

# Sovernment of the United States Virgin Islands Department of Agriculture



ST. CROIX: #1 Estate Lower Love, Kingshill, V.I. 00850 • T: (340) 778-0997 • F: (340) 778-0997 ST. THOMAS: #7944 Estate Dorothea, St. Thomas, V.I. 00802 • T: (340) 774-5182 • F: (340) 774-1823 ST. JOHN: #11 Estate Carolina, Coral Bay, V.I. 00830 • T: (340) 776-6274 • F: (340) 693-5065

### AGRICULTURAL LAND LEASE APPLICATION

Applications for this land leasing opportunity program may be submitted to the <u>PROPERTY MANAGEMENT PROGRAM</u> at VIDA offices or submitted online at MYGOV site along with a **non-refundable application fee of \$75.00**.

#### Before you begin this application, please read the following information:

- ☐ **The objective** of this program is to identify, preserve, and advise for the management of all public agricultural resources and agricultural-zoned lands in the territory for the development of a sustainable agricultural industry under VIC 7 § 9a.
- ☐ **Before you begin** this application, please ensure you have the following documents:
  - o Farmer's License
    - Completed License from Department of Licensing and Consumer Affairs
  - Mandatory Business Documents
    - See Appendix A for "Required Documents Depending on Business Type"
  - Business Plan
    - See Appendix C for "How to Prepare a Business Plan"
- □ Please **DO NOT submit** this application if any of the owners, principals, stakeholders, guarantors, or company officers currently work for the Government of the Virgin Islands **OR** if the application is missing any files or documentation.

Please ensure your application is complete, the information is true and accurate, as applications with missing information, or applications incorrectly submitted will not be considered or accepted.

All <u>questions</u> about this application can be submitted via email to <u>propertymanagement@doa.vi.gov</u> or via phone at (340) 774-5182.



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AGRICULTURAL LAND LEASE APPLICATION	Applicant Initials:		
Application Date:	5. COMPANY DATA:		
Business Type:	Type of Business:		
Last 4 SSN:	☐ Non Profit	Limited Liability Company	
Business EIN No.:	Partnership	Corporation	
Phone Number:	$\square_{\text{Proprietorship}}^{\text{Sole}}$	Other:	
Email Address:			
DUNS No.:	Date Established:		
Referred by:		gan:	
1. APPLICANT (Individual/Company Name):	6. CURRENT FARM LO	CATION:	
	Leased	Owned	
	Other (please spec	cify):	
2. PRINCIPAL / CONTACT PERSON:	Current Lessor/Land	lord:	
Name:		:	
Position:	Length of Contract:		
Phone Number:			
Mobile Number:	Other information:		
Email Address:			
3. PHYSICAL ADDRESS:	7. TAX EXEMPTION:		
	a. Have you ever app	olied for a tax exemption?	
	☐ Yes	□ No	
	b. If yes, when?		
	c. If you or your busi	ness receives farming, farmland,	
4. MAILING ADDRESS:	or other tax exempti	ions, please list below:	
	-		



<b>Applicant Initials:</b>	
Applicant initials.	

#### 8. BANKING AND COMMERCIAL REFERENCES:\*

a. Include three (3) banking and commercial references with a minimum of one (1) banking reference and letter. Please indicate account numbers, reference type, and list complete addresses in the space below.

\*See Appendix B for "Information on Banking and Commercial References"

	Name	Account Number or Reference Type	Mailing Address	Phone Number
1.				
2.				
3.				

b. Does (any/all of) the applicant(s), guarantor(s), stockholder(s), or officer(s) have, or ever had, a pending application with any of the entities mentioned below?

	Financial Institution	Account Number	Year	Original Amount
1.	Small Business Development Agency			
2.	Government Development Bank			
3.	Small Business Administration			
4.	Commercial and Agricultural Credit			
5.	Economic Development Authority			
6.	US Department of Agriculture			
7.	Other (please specify)			

9. NAMES OF OWNER(S) / STOCKHOLDER(S):

	Name	Title/Position	Ownership %	Phone Number	Email Address
1.					
2.					
3.					
4.					
5.					
6.					



Applicant Initials:
10. FINANCIAL BACKGROUND:
If you answer "Yes" to any of the following questions, please explain below or on a separate page.
a. Are there any lawsuits pending or filed against the company, business, its owner(s), stakeholder(s), guarantor(s), or company officer(s)?
☐ Yes ☐ No
If "Yes," please explain or give detail:
b. Do you owe any income or property taxes?
☐ Yes ☐ No
If "Yes," please explain or give detail:
c. Have the owner(s), principal(s), stakeholder(s), guarantor(s), or company officer(s) ever been convicted of a financial crime?
☐ Yes ☐ No
If "Yes," please explain or give detail:
d. Does any of the owners, principals, stakeholders, guarantors, or company officers currently work for the Government of the Virgin Islands?    Yes



Applicant Initials: \_\_\_\_\_

a. Provide a detailed description of the company's leadership's experience in the agriculture industry.  12. DEVELOPMENT DETAILS:  a. Estimated Costs of Investment:  (i) Labor  (ii) Improvement  (iii) Total  b. Funding Source(s) for Investment:
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(ii) Improvement
(iii) Total
b. Funding Source(s) for Investment:
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c. Agricultural Land Area of Interest:
d. Quantity of Land or Amount of Space Requested:
a. Quantity of Land of Amount of Space Requested.
e. Type of Farm:



			Applicant Initials:
l2. DEVELO	PMENT DETAILS (cont'd):		
f. What in	frastructure are you planning on developing or ir	mplen	nenting?
		P	
business's History, N Financial	a separate copy of your <b>Business Plan*</b> for this post Executive Summary, Business/Leadership Organ Mission Statement, Resource Inventory, SWOT An Plan, Marketing Plan & Sales Strategy, 5-year Goalends C for "How to Prepare a Business Plan"	nizatio alysis	n, Company Description and Business/Farming, Legal and Liability Issues, 2-Year Production Plan,
L3. SUPPOR	TING DOCUMENTS CHECKLIST:*		
*See App	endix A for "Required Documents Depending on B	Busine	ss Type"
	Farmer's License		Financial Statements (for Existing Businesses)
	Documents Required - per Appendix A		Site Design Plan & Production Plan
	Business Plan (including all listed titles)		Credit Report of Owners (TransUnion, Equifax, or Experian)
L4. APPLICA	ANT DECLARATION AND CONSENT:		
of the info reject this I/We here officers to	ormation is found to be false or incomplete, the Cost application and/or terminate the Lease Agreement of Agriculture and	Gover ent re the D	nd complete. I/We understand and agree that if any nment of the US Virgin Islands reserves the right to sulting from this Application with immediate effect. epartment of Property and Procurement and its ify the information with any third party including
			Initiale



Applicant Initials:	
public disclosure unde n should be clearly ma	
DATE	_
☐ Yes	No
☐ Yes	No
☐ Yes	] No
☐ Yes	
	No
	No
	DATE  Yes  Yes  Yes



### **APPENDIX A**

## Required Documents Depending on Business Type

	Sole Proprietorship
1.	Current VI Farmer's License
2.	Proof of Commercial General Liability Insurance <sup>1</sup>
3.	Sam.Gov Registration <sup>2</sup>
4.	Tradename Certificate (if tradename is used) <sup>3</sup>
5.	Proof of Worker's Compensation Coverage/ Government Insurance Coverage⁴

	General Partnerships
1.	Current VI Farmer's License
2.	Proof of Commercial General Liability Insurance <sup>1</sup>
3.	Sam.Gov Registration <sup>2</sup>
4.	Tradename Certificate (if tradename is used) <sup>3</sup>
5.	Proof of Worker's Compensation Coverage/ Government Insurance Coverage
6.	Partnership Agreement (if it exists)
7.	Memorandum Authorizing signatory on company letterhead (signed/attested by secretary or all members)

	Limited Partnerships (LP/LLP/LLLP)
1.	Current VI Farmer's License
2.	Proof of Commercial General Liability Insurance <sup>1</sup>
3.	Sam.Gov Registration <sup>2</sup>
4.	Tradename Certificate (if tradename is used) 3
5.	Proof of Worker's Compensation Coverage/ Government Insurance Coverage
6.	Certificate of Limited Partnership or Statement of Qualification
7.	Memorandum Authorizing signatory on company letterhead (signed/attested by secretary or all members)
8.	Certificate of Good Standing <sup>3</sup>



Corporations (Inc., Corp., Co.)		
1.	Current VI Farmer's License	
2.	Proof of Commercial General Liability Insurance <sup>1</sup>	
3.	Sam.Gov Registration <sup>2</sup>	
4.	Tradename Certificate (if tradename is used) <sup>3</sup>	
5.	Proof of Worker's Compensation Coverage/ Government Insurance Coverage	
6.	Articles of Incorporation (and applicable amendments)	
7.	Corporate Resolution on Company Letterhead (signed/attested by corporate secretary authorizing signatory)	
8.	Certificate of Good Standing <sup>3</sup>	

Limited Liability Company (LLC)		
1.	Current VI Farmer's License	
2.	Proof of Commercial General Liability Insurance <sup>1</sup>	
3.	Sam.Gov Registration <sup>2</sup>	
4.	Tradename Certificate (if tradename is used) <sup>3</sup>	
5.	Proof of Worker's Compensation Coverage/ Government Insurance Coverage	
6.	Articles of Organization (and applicable amendments)	
7.	Memorandum Authorizing signatory on company letterhead (signed/attested by secretary or all members)	
8.	Certificate of Good Standing <sup>3</sup>	

- 1. Proof of Commercial General Liability Insurance with the Government of the Virgin Islands as Certificate Holder and Additional Insured as indicated on Endorsement (policy number on endorsement must match policy number on certificate).
  - a. An endorsement that explicitly names the Government of the Virgin Islands as an additional insured is required—blanket insurance endorsements that do not name the Government of the Virgin Islands are not accepted).
- 2. The System for Award Management (SAM.gov) is an official website of the U.S. Government. There is no cost to use SAM.gov. You must use this site to register to do business with the U.S. Government and is available online at <a href="mailto:sam.gov">sam.gov</a>.
- 3. Tradename Certificates and Certificates of Good Standing are issued through the Lieutenant Governor's Office.
- 4. Worker's Compensation Coverage may be required if you have any employees for your business.

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#### **APPENDIX B**

### **Banking and Commercial References**

Bank Reference Letter

A bank reference is a letter from a bank where you have account. The letter should state that you are or have been their customer for a certain period of years. A bank reference should also confirm that banking relationship has been acceptable, without any defaults from your part. This letter should be from the bank account you have had the longest.

For a sample letter and more information, please visit: <a href="https://bit.ly/34gXzki">https://bit.ly/34gXzki</a>

(Please note, links are CaSe SeNsItIvE.)

Commercial Reference Letter

A business reference letter is a recommendation provided by a business associate on behalf of an organization or an individual verifying the dealings and quality of the services offered by that individual or organization to a new client who wishes to hire them. The reference written should be able to recommend the business to other clients or, in general, provide an endorsement of a contact for business purposes.

For a sample letter and more information, please visit: <a href="https://bit.ly/3uq9QNZ">https://bit.ly/3uq9QNZ</a>

(Please note, links are CaSe SeNsItIvE.)



#### **APPENDIX C**

#### How to Prepare a Business Plan

Business plans help you run your business

A good business plan guides you through each stage of starting and managing your business. You'll use your business plan as a roadmap for how to structure, run, and grow your new business. It's a way to think through the key elements of your business.

Business plans can help you get funding or bring on new business partners. Investors want to feel confident they'll see a return on their investment. Your business plan is the tool you'll use to convince people that working with you — or investing in your company — is a smart choice.

In this proposal, you will need a traditional business plan. Traditional business plans are more common, use a standard structure, and encourage you to go into detail in each section. They tend to require more work upfront and can be dozens of pages long. This type of plan is very detailed, takes more time to write, and is comprehensive.

When you write your business plan, please use the prescribed sections requested in the application, and if you so choose, expand on the required sections.

#### I. Executive Summary

a. Briefly tell your reader what your company is and why it will be successful. Include your mission statement, your product or service, and basic information about your company's leadership team, employees, and location. You should also include financial information and high-level growth plans if you plan to ask for financing.

#### II. Company Description

- a. Use your company description to provide detailed information about your company. Go into detail about the problems your business solves. Be specific, and list out the consumers, organization, or businesses your company plans to serve.
- b. Explain the competitive advantages that will make your business a success. Are there experts on your team? Have you found the perfect location for your store? Your company description is the place to boast about your strengths.

#### III. Business/Leadership Organization

- a. Tell your reader how your company will be structured and who will run it.
- b. Describe the <u>legal structure</u> of your business. State whether you have or intend to incorporate your business as a C or an S corporation, form a general or limited partnership, or if you're a sole proprietor or LLC.

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c. You can use an organizational chart to lay out who's in charge of what in your company. Show how each person's unique experience will contribute to the success of your venture. Consider including resumes and CVs of key members of your team.

#### IV. Mission/Vision Statement

- a. Every operation has a reason for taking on the risks associated with agricultural production. The purpose of the mission statement is to precisely and emphatically state why your operation exists. It should focus each person involved in the operation each day. Anyone working within the operation should, upon reading the mission statement, know how his or her daily tasks, once completed, have helped to fulfill the operations mission. The mission statement should answer three key questions:
  - i. What are the opportunities or needs that we exist to address? (The purpose of the organization)
  - ii. What are we doing to address these needs? (The business of the organization)
  - iii. What principles or beliefs guide our work? (The values of the organization).

#### V. Business/Farming History

a. If you are new to farming, you might not have a Business History, which can be omitted. However, if you have farmed, then you will benefit from writing it. In this component, you should briefly describe how the operation came to be and how you came to be its owner and/or manager. This would include when and how was the operation started, the location of the operation, the source of the land, equipment and other resources, and was it inherited or purchased or is it rented. How was and is the operation financed? What management changes have occurred over its history? What were the defining moments or events that caused you to control the operation?

#### VI. SWOT Analysis

a. A SWOT analysis is a term used to describe a tool that is effective in identifying your Strengths and Weaknesses, and for examining the Opportunities and Threats you face. While it is a basic, straightforward model, it has been a popular business practice for many years because it helps provide direction and serves as a basis for the development of business plans. It accomplishes this by examining the strengths (what an operation does well) and weaknesses (what an operation does not do well) in addition to opportunities (potentially favorable conditions for an operation) and threats (potentially unfavorable conditions for an operation). Once completed, the SWOT analysis can help determine if the information indicates something that will assist the operation in achieving its objectives (a strength or opportunity), or if it indicates an obstacle that must be overcome or minimized to achieve desired results (weakness or threat).

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#### VII. Resource Inventory

- a. Agricultural producers use resources such as land, labor, machinery, breeding stock, management and financial capital to produce commodities for sale. An accurate inventory of these resources is important for the evaluation of the current health of the operation and planning as well as a preliminary method for evaluating new enterprises. The use of an up-to-date resource inventory can help to:
  - i. Provide a current overview of the operation
  - ii. Complete a balance sheet
  - iii. Provide a summary of collateral that can be used for a loan
  - iv. Identify the status and condition of your assets and liabilities
  - v. Evaluate options for growth and diversification

#### VIII. 2-Year Production Plan

- a. The production plan conveys the type and quantity of commodities to be produced. The production plan pairs information from the resource inventory and financial records to serve as a realistic estimate of current activities and their anticipated financial results. A thorough production plan should detail all enterprises on an operation (crop, livestock, and other) so that scheduling of labor and financial resources can be easily examined.
- b. The production plan should provide a basis for projecting future operational activities and alternative enterprises. While changes will occur, the production plan serves to document historical performance and project the future direction of the business.
  - Crop production plans should include the estimated acreage and yield for each crop. Estimated production levels can then be combined with anticipated prices to generate some of the figures needed for the financial component.
  - ii. The livestock production plan must clearly identify all related production information, including the size of the herd, cull rates, weaning rates, weaning weights, rates of gain, purchase price, sales prices, etc. In addition, details regarding the replacement herd and breeding herd should be described.

#### IX. Financial Plan

a. Supplement your funding request with financial projections. Your goal is to convince the reader that your business is stable and will be a financial success.

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- b. If your business is already established, include income statements, balance sheets, and cash flow statements for the last three to five years. If you have other collateral you could put against a loan, make sure to list it now.
- c. Provide a prospective financial outlook for the next five years. Include forecasted income statements, balance sheets, cash flow statements, and capital expenditure budgets. For the first year, be even more specific and use quarterly or even monthly projections. Make sure to clearly explain your projections, and match them to your funding requests.
- d. This is a great place to use graphs and charts to tell the financial story of your business.

#### X. Marketing Plan & Sales Strategy

- a. There's no single way to approach a marketing strategy. Your strategy should evolve and change to fit your unique needs.
- b. Your goal in this section is to describe how you'll attract and retain customers. You'll also describe how a sale will actually happen. You'll refer to this section later when you make financial projections, so make sure to thoroughly describe your complete marketing and sales strategies.

#### XI. 5-Year Company Goal-Setting and Expansion Plan

- a. One of the most important aspects of business planning is the setting of goals. Properly defined goals can assist the operation's management team in determining whether the operation is moving forward. Goals can be either short term or long term, however, each short term goal should correspond to a long term goal, and each of these should move the operation towards fulfilling its mission statement. Goals should be incorporated into each of the financial, production and marketing components. One common theme found in most business planning publications regarding goals is the concept of SMART goals. This concept suggests that goals must be Specific, Measurable, Attainable, Relevant and there should be a Time-frame specified for reaching each goal.
- b. Describe your company's plans over the next five years, how will you have grown? Will you require funding sources? What will those look like? Your goal is to clearly explain how much funding you'll need over the next five years and what you'll use it for.
- c. Give a detailed description of how you'll use your funds. Specify if you need funds to buy equipment or materials, pay salaries, or cover specific bills until revenue increases. Always include a description of your future strategic financial plans, like paying off debt or selling your business.

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#### XII. Legal & Liability Issues

a. Contemplating the prospects of legal action against your farming or ranching operation can be unnerving. The assorted unknown variables can make the planning process frustrating, while the threat of enormous adverse judgments generates an emotional response. Planning for the loss or withdrawal of a key member of your management team can also be unpleasant. The business planning process will help identify risks and assign resources to manage these risks. A large number of potential legal and liability issues will be identified with a thorough SWOT analysis. Similarly, a resource inventory will help identify the individuals and tools necessary to manage these risks. It will be impossible to list all potential liability risks as well as to completely eliminate all of the legal and liability risk from an activity as inherently risky and uncertain as agriculture. The completed business plan will address specific action plans for dealing with identified risks, as well as outline contingencies for the unforeseen risks.

#### XIII. Design Plan

- a. Designing your future farm is an important part of visualizing and conceptualizing your vision. Taking some time to sit and sketch ideas is a great way to help you plan for the year ahead. Make sure your designs are to scale so that your designs will be accurate and easy to work with! Please take some time and sit down and design your farm for the upcoming season. Think about your new animals, plants, projects, buildings.... And then draw them all out on a page.
- b. For more information on Design Planning, please visit the FAO website <a href="https://bit.ly/3yB3izr">https://bit.ly/3yB3izr</a> and begin reading on page 7, watch the YouTube video "Drawing Your Farm Design (To Scale)" at <a href="https://bit.ly/3hRvLLi">https://bit.ly/3hRvLLi</a>, and/or read this article over at <a href="https://bit.ly/3vosuqQ">https://bit.ly/3vosuqQ</a>. (Please note, links are CaSe SeNsItIvE.)

The information shared on this application were retrieved in May 2021 from the US Small Business Administration from <u>their website</u> and Texas A&M AgriLife Extension from <u>their website</u>.

For technical assistance for planning your business, please visit the USDA New Farmers site at <a href="https://bit.ly/3hSsWth">https://bit.ly/3hSsWth</a> . (Please note, links are CaSe SeNsItIVE.)

For an example of a business plan please visit <a href="https://bit.ly/3fP1VEE">https://bit.ly/3hWaj7K</a>. (Please note, links are CaSe SeNsItIVE.)