

State of Maryland

2006 Bond Bill Fact Sheet

1. Senate		House		2. Name of Project
LR #	Bill #	LR #	Bill #	
1833	SB474	1913	HB1366	Creation of a State Debt – Kent County - Chesapeake Fields' Millington Project
3. Senate Bill Sponsors				House Bill Sponsors
Sen. Pipkin				Del. Walkup, et al.
4. Jurisdiction (County or Baltimore City)				5. Requested Amount
Kent County				\$1,400,000
6. Purpose of Bill				
Authorizing the creation of a State Debt not to exceed \$1,400,000, the proceeds to be used as a grant to the Board of Trustees of the Chesapeake Fields Institute, Inc. for the acquisition of 83 acres of farmland to build an agricultural/visitor center and business park.				
7. Matching Fund Requirements				
This bill requires a matching fund of \$700,000 that may consist of in-kind contributions and funds expended prior to the effective date of the Act. No part of the fund may consist of real property.				
8. Special Provisions				
None.				
9. Description and Purpose of Grantee Organization (3000 characters maximum)				
<p>Chesapeake Fields Insitute, Inc. (CFI) continues to advocate for our rural communities, our farming families, and their vital role of producing our nation's food sources, while we tell our story of stewardship of the land within the Chesapeake Bay Watershed! CFI is a 501(c)(3) non-profit whose mission is to strengthen the profitability of traditional agricultural markets for family farmers, while conserving the region's natural and cultural resources. Our next step is to purchase 83 acres of farmland in Millington, MD to build an agricultural/visitor center and business park. Our proposed agricultural prototype will serve as a replicable model for other American heritage areas focusing not only on farmers and their families framed within their agricultural past, present, and future, but also on interactive learning experience for the nation's visitors.</p> <p>Our vision is simply "preservation through profitability", which has prompted our expansion into three distinct entities. The common mission links the three Chesapeake Fields organizations together, but each maintains its own purpose, mission, approach, and leadership. Chesapeake Fields Institute: 1) researches and develops new products and markets; 2) researches food-grade corn varities, popcorn, food-grade soybean varieties, including edamame beans and other speciality seeds; 3) establishes contacts in Asia and Europe via its work with MD's Department of Business and Economic Development and MD's Department of Agriculture; and 4) evaluates the creation of an agricultural/visitor center to educate the public about agriculture's importance to our economy, health and quality of life, and a vital understanding of the origins of their food. Chesapeake Fields Farmers, LLC is owned by community investors, including farmers and funded in part by a USDA grant to develop, manufacture, and market consumer food products (Artisan breads, soy, and popcorn snacks). Chesapeake Fields Farmers Cooperative: 1) produces the very best raw ingredients for use in the consumer products; 2) offers farm ownership and investment in cooperative operations; 3) insures an adequate supply for the LLC's production schedule; and 4) works in seed procurement and distribution, acre procurement and allocation contracts, scouting, storage and inspection, and whole seed sales.</p>				

10. Description and Purpose of Project (3000 characters maximum)

CFI initiated the Chesapeake Fields Millington Project on July 12, 2004 to determine the feasibility of an agricultural/visitor center to be located in Millington, MD (envisioned as a gateway to the Eastern Shore by Economics Research Associates [ERA]). Phases 1 and 2 of the study are complete; Phase 3 (concept refinement) is expected to be completed by Jan., 2006 with Phase 4 (master plan) following immediately thereafter.

The purchase of Parcel A (83 acres of land in a Priority Funding Area) in Millington, MD will enable the construction of an agricultural/visitor center to be located at the intersection of US Rt. 301 and MD Rt. 291 [also within a potential Target Investment Zone]. The center will actively engage all visitors by: 1) demonstrating the origin of food sources - products grown on family owned and operated Delmarva farms; 2) showing the refining process and production of food products for local, national, and international markets within a factory tour; 3) showcasing interactive exhibits and educational forums/workshops; 4) promoting the sales of Chesapeake Fields products in its retail outlet; and 5) culminating with all visitors sharing the belief that agriculture truly provides the best use of our land. As part of the visitor experiences, CFI will include a tour of the LLC's processing facility to demonstrate how grains become food and showcase Chesapeake Fields' logo and food products. Just imagine smelling the fresh baked bread and popcorn or watching soy snacks being toasted and packaged! All are CFI's very first Value-Added products made from locally grown Identity-Preserved (IP) grains!

The main themes of the agricultural/visitor center include: 1) health and nutrition: Visitors will develop a new awareness of "where food comes from"; 2) environment/development balance: Visitors will develop an understanding for the "sense of place" Delmarva offers; 3) natural resource conservation: Visitors will come to understand that "agriculture is the best use of land"; and 4) product sales: Visitors will "recognize" the name, logo, and products of Chesapeake Fields.

Round all amounts to the nearest \$1,000. The totals in Items 11 (Estimated Capital Costs) and 12 (Proposed Funding Sources) must match. The proposed funding sources must not include the value of real property unless an equivalent value is shown under Estimated Capital Costs.

11. Estimated Capital Costs

Acquisition	Land	\$2,100,000
Design		
Construction		
Equipment		
	Total	\$2,100,000

12. Proposed Funding Sources – (List all funding sources and amounts.)

Source	Amount
Bond Bill - State Grant	\$1,400,000
Private Fundraising	\$280,272
Foundation Grants	\$200,000
Individuals	\$200,000
CFI Board & Staff	\$2,000
CFI Board & Corporate - In-Kind	\$18,728

Total			\$2,100,000	
13. Project Schedule				
Begin Design	Complete Design	Begin Construction	Complete Construction	
3/06	9/06	1/07	12/07?	
14. Total Private Funds and Pledges Raised as of January 2006		15. Current Number of People Served Annually at Project Site		16. Number of People to be Served Annually After the Project is Complete
anticipate \$700,000		0 Visitors		1 st Yr. 45,000 - 2 nd Yr. 122,000
17. Other State Capital Grants to Recipients in Past 15 Years				
Legislative Session	Amount	Purpose		
None.	\$0			
18. Legal Name and Address of Grantee		Project Address (If Different)		
		Intersection US Rt. 301 & MD Rt. 291		
19. Contact Name and Title		Contact Phone	Email Address	
John E. Hall, CFI President		410-778-1661	jehall@umd.edu	
20. Legislative District in Which Project is Located			#36	
21. Legal Status of Grantee (Please Check one)				
Local Govt.	For Profit	Non Profit	Federal	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
22. Grantee Legal Representative		23. If Match Includes Real Property:		
Name:	Eugenia Cooper Wootton	Has An Appraisal Been Done?	Yes/No	
Phone:	410-778-3515		N/A	
Address:		If Yes, List Appraisal Dates and Value		
Rasin & Wootton, 200 Court St., P.O. Box 228, Chestertown, MD 21620 ewootton@rwlawoffice.com				
24. Impact of Project on Staffing and Operating Cost at Project Site				
Current # of Employees	Projected # of Employees	Current Operating Budget	Projected Operating Budget	
8 CFI - 2; LLC - 6	88	CFI \$63,612; LLC \$1,076,945	\$849,325 1 st year of operations	
25. Ownership of Property (Info Requested by Treasurer's Office for bond issuance purposes)				
A. Will the grantee <u>own</u> or <u>lease</u> (pick one) the property to be improved?			Own	
B. If owned, does the grantee plan to sell within 15 years?			No	
C. Does the grantee intend to lease any portion of the property to others?			Yes?	
D. If property is owned by grantee and any space is to be leased, provide the following:				

Lessee	Terms of Lease	Cost Covered by Lease	Square Footage Leased
E. If property is leased by grantee – Provide the following:			
Name of Leaser	Length of Lease	Options to Renew	
26. Building Square Footage:			
Current Space GSF			
Space to Be Renovated GSF			
New GSF	74,000		
27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion			
28. Comments: (3000 characters maximum)			
<p>CFI has just received confirmation from Food Lion (an adjacent land owner to the proposed property) lifting restrictions (a no-compete clause) placed on the 83 acres of land. And the official launch of the land equity drive (Oct. 20, 2005) places CFI in readiness to purchase the land.</p> <p>This Bond Bill is CFI's first individual, capital request toward its major goal of land purchase for an agricultural/visitor center. CFI has projected its best estimate for the Bond Bill of proposed funding sources (as of Nov. 15, 2005). The secondary plan is to obtain financing from the land owner, which would substantially restrict construction expenses. To date CFI has a successful record of receiving grant awards and annual individual and corporate donations. Currently CFI's Board of Directors and Staff are engaged actively in promoting a Major Donor campaign and planning its First Annual Family Farm Day (for 2006). Within the past year the LLC separately raised \$1,000,000 from investors to launch its corporate ventures.</p> <p>Once the land purchase is complete, CFI anticipates that MD Department of Business and Economic Development will assist with the center's construction funds. Entrance will require an admission fee (\$5/person) to an estimated 60,000 visitors and sales of Chesapeake Fields products in its retail store will generate annual income. Eventually the remaining business park space will be available for complementary business entities (such as, a flour milling, yogurt and cheese facility, and potentially for a vegetable market [based on a grant proposal recently submitted to revitalize its market infrastructure]).</p>			

