Resilient Food Systems Infrastructure Grant FAQs

Updated 3/4/2024

*Please note, some questions may be edited for context or to remove personal information.

Please make sure you have read and reviewed thoroughly the <u>RFSI RFR</u>, which outlines the program, submission instructions, supporting document requirements, etc. Please consider attending one of the two webinar sessions that will be held:

- Thursday, February 8th, 2024 at 12:00pm
 - Recording for this session is <u>here</u>. Passcode is #f%x2f1d.
- Tuesday, March 5th, 2024 at 12:00pm To access this webinar, register here.

TIP: Utilize the "CTRL+F" Function to search the document by specific keywords. This may help you navigate the document more quickly. Press the "CTRL" and "F" keys at the same time, then type the keyword into the search bar that will pop up.

<u>RFSI FAQs</u>

- Is the grant available for new equipment, new production facility [costs], [or a] new storage facility? [Is an application eligible] if we would be using it just for ourselves?
 - The Infrastructure Grant allows for new equipment purchases, new production facility costs, and new storage facility costs. A proposal is eligible if the applicant will solely be using the proposed equipment/facility/storage themselves. It is not required that the equipment/facility construction/storage be shared.
 - The Simplified Equipment-Only grant only covers costs for equipment, and not associated facility upgrades, staffing, or other costs including installation.
- I am curious about my eligibility. I am a for-profit farm that grows, but also aggregates products from many other local and regional farms for both direct-to-consumer (primarily) and local wholesale. We are not a distributor as we're primarily selling to folks in our community, but I was curious if we qualify because we do source so much from local and regional farms.
 - Eligible Applicants are as follows:
 - Agricultural producers or processors, or groups of agricultural producers and processors,
 - Nonprofit organizations operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products
 - For-profit entities operating middle-of-the-supply-chain activities such as processing, aggregation, or distribution of targeted agricultural products, whose activities are primarily focused for the benefit of local and regional producers, and that meet the eligibility requirements of the SBA small business size standards are eligible.

- For-profit entities must meet the eligibility requirements of the SBA small business size standards matched to industries described in the North American Industry Classification System (NAICS). For more information on these size standards, please visit <u>SBA's Size Standards</u> <u>webpage</u>. For a quick check on whether your business qualifies, please use the <u>Size Standards Tool</u>.
- Local government entities operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products
- Tribal governments operating middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural products.
- Institutions such as schools, universities, or hospitals bringing producers together to establish cooperative or shared infrastructure or invest in equipment that will benefit multiple producers middle-of-the-supply-chain activities such as processing, aggregation, distribution of targeted agricultural product.
- A proposal should demonstrate that the requested project costs are for middle-of-thesupply-chain activities, which includes aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of locally and regionally produced food products. Food production costs and food retail/market to consumer costs would be ineligible.
- [I am] interested in applying for the Simplified Equipment-Only grant. We have received grants from MDAR in the past. Would an [Ansul Kitchen] system qualify? Would the installation cost qualify as well?

Our finishing, bottling and farm kitchen also serves a nonprofit that produces soup for a food pantry for seniors. An [Ansul Kitchen] system will assure that we will be able to support our farm-based food preparation operation. Is the RSFI Grant [Simplified] Equipment-Only applicable for this purpose?

- Ansul Kitchen System response from USDA The equipment being requested or the renovations/modifications to the kitchen would need to support the value-added processing activities of allowable agricultural food products. The fire suppression system would need to support these activities. Again, projects must create more and better market opportunities for local and regional producers.
- The Simplified Equipment-Only grant only covers the costs for equipment, and not associated facility upgrades, staffing, or other costs including installation. The Infrastructure Grant allows for equipment, installation, and other associated costs, so it is encouraged to consider the functions of each program (applicants can only apply to one of the options).
- [I have a question about] quote documentation. How would you suggest approaching that? Should I gather data on the estimated costs for updating equipment? And if so, would we have the flexibility to adjust the allocation of funds if, for example, the walk-in refrigerator appears to be functioning well initially but may require updates once it's in heavy use?
 - Please do your best to provide accurate quotes for new equipment or for updating current equipment to reflect an accurate budget for the project. Any project selected by MDAR for funding also must go through USDA for secondary approval, so the budgets

and supporting documentation are important for understanding the scope of the project being proposed.

- For all equipment, contractual and construction services applicants must submit documentation to substantiate the costs, which can include contracts, catalog pricing, or binding quotes provided by licensed commercial entities.
- If we were to divide the grant request between multiple funding sources, should I submit duplicate applications or simply mention it in one application?
 - An applicant may submit a grant budget to multiple grant opportunities, but an applicant cannot receive funds for the same costs across multiple grants, state *or* federal. For example, if you submit two grant applications to two different grant programs, both asking for "Equipment A" and you receive both grants, you are not allowed to accept the funding from both grant sources for that same item.
 - Applicants may only apply to one of the RFSI funding programs, either the Infrastructure Grant or the Simplified Equipment-Only grant. The Infrastructure Grant allows for equipment and other allowable costs while the Simplified Equipment-Only Grant allows for equipment costs only.
- I have a question regarding the match requirement. Can we use staff time as part of the match? I noticed that providing fair wages is one of the project's goals, but I'm unsure if salaries are an eligible expense.
 - Match costs are required for the Infrastructure Grant. Match costs are not required for the Simplified Equipment-Only Grant.
 - Salaries may be used as in-kind match for Infrastructure Grant match requirements. Make sure to report all match costs in the <u>Match Verification Letter</u> required for the Infrastructure Grant program.
- We are a commercial scale compost collection and processing company out of Massachusetts. We'd like to apply for funding for a tractor and spreader and partner with local farms to spread compost. Would a project like this be viable for the equipment only grant?
 - The RFSI program is intended to fund agricultural operations involved in middle-of-thesupply-chain activities, which includes aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of agricultural products.
 - According to USDA's RFSI guidelines, the food supply chain involves the following stages:
 1. Production, 2. Processing, 3. Aggregation/Distribution, and 4.
 Markets/Retail/Consumers. For the purposes of RFSI, "middle-of-the-supply-chain" refers to the middle stages:
 2. Processing and
 3. Aggregation/Distribution
 - The activities described appear to relate to agricultural product production, and therefore would not be eligible under RFSI.
- Are we allowed to apply for both the Infrastructure Grant and the [Simplified] Equipment-Only grant for the same company? They would be for different projects, we just have needs in both categories.

- An applicant may only apply for one of the RFSI funding opportunities, so applicants should consider both funding programs carefully. The Infrastructure Grant allows for equipment and other allowable costs while the Simplified Equipment-Only Grant allows for equipment costs only.
- [For the Simplified Equipment-Only grant,] the RFR stipulates grant awards are for equipment purchase only. Does "purchase" include costs associated with walk-in cooler engineering/design, permitting, and installation?
 - The Simplified Equipment-Only option is a fixed-price grant, meaning it will fund only equipment purchases, and not associated facility upgrades, staffing, or other costs including permitting and installation.
 - The Infrastructure Grant option does allow for equipment and other eligible costs like installation, construction, permitting, etc. but includes a match requirement.
- [Does MDAR] have a definition of "value-added product" that you are using?
 - USDA has provided the following definition for "Value-Added Product":
 - Value-Added Agricultural Product: means any agricultural commodity or product that:
 - Has undergone a change in the physical state or form of the product, such as milling wheat into flour or making strawberries into jam.
 - Is produced in a manner that enhances the value of the agricultural commodity or product.
 - Is physically segregated in a manner that results in the enhancement of the value of that commodity or product, such as an identity preserved product.
 - Is a source of farm- or ranch-based renewable energy, including E–85 fuel; or
 - Is aggregated and marketed as a locally produced agricultural food product and, as a result of the change in physical state or the manner in which the agricultural commodity or product is produced and segregated, the customer base for the commodity or product is expanded and a greater portion of revenue derived from the marketing, processing, or physical segregation is made available to the producer of the commodity or product.
- When will award announcements be made? When does MDAR expect contracts to begin? When must the grant be completed by?
 - The application deadline is Friday, March 29, 2024 at 4:00pm. MDAR expects to make awarding decisions and to let awarded applicants know by April 2024. However, USDA also must complete a secondary review and approval of the projects selected that may take up to 60 additional days. MDAR is hoping for a June 2024 start date for projects, but that is subject to USDA approval. MDAR expects that projects will begin in Summer 2024. Awarded grants must be completed by May 24, 2027 – all allowable costs must be incurred by that date.
- In the portion for "Expected Performance Measurables" it is not clear to me how best to answer given our project/request for equipment funding. We are looking to fund [XX equipment] for our existing farm.

- The Expected Performance Measures section is how USDA will track the success of the project. You only need to select one or more of the Indicators provided in the online application, and make sure to select only those that are applicable to your project. You will input the expected value in the "Expected Numbers" section. If one or more of the indicators is not applicable to your project, check "N/A".
- MDAR cannot help any individual applicant determine the best/appropriate indicators for their project. It is at the applicant's discretion to determine the appropriate indicators.
- Can you help me understand the attachment requirements?
 - Please review the attachment requirements for the Infrastructure Grant program and the Simplified Equipment-Only program, as they differ.
 - Infrastructure Grant applications must include the following Supporting Documentation:
 - Match Verification Letter(s) Applicants must submit written and signed verification of match commitment from any party, including the eligible entity, who will contribute a match of non-Federal resources to this project. Applicants should utilize Attachment E. Verification of Matching Funds Template Letter for all match funding sources.
 - Evidence of Critical Infrastructure Applicants must submit supporting evidence (in MS Word or PDF format) that critical resources and infrastructure necessary to support the initiation and completion of a project are in place. Land, structures, and other critical resources must be in place and in working condition at the time of application submission. Applicants should utilize Attachment F. Critical Resource Infrastructure Template Letter to indicate the critical resource(s) that are necessary for initiation and completion of the project and certify that they are in place and committed prior to the start date of the project.
 - Supporting Documentation/Quotes For all equipment, contractual and construction services applicants must submit documentation to substantiate the costs, which can include contracts, catalog pricing, or binding quotes provided by licensed commercial entities.
 - Simplified Equipment-Only applications must include the following Supporting Documentation:
 - Supporting Documentation/Quotes applicants must submit documentation to substantiate the costs of each piece of equipment, which can include contracts, catalog pricing, or binding quotes provided by licensed commercial entities.
 - The Supporting Documentation upload slots within the online application allow you to upload those supporting documents.
- For the Simplified Equipment-Only grant it says in the RFR that equipment costs are for equipment that are valued at \$5,000 or greater. Does this mean that we cannot include in our application equipment that costs less than \$5,000? We're considering applying for processing equipment and some of the individual pieces are less than \$5,000 even though the total will be greater.

- For the Simplified Equipment-Only grant option, only equipment costs are allowed. USDA defines equipment as \$5,000 or more per unit, so items under \$5,000 per unit would not be allowable. Items under \$5,000 per unit are considered supplies. The Infrastructure Grant option allows for more allowable costs like supplies, salary, construction, etc.
- Are vehicle purchases covered in this grant?
 - For both the Infrastructure Grant option and the Simplified Equipment-Only grant option, new and used vehicle purchases are allowable expenses as long as the vehicle(s) will be used for middle-of-the-supply-chain activities. Please provide proper documentation of expected costs for vehicles within the Supporting Documentation.
- Could describe the Distressed Communities Index requirement in some detail?
 - The Distressed Communities Index is a requirement for all applicants to include, per USDA. Use the map to locate your project area by typing in the county. You can then scroll over your county and the map will display your county's "Distress Score." Please provide that number. We have provided an upload slot option for projects that may occur in multiple counties – report the scores for each county the project will affect.
- As a cooperative, would that applicant type be defined as a for profit entity, or group of agricultural producers?
 - For RFSI grant purposes, a cooperative would fall under a group of agricultural producers.
- [We are] looking to apply for this funding to support the purchase and installation of a hydroponic freight farm to grow vegetables that we will distribute through our existing food distribution program for families. Would that be considered a "middle of supply chain" activity and would be eligible for this funding?
 - This grant program seeks to fund activities that enhance the middle-of-the-supply-chain, which includes aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of agricultural products. A hydroponic freight farm would fall under the "production" side of the supply chain, and would not be considered middle-of-the-supply-chain. Equipment that assisted with food distribution may be an eligible expenses, however.
- In an existing building, we are looking to build a Storage Refrigerated Room. This room will allow us to property store our crop throughout the winter, spring and summer to help us be able to supply the community with fresh [food]. Interior walls will need to be constructed, fully refrigeration equipment installed and a spray foam coating will be applied to make the room as efficient as can be. Would this be an eligible project?
 - As this project relates to storing eligible agricultural products under this program, it would be eligible under the Infrastructure Grant option of the RFSI.
- Is there a page limit/typeface/font point suggested?

- The applications for either the <u>Infrastructure Grant</u> or <u>Simplified Equipment-Only</u> Grant options are both available for submission online, linked here or also linked throughout the RFR. There is no page limit/font suggestion because as the applicant you are typing directly into an online application portal. If you experience any trouble with character limits in the online application portal please let <u>Keri.Cornman@mass.gov</u> know.
- Besides the Match verification letter(s), do we need letters of support from the community/partners?
 - All submission requirements are listed in Section 2.B. of the RFR. Letters of Support are not included in that section, so are therefore not required. If you wish to include letters of support with your Supporting Documentation, you are welcome to do so.
- BABA if our facility building is owned by the town, but we are a non-profit managing the processing center, does BABA apply?
 - The RFSI RFR offers the following information for BABA:
 Overview: Any public infrastructure project funded under RFSI must coordinate with
 MDAR to ensure adherence to BABA guidance. For such projects, the recipient must
 comply with the Buy America Sourcing requirements outlined in the Build America, Buy
 America (BABA) provisions of the Infrastructure Investment and Jobs Act.

For-Profit Entities: BABA is not applicable to for-profit entities particularly for infrastructure projects. USDA-Agricultural Marketing Services (AMS) will review facilities owned by public entities to determine whether BABA requirements apply, following USDA guidance to exempt de minimis grant awards and other inapplicable activities. All other Infrastructure Grant entities that surpass the \$250,000 threshold of applicable procurement costs must adhere to BABA.

Small Grants Waiver: The small grants waiver will apply to awards with total federal funding below the Simplified Acquisition Threshold, which is currently set at \$250,000.

BABA is not applicable to Equipment Only Grants as they do not surpass this threshold of \$250,000. Resource: 2 CFR Part 184 - BUY AMERICA PREFERENCES FOR INFRASTRUCTURE PROJECTS: https://www.ecfr.gov/current/title-2/part-184.

- If a project is over the \$250,000 threshold, USDA will work with any awarded projects that are non-profit entities to determine BABA guidance.
- Is a small (20 employee) women-owned non-profit eligible for the 25% match?
 - Women-Owned Small Business Federal Contract program | U.S. Small Business
 Administration (sba.gov) are an eligible group for 25% reduced match, as outlined in Section 1F of the RFR.
- Would Mobile Markets be eligible for this grant? They have a model that combines steps 3-4 of the food chain (distribution and sales), so they are doing "middle of the food system" work and also direct sales, but they meet many of the other criteria.
 - Only activities related to middle-of-the-supply chain would be eligible for this grant program, so costs relating to retail or sales activities would be unallowable. Middle-of-

the-supply-chain activities include aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of locally and regionally produced food products. Mobile market activities related to those middle-of-the-supply-chain areas would be allowable.

- Can this grant fund projects related to processing, aggregation, or distribution of non-edible agricultural commodities like flowers? The RFR says it includes "food products, including specialty crops [which includes floricultural products], dairy, grains for human consumption, aquaculture, and other food products."
 - The goal of the RFSI is to bolster the "middle-of-the-supply-chain" of the Massachusetts food system, locally and regionally produced food products, including specialty crops, dairy, grains for human consumption, aquaculture, and other food products, excluding meat and poultry. USDA specifies that the following products are unallowable: meat and poultry, wild-caught seafood, exclusively animal feed and forage products, fiber, landscaping products, tobacco, or dietary supplements. USDA does not explicitly disqualify non-edible specialty crops, but projects focusing on non-food products will not be considered a priority for the department since the spirit of the grant program is to enhance the food system, including locally and regionally produced food products within middle-of-the-supply-chain activities.
- Can infrastructure improvements be made to buildings not owned by the applicant if a long-term lease is in place?
 - USDA requires that Evidence of Critical Infrastructure is submitted if critical resources and/or infrastructure are necessary for the completion of the proposed Infrastructure Grant project. Critical resources and infrastructure can be facilities, land, structure, use of city street/parks, shared-used kitchen, and/or other resources that are essential for the proposed project activities. Applicants must submit evidence (in MS Word or PDF format) that critical resources and infrastructure necessary to support the initiation and completion of a project are in place. Land, structures, and other critical resources must be in place and in working condition at the time of application submission. Applicant should utilize Attachment F. Critical Resource Infrastructure Template Letter to indicate the critical resource(s) that are necessary for initiation and completion of the project.
 - All applicants should include all documentation and plans surrounding the leases of any buildings involved with their proposal, and try to include as much information regarding the longevity of the relationship between the applying entity and the owning entity to give the review team the full context of the relationship and project scope.
- We are a middle-of-the-supply-chain for profit seafood processing and distribution company, that aggregates seafood products and processes seafood through multiple steps to prepare for human consumption and value-added product production. Would we qualify for an equipment only grant? While it is a wild caught seafood product, we are processing to distribute.
 - USDA specifies that the following products are unallowable: meat and poultry, wildcaught seafood, exclusively animal feed and forage products, fiber, landscaping products, tobacco, or dietary supplements.

- Wild-caught seafood is an ineligible food product under this grant, and therefore funds for costs associated with any related middle-of-the-supply-chain activities for wildcaught seafood would be unallowable.
- We aggregate, package and distribute aquaculture products is this considered eligible for the Simplified Equipment-Only grant option?
 - Aquaculture products are an eligible food product for RFSI. If the requested costs are related to middle-of-the-supply-chain activities those costs are allowable under both the Infrastructure Grant option and the Simplified Equipment-Only grant option. Packaging and distribution are both allowable middle-of-the-supply-chain activities.
- [We want to] develop a tidal turbine to power an upwelling facility. Would this be eligible for the Simplified Equipment-Only grant option?
 - The installation of a tidal turbine to power an upwelling facility would fall under the "production" side of supply-chain activities, and would not be an eligible expense or project type under the Infrastructure Grant option or Simplified Equipment-Only grant option.
- We would like to purchase a refrigerated van to transport fruit and vegetables that we don't grow or we are in short supply of purchased from about 12 different farms to our farm to be sold at our farm stand and to a few other farmers who sell through farmers markets or supply restaurants. It would also be used to bring some of our own surplus vegetables to wholesale to some of the same farms. Would this purchase be allowable under RFSI grant activities?
 - A proposal should demonstrate that the requested project costs are for middle-of-thesupply-chain activities, which includes aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of locally and regionally produced food products.
 - Transporting of eligible agricultural products fall under middle-of-the-supply-chain activities. This would fall under eligible RFSI activities under both the Infrastructure Grant option and the Simplified Equipment-Only grant option.
- Does this grant allow for advance payment, or is it a reimbursable-only grant?
 - The RFSI grant program (both the Infrastructure Grant and Simplified Equipment-Only grant options) is a reimbursable grant program. This means that awardees will make purchases upfront and then submit invoices to MDAR to reimburse for those grant expenses. Invoices can be made on a quarterly basis.
- The RFR states that a nonprofit must be operating middle-of-the-supply-chain activities such as
 processing, aggregation, distribution of targeted agricultural products to qualify. We are a 501c3
 that grows, and distributes sustainable vegetables in 2 ways: 1. CSA (paid), 2. Food donation. The
 food donations are made both indirectly we donate some to a local food pantry or directly;
 we run a free Mobile Market at housing authority sites in our town and distribute the vegetables
 at the market to MA residents. Given this, would we qualify for this grant?

- A non-profit entity that engages in middle-of-the-supply-chain activities is an eligible entity to apply for the RFSI grant program.
- Costs requested through this grant must be for middle-of-the-supply-chain activities, which includes aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of locally and regionally produced food products.
- Please explain in your application and in the budget narrative how the costs requested relate to middle-of-the-supply-chain activities.
- Activities and costs related to production or marketing/retail are unallowable.
- For the Simplified Equipment-Only grants, could a structure to house the equipment also be included in the proposal?
 - The Simplified Equipment-Only option is a fixed-price grant, meaning it will fund only equipment purchases, and not associated facility upgrades, staffing, or other costs including permitting and installation.
 - USDA defines equipment as items that are \$5,000 or more per unit. If the structure is greater than \$5,000 per unit, and does not require any related construction costs, it would be considered equipment.
- If our project focuses on the distribution of culturally specific produce to underserved populations, can requested funds be used to fund the purchase of produce from Massachusetts Farms?
 - Middle-of-the-supply-chain activities include aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of locally and regionally produced food products. Direct purchase of agricultural foods would be an unallowable expense under the RFSI Infrastructure Grant option. Costs related to the distribution of the culturally specific produce to underserved communities would be eligible expenses.
- Are employee salaries for time spent on the project qualified for the match [for the Infrastructure Grant option]?
 - Salary expenses are allowable expenses under the Infrastructure Grant option of the RFSI grant program, as long as those salary costs are related to middle-of-the-supplychain activities outlined in the project proposal.
 - Salary expenses do qualify as eligible match expenses under the Infrastructure Grant option. Please make sure you outline salary costs used to complete the match requirement in the <u>Attachment E. Verification of Matching Funds Template Letter.docx |</u> <u>Mass.gov</u> and upload to your application submission.
- If I already own property and want to expand processing and distribution, can [those associated costs] be covered under this grant?
 - Yes, expansion of processing and distribution activities would be allowable under the RFSI grant. If a project necessitates costs other than equipment costs for this expansion, applicants should apply to the Infrastructure Grant option.

- Can you include more than 1 piece of equipment [for the Simplified Equipment-Only grant option] as long as the total stays below 100k?
 - Yes, applicants may request multiple equipment items under the Simplified Equipment-Only grant option. USDA defines equipment as items that are \$5,000 or more per unit. The minimum funding request for the Simplified Equipment-Only option is \$10,000 and the maximum is \$100,000.
- Can funds be used to upgrade an existing piece of equipment? Can funds be used to pay someone to install those upgrades?
 - Upgrades to existing equipment is allowable under the RFSI grant program. If an upgrade is simply the purchase of other equipment items (items \$5,000 or more per unit), it can be requested through the Simplified Equipment-Only grant option. If the upgrade requires installation, permitting, staffing costs, the Simplified Equipment-Only grant option will not cover those costs. In that case, an applicant would need to apply for upgrade costs through the Infrastructure Grant option.
- Do the Simplified Equipment-Only grants need to meet the same requirements in terms of being a "project" (outlined in the Infrastructure Grant option) rather than supporting on-going operations?
 - The Simplified Equipment-Only grants require a clear goal for equipment purchases, such as expansion of processing capacity, and must meet one or more of the selected Expected Performance Measures in an applicant's proposal. Since the Simplified Equipment-Only application is more straightforward in request, applicants do not need to ensure the proposal meets the "project" requirements outlined for the Infrastructure Grant option on pages 9-10 of the RFR.
- Would IT upgrades be eligible?
 - IT (Information Technology) upgrade costs would be eligible, as long as the IT upgrades are related to equipment or activities involved in the middle-of-the-supply-chain. Applicants should justify and explain how the costs enhance middle-of-the-supply-chain activities, facilities, or equipment.
- We have funding for walk-in coolers, but the funding doesn't cover the electrical work, equipment and infrastructure needed to power the units. Which of the two grant options would be best for us to apply for?
 - The Infrastructure Grant option may cover Salary, Fringe Rate, Travel, Supplies, Equipment, Contractual, Construction, Other, and Indirect costs as long as those cost are related to activities that enhance the middle-of-the-supply-chain. Please note that the Infrastructure Grant option has a match requirement. The Simplified Equipment-Only option is a fixed-price grant, meaning it will fund only equipment purchases, and not associated facility upgrades, staffing, or other costs including permitting and installation.
 - In this specific case, the costs described would not be eligible under the Simplified Equipment-Only grant option, but would be eligible under the Infrastructure Grant option.

- So a tractor wouldn't be relevant to the middle-of-the-supply-chain because it's use for more relevant to production (beginning of supply)?
 - If the proposed tractor will only be used for production purposes, then correct, it would not be an eligible expense under the RFSI grant program.
- If we were interested in building a new processing/packaging facility on property already owned, is it correct that we would need to have all local build permitting in place prior to the application deadline, as part of the Critical Resources?
 - Correct. Evidence of Critical Infrastructure is required if critical resources and/or infrastructure are necessary for the completion of the proposed Infrastructure Grant project. Applicants must submit evidence utilizing the <u>Evidence of Critical Infrastructure</u> <u>Letter</u> to demonstrate that critical resources and infrastructure necessary to support the initiation and completion of a project are in place. Land, structures, and other critical resources must be in place and in working condition at the time of application submission.
- If you are installing a commercial kitchen, and expansion requires multiple components, such as a stove, refrigerator, mixer, convention oven and this totals \$20,000 but each item might be less than \$5,000 is this a problem or can the components for a commercial kitchen be considered?
 - For the Simplified Equipment-Only option, each equipment item requested must be \$5,000 or more per unit, as defined by USDA. If an item is less than \$5,000 per unit, it is considered a "supply" and is not an eligible expense under the Simplified Equipment-Only grant option. The Infrastructure Grant option allows for supplies and other expenses.
- For delivery/refrigerated vehicles used to pick up locally grown specialty crops and deliver them directly to consumers, would that be eligible under the Simplified Equipment-Only grant program? Even if the equipment will also be used to support retail operations?
 - Applicants must explain in their proposal how equipment costs will be related to middleof-the-supply chain activities, such as transportation and distribution.
- How will the total pool of funds be divided between the infrastructure option and equipment option?
 - MDAR reserves the right to distribute the funds as deemed best and most equitably for the Commonwealth, but the current plan is to distribute the funds relatively evenly between the two grant options.
- Before paying for anything, can we submit the quote for the equipment grant to get funding or does it have to be paid in full first?
 - The RFSI grant program (both the Infrastructure Grant and Simplified Equipment-Only grant options) is a reimbursable grant program. This means that awardees will make purchases upfront and then submit invoices to MDAR to reimburse for those grant expenses. Invoices can be made on a quarterly basis.

- Applicants should not make any purchases before an executed contract is in place. Costs incurred before an executed contract is in place will not be reimbursed.
- Please include supporting documentation such as quotes in your application to demonstrate an understanding of equipment costs outlined in the budget.
- When do we receive an answer if we are getting the grant? When will the awards be announced? When would contracts be signed?
 - MDAR expects that applicants will receive notification of non-award or tentative award announcements within a couple weeks of the submission deadline. MDAR then must submit all selected awarded proposals to USDA for a secondary review and approval, which may require additional response, communication, and changes to projects. USDA has suggested the review period may last up to 60 days. MDAR is aiming for a June contract start date, but the start date is subject to USDA timeline and approval.
- Is a vehicle to pick up food waste for on farm composting an allowable expense?
 - Composting is not considered a middle-of-the-supply-chain activity, and therefore this activity would not be eligible under RFSI.
- Is this replacing FSIG or will that program be available in addition?
 - The RFSI grant program is different and separate from the Food Security Infrastructure Grant (FSIG) program. The RFSI is not replacing the FSIG, and FSIG is expected to continue in FY24.
- Is a non-profit that is woman-founded and run considered a woman-owned business?
 - Please refer to the links provided below to review eligibility to meet match requirements for the Infrastructure Grant program option. Applicants must meet the eligibility requirements of the SBA small business size standards matched to industries described in the North American Industry Classification System (NAICS). For more information on these size standards, please visit <u>SBA's Size Standards webpage</u>. For a quick check on whether your business qualifies, please use the <u>Size Standards Tool</u>.
- Where is the "middle of the supply chain" line for farms who produce as well distribute for applying? Does it need to aggregate other local products?
 - The RFSI program is intended to fund agricultural operations involved in middle-of-thesupply-chain activities, which includes aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of agricultural products.
 - According to USDA's RFSI guidelines, the food supply chain involves the following stages:
 1. Production, 2. Processing, 3. Aggregation/Distribution, and 4.
 Markets/Retail/Consumers. For the purposes of RFSI, "middle-of-the-supply-chain" refers to the middle stages:
 2. Processing and 3. Aggregation/Distribution
- The Environmental Justice section of the evaluation criteria and RFR mentioned groups 'led' by BIPOC or women. Does that conflict with the SBA requirement that a business is 'owned' by that

person? I'm wondering about a reduced match requirement for a non-profit organization led by a Woman/BIPOC person, but is not 'owned' by anyone.

- The Environmental Justice portion of the evaluation criteria is for awarding priority purposes and separate from the match requirements for a proposal budget.
- For match requirement purposes, applicants must meet the eligibility requirements of the SBA small business size standards matched to industries described in the North American Industry Classification System (NAICS). For more information on these size standards, please visit <u>SBA's Size Standards webpage</u>. For a quick check on whether your business qualifies, please use the <u>Size Standards Tool</u>.
- Reduced match requirements are intended to help historically underserved farmers, and/or other eligible small businesses that qualify under <u>SBA categories</u> of small disadvantaged business, women-owned small business, or veteran-owned small business.
- I see that meat/poultry are ineligible products. Would equipment related to egg processing, aggregation, and distribution be eligible? Are eggs considered separate from poultry or included within it?
 - Eggs are an eligible agricultural product under the RFSI grant program. Equipment related to processing, aggregation, and distribution of eggs would be allowable.
- Could an applicant fund a phase of an overall project that was not previously included within another grant?
 - If the activities of the proposed project are aligned with the RFSI program scope (meaning, they middle of the supply chain activities, and that these activities create more and better market opportunities for local and regional producers) RFSI projects could potentially fund a phase of an overall project that was not previously included within another grant. However, the proposed phase of the project must have a clear scope of work that is directly relevant to the scope of the RFSI and the eligibility of activities.
 - An applicant cannot receive funds for the same costs across multiple grants, state or federal. For example, if you submit two grant applications to two different grant programs, both asking for "Equipment A" and you receive both grants, you are not allowed to accept the funding from both grant sources for that same item.
- Can other grant sources count as the 50% (or 25%) required match?
 - Federal grant funding or income may not be used as match funding sources.
 - Other grant funding sources may be used as match. The match funds need to be directly shown in the budget and broken down by cost category.
- I downloaded Attachment B2 and filled it out. I don't know where to attach it. It seems to be already incorporated into the application and the attachment is redundant. What to do?
 - The attachment is for review only, it is intended to help applicants plan out a response. Applicants fill out the Expected Performance Measures directly in the online application.

- Budget quotes I have researched multiple pieces of equipment and there are numerous vendors who offer the sizes and specs for both the equipment items we would like to purchase. Do I choose 1 of each, or provide several choices?
 - Quotes serve to show the evaluation team an applicant has an understanding of the costs requested through their application. Applicants may provide one or more quotes as supporting documentation with their proposal, that is up to their determination.
- If the grant is awarded, I'd contact several suppliers for exact costs based on their current inventory. Then chose [the equipment to purchase]. What should I do at this point? I'm thinking of attaching 2 options for each equipment I'm interested in purchasing. What would you prefer?
 - Applicants can provide multiple quote options with their proposal, and explain in the proposal why they're providing both options. Make sure to only include the costs once in the budget though, to show evaluators an accurate budget amount.
- The application begins with several demographic questions designed for an individual. How would you suggest I fill this out for an organization which employs about 45 FT staff and 400 to 500 PT staff per year?
 - The beginning of the application includes a series of Environmental Justice questions that we include on all MDAR grant applications. These are optional for applicants to fill out. MDAR understands that for larger applicant organizations these questions may not be applicable, so please feel free to skip over those questions. All fields from the question "What county will the project be held in?" forward should be able to accurately filled in, including the Applicant Info which asks for organization name and contact info, as well as the primary point of contact info.
- Are the demolition costs for such a project eligible for grant funding? If not, would it qualify as part of the project match?
 - Demolition costs are allowable under Construction costs for the Infrastructure Grant funding option. Demolition costs are unallowable under the Simplified Equipment-Only funding option.
 - Demolition costs would qualify as a project match under the Infrastructure Grant option.
 Those costs should be clearly defined and accurate.
 - MDAR may follow up to request documentation to be provided to USDA to confirm proposed or match costs.
- Can you explain what the grant is expecting in terms of permitting during the application process? Can you please provide information on this and help us understand what is required at the time of submission?
 - USDA provided the following information regarding permitting for RFSI Infrastructure Grant projects: USDA does not require all permits be in place at the time of application and MDAR will determine at what stage is appropriate at time of submission. Each selected project is subject to a NEPA review so the applicant will need to continue securing permits to ensure they can provide information/documentation for the state to complete the NEPA checklist.

 This means all permits do not need to be in place at time of application submission though applicants should be working towards securing any and all permits, and MDAR will review the timelines of each proposal to get an appropriate sense of permits needed and deadlines for achieving project goals.