- **Provide low-interest loans**, especially for loggers, processors, infrastructure needs.
- **Provide direct small grants** for equipment, vehicles, low-barrier capital needs.
- **Provide seed capital for TA or loan pools** to begin loan programs or fund future TA coordination.
- **Offer flexible technical assistance** that is responsive to farm needs (avoid one-size-fits-all).
- **Offer strategic planning or market research** to help fill key TA gaps around marketing and scaling.
- **Support distribution planning and coordination** by building toward a Maine-wide local food logistics network.
- **Support workforce & training investments**, especially for skilled labor in ag/forestry.

Advisory Board Member Advice for AFFPIF

Advisory Board members also shared some general advice for the Fund:

- **Reduce application barriers** by streamlining the process, and simplifying access.
- **Ensure grants are accessible** to small, under-resourced operations.
- **Avoid "free money" with no strings** —there is a risk of propping up unsustainable businesses.
- **Do not pre-determine sector allocation**, let the distribution reflect actual demand (e.g., if 75% of proposals are ag-related, then do not put only 50% into ag).
- **Blend TA and capital**, because it is helpful when TA is offered alongside funding.
- **The AFFPIF Advisory Board needs strong facilitation and strategic leadership** to successfully steer Fund decisions across sectors.
- **Collaborate, and learn from models like the PFAS response**, where state and NGOs worked in coordinated but differentiated roles.
- **Partnerships with trusted orgs could strengthen impact**, e.g. a nonprofit might serve as a "funding switchboard," TA navigator, or bridge loan provider.

Technical Assistance Needs

Advisory Board members overwhelmingly agreed that technical assistance is critical to the success of farm, food system, and forest products businesses, particularly for accessing capital.

Business & Financial Planning TA

The most widely cited need was **business technical assistance**, especially for the following areas:

- Strategic and operational planning, especially for farms beyond the startup phase (5 –15 years);
- Cash flow modeling, unit cost analysis, and risk assessment;
- Succession planning, which is often overlooked, but crucial for long -term viability.

It was consistently shared that many farms, food, and forest products businesses lack the time or capacity to do this planning on their own, and that as such, **needed support includes doing the work, not just advising**.

Further, **normalization of financial literacy is critical**; it was suggested that creating peer networks to discuss financials could help reduce stigma around the topic.

Grant and Loan Navigation Support

- **Application assistance for loans, grants, and public funding is a major barrier**. Even where resources exist (e.g., FSA, CEI), producers often:
 - Don't know that they exist
 - Find the application process overly complex
 - Lack time to engage fully
- **Suggested solutions included** :
 - Expanded outreach efforts, such as materials at feed stores
 - Coordinated information -sharing across listservs
 - Simplified access points or “switchboard” models to guide users

Marketing and Sales TA

- **Farms, food, and forest products businesses need more hands -on support** for:
 - Website development
 - Communications and branding
 - Sales strategy
 - Value-added product marketing
 - Trade shows and other opportunities to market their products

- **TA should also include market research and help aligning with institutional or wholesale buyers** . Some Advisory Board members feel existing TA services can lack marketing focus.

Accessible and Thorough Technical Assistance

- **One-on-one support can be more effective** than workshops or group cohorts.
- **Relationship -based TA delivery is important** as producers often feel stigma or discomfort asking for help.
- **Existing TA orgs could be funded to improve or expand their services** , rather than offering a new prescriptive TA directly to producers.
- **For Tribal producers, there are internal support systems but they would benefit from added resources** ; however, it is important to ensure any TA respects sovereignty and builds on existing frameworks.

Needs for Growth-Stage Business Support

- Some felt that there are a lot of TA programs that focus on startups (0–5 years), and that **there may be a gap in services for businesses in the 5–15 year range** , e.g., those that have proven models but need scaling guidance.
 - The Fund could fill this niche by backing TA that focuses on growth -stage needs; however, some Advisory Board members also felt that with a small amount of funding, scaling businesses may not be the best use of funds at this time.

TA for Technology and R&D

- Some Advisory Board members highlighted the need for sector -specific expertise to support businesses with **R&D and technological consulting** , like purchasing high tech equipment.
- If funding is provided for equipment, it is important for the Advisory Board to consider **whether businesses need TA services for specialized equipment, R&D,** etc.

Recommendations for Fund's Role in TA

1. AFFPIF should **coordinate, not replicate** , and consider supporting existing TA services rather than delivering new TA directly (numerous programs already exist, e.g., UMaine R&D, MEP, Roux Institute, CEI, Manufacturing Extension Partnership).
2. **Fund a “TA Navigator”** or centralized resource hub to connect producers with the right service.
3. **Pair TA with capital access** , e.g., help producers create business plans in order to improve their chances to apply for capital.

4. Offer **direct TA stipends or match funding** to producers or provider organizations.
5. Prioritize **sector -specific TA** that is flexible in form and responsive to farm, food system, and forest products business needs.
6. **Invest in outreach** , especially for underserved, rural, and older-generation producers, and partner with other organizations.

Equity And Accessibility Considerations For AFFPIF

Advisory Board members had a variety of suggestions for making the Fund more accessible and equitable, including simplified application processes, application support, partnerships for outreach and TA, and inclusive processes. In addition, the AFFPIF Advisory Board should have a clear understanding of equity, and several suggested a broad definition to utilize.

Simplify the Application and Reporting Process:

- **Create plain -language applications** that don't require grant -writing experience or a college education to parse.
- **Streamline reporting** –this may include options like:
 - Phone interviews instead of written reports;
 - Short, trust-based reporting forms.
- Implement **phased applications** :
 - Start with a short pre-application;
 - Invite selected applicants to submit a full proposal.

Provide Application and Navigation Support:

- **Offer 1:1 technical assistance for applicants** , especially:
 - Low-income and first-time applicants;
 - Communities with limited internet or English proficiency.
- **Enlist support from TA orgs or community -based groups** with trust-based relationships.
- **Consider a "switchboard" model for navigating capital and TA** (e.g., through partnership with CEI or similar organizations).

Outreach and Messaging Must be Targeted and Inclusive:

- **Partner with trusted messengers and outreach partners** such as Immigrant Resource Center of Maine, Tribal government entities, community organizations, church networks, youth orgs, MOFGA, etc.
- **Develop a cross -cultural communication strategy** to reach BIPOC communities, Amish and off-grid farmers (mail or in-person only), and non-English speakers.

- **Distribute information where farmers, food producers, and forest products businesses already go** (feed stores, events, markets, etc.).

Structural and Programmatic Suggestions:

- **Allow sub -awards through intermediary orgs** to help build trust and reduce barriers through known groups.
- **Fund CBOs and TA orgs** to help applicants leverage relationships already in place.
- **Provide support for non -traditional applicants** , such as people without internet, computers, or grant-writing experience.
- **Include demographic evaluation (with care)** –there is a need to understand demographic and equity impacts, but it may be helpful to use internal tools (e.g., address lookup for disadvantaged areas) to reduce applicant burden.
- **Avoid over -reliance on competitive scoring** and assess ways to reduce “zero-sum dynamics” (e.g., some groups win out over others); fund more projects or create non -competitive pools.

Philosophical and Equity Principles:

- **Broad definition of equity** : Fairness means supporting all underserved groups, including rural white, low -income, and older farmers.
- **Recognize hidden inequities** : Many marginalized groups (e.g., women dairy farmers, subsistence-level producers) face systemic barriers despite not always fitting federal criteria.
- **Avoid extractive processes** : The effort to apply should not outweigh the potential benefit to underserved groups, and it is important to develop trust -based approaches that build long-term relationships and broader impact.

Recommended design principles for AFFPIF:

- **Low-barrier entry** : Simple forms, phased applications, phone support
- **Culturally and linguistically appropriate outreach** : Translated materials, partner-drive messaging and outreach
- **Invest in TA infrastructure** : Fund TA organizations, not just businesses
- **Enable flexible reporting** : Accept verbal check -ins and alternative, simplified reporting methods
- **Prioritize trust** : Work with intermediaries who already having existing trust-based relationships
- **Target based on need, not just identity** : Include rural, low-income, and beginning producers as core equity audiences

Evaluation Metrics & AFFPIF Impacts

Advisory Board members discussed ways to evaluate Fund applications, as well as metrics that can help show impacts of the investments. This line of questioning related to the broader issue of evaluation metrics the Advisory board is currently discussing, and which a future report will cover more extensively.

Align Metrics with Project Type and Sector

- Avoid one-size-fits-all metrics and tailor metrics to:
 - Producers vs. processors;
 - Agriculture vs. food system vs. forest products;
 - Capital vs. TA investments.
- Develop sector-specific and scale-sensitive benchmarks.

Simplicity and accessibility are critical

- Keep reporting requirements a low-burden for applicants.
- Avoid metrics that overly emphasize job creation over quality jobs and efficiencies.
- Consider phased or narrative reporting, with follow-ups after 1 to 3 years.

Suggested Quantitative & Qualitative Metrics

The following table includes a wide variety of metrics suggested by Advisory Board members.

Category	Example Metrics	Notes
Business Viability	<ul style="list-style-type: none">- Change in revenue or sales- New markets entered- Access to follow-on capital- Cost savings or improved efficiency	Most relevant for producers/processors, especially important for post-investment growth
Economic / Workforce Outcomes	<ul style="list-style-type: none">- Jobs created or retained- Wages and job quality- Hours worked or seasonal extension	Must reflect quality, not just quantity. Make considerations for smaller businesses/farms.
Collaborative Impact	<ul style="list-style-type: none">- Number of farms/businesses benefiting from shared infrastructure or distribution- Cross-sector partnerships	Helps demonstrate systemic or network effects

Equity and Access	<ul style="list-style-type: none"> - Number/percentage of awards to underserved communities (race, gender, income, geography) - Use of simplified applications - Technical assistance hours provided 	Should include both access and impact evaluation
Efficiency/ Productivity Gains	<ul style="list-style-type: none"> - Production volume before/after - Cost/unit or time/unit metrics - Infrastructure uptime or utilization rate 	Key for investments in equipment, facilities, or logistics
Market Impact	<ul style="list-style-type: none"> - Volume/value of local food moved - Percent of production reaching target markets (e.g., schools, low-income consumers) - New institutional or wholesale customers 	In addition to farmer impacts, important for food access
Leverage & Multiplier Effects	<ul style="list-style-type: none"> - Dollars leveraged per \$1 from the Fund - Public/private funds unlocked - Additional investments made post-award 	Helps justify the Fund's catalytic value
Resilience	<ul style="list-style-type: none"> - Business continuity after disruption (e.g., weather, pandemic) - Climate practices / infrastructure implemented - Long-term planning supported 	Not in statute but some Advisory Board members feel resilience is important to measure
Storytelling & Qualitative Impact	<ul style="list-style-type: none"> - Case studies of businesses or farms - Narratives of change - Stakeholder feedback 	Complements metrics and helps show deeper, contextual value

Design & Implementation Recommendations

Advisory Board members also had several recommendations for design and implementation of the evaluation systems.

Design & Implementation Key Issues	Recommendation
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Outcome clarity	Define clear goals: What does a “strong ag & forest products economy” look like? Tie each statutory goal to specific outcomes.
Feedback loops	Build in a process for stakeholder review of metrics; use insights to adapt future investments.
Accountability mechanisms	Consider light audits or impact check-ins 1–3 years post-investment, especially for larger grants.
Governance infrastructure	Ensure sustainable funding for governance and Fund administration.
Community engagement	Involve communities (especially underserved ones) in developing application criteria, defining impact, and reviewing metrics.

Advocating For AFFPIF

Advisory Board members felt it was important to explore ways that funds can be advocated for, and the messaging and information that may be helpful in the advocacy process.

Strategic Messaging Priorities

The Advisory Board shared several suggestions for ways in which the Fund can communicate and show impact. They also highlighted the value of an entity or entities outside of a government agency advocating and lobbying for AFFPIF.

Show Impact And Roi (Return On Investment)

- **Use the initial \$500K to demonstrate measurable, compelling outcomes** from a few well-chosen investments.
- **Consider making 4 –5 grants of \$100 –125K to show clear, quantifiable results** .
- **Include both economic and qualitative impacts** , such as:
 - Increased sales or productivity
 - Job quality improvements
 - Long-term market development
 - Efficiency gains and climate-smart practices

Tell Powerful Stories

- **Elevate the voices of farmers, foresters, and processors** , especially those from underserved communities.

- **Share stories that reflect the real challenges of agriculture and forestry** .
- **Highlight existing success stories and lessons learned** (e.g., Maine Grains, TasteMaker program, CLT manufacturing efforts).
- **Use proven messaging that resonates** , and frame the Fund as a way to strengthen Maine’s food security, rural economies, and natural resource heritage, and continue using effective slogans.

Advocacy Tactics And Tools

- **Farmer - and sector -led advocates that are trusted messengers** from within industries are best positioned to share the case for funding.
- **Demonstrate a clear cross -sector vision of the broad benefits** across ag, food system, and forest products sectors, rather than a single -sector effort.
- **Host a statewide summit or convening** such as a “Farm to Plate-style” summit that could unify stakeholders and articulate a shared vision and metrics.
- **Commission a research and planning group** using part of the Fund to develop a long-term plan with clear economic modeling and system design.
- **Coordinate with bond and tax credit proposals** to show how the Fund complements these efforts and increases accountability.
- **Create a performance dashboard** to track and share metrics across grantees and sectors—include economic, equity, and environmental indicators.

Messaging Content Recommendations

- **It is helpful to emphasize**
 - Underserved rural and low-income communities as central beneficiaries;
 - Infrastructure and distribution gaps the Fund is addressing;
 - Value of small and mid-sized producers, not just commodity sectors;
 - Systemic change over decades, not just short -term fixes;
 - The importance of non-commodified, relationship -based marketing in strengthening Maine agriculture.
- **It is helpful to avoid**
 - Overemphasis on job creation as the sole metric;
 - Language that suggests farming is idyllic or easy, and glosses over the true economic realities;
 - Competitive messaging that pits sectors or regions against each other.

Organizational Needs For Advocacy Efforts

- **Identify organizations or coalitions to help advocate for the Fund.** Vermont Working Lands Enterprise Initiative (WLEI) is an example-there is a Working Lands Coalition led by the Vermont Council on Rural Development that helps coordinate advocacy work for the WLEI.
- **Identify legislative champions** and brief them with compelling data and stories.
- **Hire a marketing or advocacy firm to craft a cohesive case** with visuals, narratives, and talking points to advocate for the Fund.
- **Consider establishing a quasi -public agency or authority,** or utilizing an existing entity, to house the Fund and oversee accountability.
- **Advocate for sustained, baseline funding** , not just one-time allocations or bonds.

Resources for the AFFPIF Advisory Board

Several core themes emerged around what the Advisory Board needs to effectively shape the Fund's direction. These include strategic research, thoughtful process design, governance clarity, and structured opportunities for deeper engagement.

Strategic Research And Planning Resources

Advisory members emphasized the need for foundational knowledge to guide decision - making. This included:

- Fully understand other DACF programs and other funding programs in Maine to help ensure **AFFPIF is complementary and additive** .
- Review **comprehensive data** on the current state of agriculture, food systems, and forest products in Maine, or develop strategic food systems / forest economy plans.
- Ensure the AFFPIF Advisory Board clearly understands the **market needs and opportunities** for farms, food, and forest product businesses.
- Develop **sector -specific insights** , especially for forest products, with connections offered by Advisory Board members to fill knowledge gaps.

Clear Process Design And Administrative Structure

Advisory Board members expressed the importance of:

- A simple, **streamlined application** that avoids repetitive questions and uses plain language.
- **Transparent decision -making** processes, especially if multiple rounds of funding are planned.
- **Feedback mechanisms** for applicants to learn from and improve.
- Clarity on whether part of the \$500,000 will support administration, and how much is left for actual awards.

Focus On Strategic Growth, Not Just Immediate Impact

There is a strong call to:

- View this Fund as a **starting point in a longer process**, not a one-time intervention.
- Use this **first round to learn and adapt**, rather than trying to solve everything upfront.
- **Balance** smaller, quick-turnaround projects with larger, collaborative, longer-term initiatives.
- **Align** the Fund's investments with statewide economic development goals, including rural development and community wealth-building.

Governance And Administration Considerations

- The Advisory Board felt **confident in DACF's ability to administer the fund**.
- Some members noted that the statute allows a **third party to help support the Fund**.
- Advisory Board members also wanted to ensure that any administering entity can **track investments and impacts, especially for historically undercapitalized communities**.

Sector-Specific And Geographic Focus

Conducting small group or breakout discussions within the Advisory Board to address the distinct needs of agriculture, food system, and forest products sectors would be helpful to:

- **Consider regional needs** and approaches—not all parts of the state are the same, and strategies should reflect this diversity;
- Explore longer-term ideas like **geographic branding** or “terroir” designations for Maine-grown products, rooted in producer leadership and state support.

Building Trust And Shared Understanding Within The Advisory Board

Advisory Board members would like to **continue having conversations, sharing about their sector/expertise, and developing board organizational processes**. This may look like:

- More frequent and deeper conversations among Advisory Board members to build trust and shared vision;
- Dedicated time for peer learning, cross-sector alignment, and iterative planning;
- A clear strategy for balancing diverse perspectives and creating consensus.

Differing Views Between Advisory Board Members

While Advisory Board members agreed on many issues, there were some areas where there were differing opinions. The areas below warrant more discussion among Advisory Board members.

Strategic Planning Vs. Immediate Investment:

- Some members want to use the \$500K to fund a small number of highly visible, ready-to-go projects (e.g., four to five \$100K–\$125K grants), to show short-term impact and justify more funding. Others want to see many low-level investments in small and medium sized projects.
- Still others emphasize using the funds for research, planning, and systems design, to build the foundation for long-term, transformational change. This group sees value in strategic restraint and investing in a 10–20 year vision.

Funding Startups Vs. Scaling Established Businesses:

- Some advocate for funding businesses that are already successful and want to grow sustainably. They argue these enterprises are more likely to demonstrate ROI and tell compelling success stories.
- Others emphasize serving the most underserved and undercapitalized operations (including start-ups, tribal farms, and low-income rural producers), even if outcomes are harder to quantify or take longer to emerge.

Role Of The Fund In Providing Technical Assistance:

- Some believe AFFPIF should directly fund TA services or serve as a central TA "switchboard" to improve access across the state.
- Others are skeptical that the Fund should be delivering TA directly, suggesting it should instead support TA providers to do better, while staying focused on capital deployment.

Application Process Rigor Vs. Accessibility:

- There is broad agreement that the application should be simple, but views differ on how much accountability or rigor to maintain:
 - Some warn against overly competitive or bureaucratic processes that exclude small or marginalized producers;
 - Others are concerned about ensuring follow-through, project completion, and financial responsibility, suggesting audits or longer-term evaluation are necessary.

Equity Framing And Targeting:

- Some view all small, rural producers as underserved, and advocate for equitable access without prioritizing specific demographics.

- Others emphasize the importance of intentionally reaching BIPOC, women, tribal, and immigrant producers, and want to see demographic tracking and targeted outreach built into the Fund’s design.

Sector Balance And Prioritization:

- Some feel agriculture dominates the conversation and suggest funding should be proportionate to actual demand across sectors (agriculture, food system, forest products).
- Others warn against pre-setting sector allocations and want to remain responsive to application volume and regional need, without hard caps or quotas.

Support For Grants Over Loans:

- Grants are essential for underserved, low-capacity, and early-stage businesses (e.g., tribal farms, small rural producers) that lack collateral, credit history, or equity.
- Grants are seen as a way to reduce systemic barriers and support equity goals, especially for those excluded from traditional lending.
- Grants are easier to administer, more accessible, and appropriate for smaller or one-time infrastructure investments (e.g., freezers, vehicles, cold storage).
- Many small businesses—especially first-generation or undercapitalized ones—are unwilling or unable to take on debt, even low-interest.
- Some worry loans would favor well-established businesses and leave out those who most need support.
- Some support a combination of grants and TA over loans
- Some suggest using grant dollars as match or seed capital to unlock larger loans or investment.

Support For Loans Over Grants:

- Some members worry about “free money” propping up unsustainable businesses.
- Grants are perceived as limited in leverage potential, as they don’t always unlock additional capital.
- Loans (especially low-interest or forgivable) can promote shared responsibility and financial discipline.
- Loans are seen as a more scalable and sustainable model if the Fund grows, enabling a revolving pool.
- Loans are more appropriate for growth-stage businesses with healthy cash flow but that lack equity.
- Some felt that grants were good for early-stage businesses but loans were better for growth-stage businesses.

- Flexible capital tools, such as deferred-payment loans, can help bridge the gap between grants and traditional debt.

AFFPIF Design Outline

7.18.25 DRAFT

Fund Goals

- Strengthen Maine’s agricultural, food and forest products economy with a priority of making resulting efforts more inclusive of and increasing investments in historically marginalized, underrepresented and underserved communities, including communities of color, low-income communities and rural communities...
- Expand infrastructure investments...to increase access to new markets and opportunities for Maine producers, processors, small businesses and consumers...
- Collaborate with other state agencies, economic development organizations and other key institutional partners to establish technical assistance programs to support these objectives

Fund Capitalization Timeline

- Bonds held over to 2nd session
- If a bond package is approved by the Legislature next session, bonds would be voted on in November 2026, with funds available in 2027
- Until then, \$500,000 is available for distribution

Financial Instruments

- Grants that:
 - have limited or no match requirements (perhaps 25% for grants over \$25,000?)
 - are non-reimbursable (are paid to grantee up-front) (alternatively, ½ up-front, ½ at interval; see Benchmarking Report p.19)
- Loans that:
 - are low-interest
 - require a lower collateral threshold
 - require a lower credit score
 - have flexible terms (adjustable payment schedules)
 - can be subordinated to other debt
 - are forgivable if certain criteria are met

Funding Thresholds

- Establish two tiers of funding:
 - Small grants and micro-loans up to \$xx,xxx (\$5,000? \$10,000?)
 - Larger grants and loans up to \$xx,xxx (\$25,000? \$50,000?)
- When Fund is further capitalized, grant size could be increased (for example, up to \$100,000 or \$250,000 if Fund size is \$5-10 million)

Funding Allocation

- ?? Earmark xx% for applicants who self-identify as part of a historically marginalized, underrepresented, or underserved community
- ?? Earmark xx% for TA given greater restrictions on future bond money (Craig to clarify legal constraints on bonds)

Application Process

- Develop a relatively simple application form to minimize the application process serving as a barrier to less experienced applicants (a simpler form for the smaller funding tier?)
- Provide program assistance through targeted outreach and support in application preparation, to ensure a robust pool of applications from underrepresented communities (this is essentially TA but not in the form of a grant award), including support to applicants with limited English language skills and/or computer literacy
- Note AIIP observation: “Refine outreach and communications strategies to promote funding opportunities across all Maine counties, particularly to areas/communities with historically limited representation”

Funding Priorities

- For-profit businesses (over non-profits)
- Catalytic capital for small, start-up or early-stage businesses
- Larger investments for more established businesses at a particularly impactful growth stage
- Technical assistance (particularly business TA), defined by the applicant to address their unique needs (should this be a condition of an infrastructure grant/loan? phased like FFF?)
- Projects that have not previously received funding (perhaps the first round could factor in whether an applicant has recently received support from certain other DACF funding programs?)
- Projects that source Maine grown/produced inputs

Proposal Evaluation Rubric

- Establish scoring criteria wherein equity considerations account for at least 30% of the scoring rubric
- Include some criteria that assess project feasibility (for instance, clear evidence that there is demand and a defined market for a product)
- Factor in the location of requests in an effort to maximize the geographic distribution of funds (note AIIP observation: “If geographic distribution is a programmatic goal,

consider weighted scoring based on location priorities/understanding of typical county representation in applicant pool”)

Possible Ineligible Uses of Funds

- Purchase of livestock
- Purchase of inputs (soil amendments, other)
- Other?

Possible Evaluation Metrics (to be informed by future report by InCommon Group)

Create different metrics depending on the business stage of development, keeping metrics realistic given that measurable impacts generally require a longer timeline than a grant cycle. Consider a standard project period that is longer than one year. Capitalize on the opportunity to collect stories of impact to help build the case for future funding.

Notes:

- Need to add further considerations relevant to the forest products sector
- Consider possible synergy with DACF Agriculture Development Grant (ADG)

**Maine Agriculture, Food System and Forest Products Infrastructure Investment Fund
Advisory Board Online Meeting Summary
June 25, 2025**

Advisory Board members: Tricia Rouleau, MFT; Commissioner Amanda Beal, DACF; Jay Beck, FAME; Matt Chin, ret'd; Shannon Hill, Mi'kmaq Farms; Muhidin Libah, SBCA; Nicholas Lindholm, MOFGA; Sarah Littlefield, MDPB; Amy Winston at end, CEI; Jeff Wolowitz; Heiwa Tofu

Staff: Claire Hawkins; Lily Kenny, soon to be Director of the Fund; Craig Lapine; Jo D. Saffair

The meeting began with a summary by Jo D. Saffair of feedback received by Advisory Board members on the Benchmarking Report as well as high-level takeaways from the breakout group discussions at the May Advisory Board meeting. InCommon Group then provided a slide presentation on the results of two surveys it administered, one targeted to producers, the other to capital and TA providers.

The Advisory Board discussed conflicting perceptions about technical assistance access, with some survey respondents reporting no barriers and others highlighting significant needs. InCommon Group agreed to run additional cross-tabs to analyze these contradictions further, particularly examining differences between business sizes and sectors. The discussion concluded with suggestions to develop a more flexible TA funding model that would allow businesses to select their preferred providers rather than using a pre-qualified vendor list.

The Advisory Board then split into two breakout groups instead of three due to the lack of forestry sector representation. Each focused on the following question: *Are there needs within your Sector which, based on all the information provided thus far, you believe merit prioritization during an initial round of funding, or beyond?*

Agriculture Breakout Group

Participants: Shannon Hill, Nicolas Lindholm, Muhidin Libah, Sarah Littlefield, Tricia Rouleau, Craig Lapine facilitator, Jo D. Saffair note-taker

Shannon: Not surprised 50% of survey respondents made less than \$100k/yr – respondents were relatively evenly split between newer/smaller farms and more fully established/larger operations. Mi'kmaq Farms was very fortunate to get an AIIP grant; it was a game changer and got them to the next level, more mechanized. The equipment had a huge impact. We should prioritize those smaller operations (under \$100K) where a modest investment would make a huge difference.

Nicolas: Under \$100K isn't necessarily a hobby; it may just be a part of diversified family revenue.

Focus on under \$100K operations, and PRODUCTION equipment (because it's been less of a focus historically). Processing equipment has had more support. Under \$5K equipment threshold is way too small. The figure should be up to \$50,000.

Sarah: Torn on an income threshold because with dairy, all the figures are larger. So it would limit the dairy sector's access to this Fund.

Muhidin: Interact with many individuals who want to farm as a business but don't know how to start. Help with starting a business? His community doesn't know that these resources exist. They don't know where to start and become an independent business. The financial literacy resources are not getting to underserved populations.

Nicolas: Robust TA should be part of the program, including in the pre-application stage. Allow applicants to identify who they want to use. The TA component must be flexible because different sectors have different needs.

Sarah: In response to Craig's point that dairy is such a fundamental part of the ag ecosystem: the New England Regional Food Business Center segments its funding by processor, producer, and other categories. Maine hasn't been awarded many of these grants. Is there an opportunity to build off/collaborate with that NERFBC so producers can apply to both programs most efficiently?

Craig: Concept: Explore a partnership where x amount of \$ is dedicated to the NERFBC to run a Maine-based program?

Nicolas: Other priorities: 0% interest loans and/or grants with no match requirements. That's what's needed since so many of Maine's commodities are price takers, dictated by processors.

Food Distribution, Processing, and Supply Chain Breakout Group

Participants: Commissioner Beal, Jay Beck, Matt Chin, Jeffrey Wolovitz, Lily Kenny, Claire Hawkins notetaker

A helpful synthesis from Lily:

[The Fund] could use the \$500K to pilot a flexible, tiered fund, like Vermont's Working Lands model, that offers small grants, matching funds, and catalytic capital to meet businesses where they are. One pot, multiple tools, minimal red tape.

We can attract mission-aligned investors (like slow capital funds or CDFIs) by de-risking early-stage investments and helping businesses become investment-ready. This sets the stage for blended finance and long-term growth.

Discussion Notes:

Jay (FAME): The agriculture sector is primarily looking for low-interest loans and grants. Some low-interest loans are currently offered through DACF (administered by FAME). Agricultural enterprises often require loans of \$50K or less to finance purchases like equipment. Such loans could support smaller businesses. Overall, TA offerings in Maine are pretty good – many focus on small- to mid-sized farms. Recalls THRIVE program administered by FAME, which offered grants based on a metrics-oriented approach focused on needs within the sector. THRIVE offered both loans (including forgivable loans) and grants, and may be a useful example to consider.

Matt (Former Harvesting Good): Challenging to consider the series of decisions required to structure a fund: who (likely smaller businesses to increase scale and become consistently profitable), what (allowable uses of fund dollars, such as equipment), and how (implement based on impact [direct vs. indirect] or benefits to individual businesses)? Can funding support shared services/infrastructure? Additional risks noted surrounding shared investments.

Jeff (Heiwa Tofu): Shared use sounds good, but it's also very risky – both for the funder and the businesses involved (which rely on each other). This approach might also direct money more toward non-profits rather than businesses (given the likely coordination role). Grants are important capital for small businesses because they can unlock access to different types of resources (e.g., commercial loans). They can also aid in third-party or commercial vetting of project viability. Consider a mini-venture model focused on small grant investments that help de-risk projects for other funders and lenders.

Amanda (DACF): Different businesses have different needs (scales, markets, etc.), and any instrument(s) will need to be flexible and meet business owners where they are. Repayment flexibility and leniency will be critical (e.g., allowing different repayment timetables based on revenues). There is also the possibility of slow capital – what other options can we consider? A key goal is to help businesses work through challenges while still managing for risk.

Lily (DACF): There is merit in the two-pronged approach offering grants and low-interest loans. It will be important to identify what grants *do* – that is, the goal(s) of Fund investments (e.g., impact-based outcomes or catalytic capital for small businesses).

Follow-up

InCommon Group will run additional cross-tabulations on survey data, particularly focusing on TA needs by business type and revenue level.

Jo D. to consider how best to get forestry-related input given no forestry-focused breakout group at this meeting.

DACF staff to prepare a draft document outlining an initial Fund framework for presentation and discussion at the July meeting.

InCommon Group to complete its interview process, focusing on TA providers to underserved businesses and communities. It will present findings from all interviews at the July meeting.