

# Resilient Food Systems Infrastructure Program Request for Applications

Applications due 11:59pm on March 31, 2024. **Applications received after that time will not be considered.** 

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# TABLE OF CONTENTS

PURPOSE	2
ELIGIBILITY	2
FUNDING PRIORITIESFUNDING AMOUNTS	
CRITICAL INFRASTRUCTURE	6
TIMELINE	6
HOW TO APPLY	f

#### **Purpose**

Section 1001(b)(4) of the American Rescue Plan (ARP) Act of 2021 (Pub. L. 117—2), as amended, authorizes the United States Department of Agriculture (USDA) to make grants and agreements to maintain and improve food and agricultural supply chain resiliency. The Utah Department of Agriculture and Food (UDAF) has entered into a cooperative agreement with the USDA to administer the Resilient Food Systems Infrastructure (RFSI) Grant Program. UDAF received \$3,040,043.28 in funds, and is appropriating \$2,310,934.44 for subawards. The remaining funds will be used to administer the grant. \$924,373.77 will be allocated to equipment-only grants, and \$1,386,560.66 for infrastructure projects. The aim of the RFSI program is to build resilience in the middle-of-the-supply-chain and strengthen local and regional food systems by creating new revenue streams for the state's producers. These investments aim to create a food systems infrastructure that supports competitive and profitable market access for domestic farm products, and transforms the food system to benefit consumers, producers, and rural communities by providing more options, increasing access, and creating new, more, and better markets for small and mid-size producers. This funding is specifically aimed to support middle-of-the-supply-chain activities.

Middle-of-the-supply-chain activities refers to processing, aggregation and distribution stages. Examples of activities are listed in the eligible projects section. It is not a complete or exhaustive list; rather, the list below is meant to provide clarity on the meaning of "middle-of-the-supply-chain" activities.

#### **ELIGIBILITY**

## **Eligible Entities**

Agricultural producers or processors, groups of agricultural producers and processors, nonprofit organizations operating middle-of-the-supply-chain activities, 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. Please note that 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 SBA's Size Standards webpage. For a quick check on whether your business qualifies, please use the Size Standards Tool.

Local government entities operating middle-of-the-supply-chain activities such as processing, aggregation, or 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 products.

Applicant businesses and organizations must be domestically owned, headquartered in Utah, and have at least 50% of their product (including ingredients and/or product inputs) grown or raised in Utah. Entities with more than 50% of their products grown or raised in-state will have their applications weighted accordingly. Middle-of-the-supply-chain activities must take place in Utah.

Cooperatives, farmer- and worker-owned enterprises are especially encouraged to apply.

Applicants must have at least two (2) letters of support.

#### **Eligible Projects**

Entities will choose from one of two grant types: 1) Infrastructure projects, or 2) simplified Equipment-Only projects. The following list are examples of eligible projects for both of the grant types. This list is not exhaustive and entities should reach out to the state agency with any questions about their desired project. Eligible projects include, but are not limited to:

- Construction of new facilities;
- Construction of wastewater management structures;
- Modernization or expansion of existing facilities;
- Improvement of water efficiency, greenhouse gas emissions, and air or water quality;
- Improvement or modernization of information technology systems;
- Purchase of special use equipment to improve:
  - o Packaging, including grading, sorting, and labeling;
  - o Processing, canning, preserving, or pasteurizing crops;
  - Extraction of juice, oil, nut meat, etc. from crops;
  - Processing crops, such as chopping, washing, peeling, drying, hulling, milling, shelling, etc.;
  - Creating value-added products via cooking, baking, juicing, fermenting, distilling, processing, etc.;
  - Processes or activities involving tracking, storage, cold storage, warehouse, and/or distribution of crops and/or products;
  - Capacity of entities to comply with federal, state, and local food safety requirements; and
- Enhancing worker safety and/or education in the above or similar activities.

#### Please note that all projects must be for middle-of-the-supply-chain activities.

All proposals must align with standards and protocols outlined in the Resilient Food Infrastructure Program Scope and Requirements. New construction projects must comply with the National Environmental Policy Act (NEPA), National Historic Preservation Act (NHPA), Endangered Species Act (ESA), and all other federal environmental laws and regulations. The State will review projects for NEPA compliance prior to the award of Infrastructure Grant subaward funds. Any public infrastructure project funded under this grant must ensure adherence to Build America, Buy America (BABA) guidance. For such projects, the recipient must comply with the Buy America Sourcing requirements outlined in the BABA provisions of the Infrastructure Investment and Jobs Act.

### **Ineligible Projects**

The following activities are not eligible for RFSI funding:

- Acquiring real property (including pre-existing buildings and land purchases), or any interest therein;
- Projects focused on meat and poultry processing, wild-caught seafood, exclusively animal feed and forage products, landscaping products, tobacco, or dietary supplements;
- Activities that have received a Federal award from another Federal award program;
- Claim expenses that have been or will be reimbursed under any Federal, State, or local government funding; and
- Projects which have already received funding from another federal grant or subaward programs may not receive funding for the same activities through an Infrastructure Grant. However, Infrastructure Grants may build on the successes of prior funding, such as the USDA Regional Food Business Centers Business Builder subawards, to fund subsequent activities.
- Projects that have a period of performance of more than 48 months.

#### **FUNDING PRIORITIES**

As determined through a public survey, the priorities for the RFSI grant are projects that improve the:

- Distribution:
- Processing;
- Manufacturing;
- Wholesaling;
- Regular/Cold Storage; and
- Aggregation opportunities for Utah producers.

#### Projects that:

- Construct new facilities;
- Modernize processing/manufacturing equipment;
- Improve overall water efficiency, reduce greenhouse gas emissions, or improve air/water quality related to processing;
- Modernize technological systems;
- Or provide training and worker safety opportunities

are more likely to be funded.

In addition, projects should offer family-supporting job quality and treatment/safety of workers, focus on small and medium-sized enterprises (with an added focus on value-added services), have demonstrated local support for the project through two (2) letters of support, and support underserved communities.

#### **FUNDING AMOUNTS**

Individual project awards for infrastructure projects will be capped at \$750,000. The minimum award amount is \$100,000. Project awards for equipment only grants will be capped at \$100,000, with the minimum award being \$10,000.

#### **COST MATCH**

Infrastructure grant recipients are required to contribute 50% of the total proposed project cost as a match to federal funding. This applies to all applicants except those who qualify for the reduced match described in the next paragraph. For historically underserved farmers and ranchers, or for other businesses that qualify under <u>SBA categories</u> of small disadvantaged business, women-owned small business, or veteran-owned small business, the required match funding contribution or cost share is reduced to 25% of the project cost.

UDAF will require eligible applicants to self-certify in their Infrastructure Grant applications regarding eligibility for this reduced match. Each application must include the total amount of match and how it will specifically align with their requested funding. Additionally, applicants must submit one match verification letter for EACH cash or in-kind resource signed by the matching organization. A Match Verification Letter Template is available <a href="here">here</a>.

Please note that program income or any other Federal funds is an ineligible source of match or cost share. All matching contributions must be committed or secured at the time an applicant is recommended for an award. Signed Match Verification Letters must accompany the Infrastructure Grant proposal at the time of application.

Funds from state grants may be used as matching funds, so long as those funds do not originate from a federal pass-through grant and are not committed elsewhere as matching funds.

#### CRITICAL INFRASTRUCTURE

Evidence of Critical Infrastructure is required if critical resources and/or infrastructure are necessary for the completion of the proposed Infrastructure Grant project. UDAF requires applicants to submit evidence 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. The letter must indicate the critical resources 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.

The Evidence of Critical Resources and Infrastructure Template Letter is <a href="here">here</a>.

#### **TIMELINE**

Grant applications will be accepted beginning February 7, 2024, and ending at 11:59pm on March 31, 2024. Applicants will be notified of any provisional funding beginning in late April, and recipients will be notified of actual funding amounts following USDA internal review in May and June. Infrastructure grant awards will be made after USDA review and approval. Equipment-only grants will be awarded as reimbursements to the recipients, after they have demonstrated proof of purchase to UDAF.

#### **HOW TO APPLY**

Applicants must choose <u>one</u> of the two grant options to apply for. Applicants are required to complete and submit their proposal online using the Submittable system, which can be found through the UDAF RFSI <u>website</u>.

Please note that all applicants must have a Unique Entity Identifier (UEI) before they can submit their application. UEI's are required to do business with the federal government and can be acquired free of charge at <u>SAM.gov</u>. A guide on how to get a UEI is available <u>here</u>. This process may take some time, so we strongly encourage all applicants to begin the process early and to check on the process regularly.

If you have any questions, please contact Allison Ross at <u>aross@utah.gov</u> or 385-549-7987.