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## **DEPARTMENT OF AGRICULTURE**

Rural Business-Cooperative Service

Notice of Solicitation of Applications (NOSA) Inviting Applications for the Rural Economic Development Loan and Grant Programs for Fiscal Year 2017

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Notice.

**SUMMARY:** This Notice is to invite applications for loans and grants under the Rural Economic Development Loan and Grant (REDLG) Programs pursuant to 7 CFR part 4280, subpart A for fiscal year (FY) 2017, subject to the availability of funding. This Notice is being issued in order to allow applicants sufficient time to leverage financing, prepare and submit their applications, and give the Agency time to process applications within FY 2017. Successful applications will be selected by the Agency for funding and subsequently awarded to the extent that funding may ultimately be made available through appropriations. An announcement on the Web site at <http://www.rd.usda.gov/newsroom/notices-solicitation-applications-nosas> will identify the amount received, if any, in the appropriations.

All applicants are responsible for any expenses incurred in developing their applications.

**DATES:** The deadlines for completed applications to be received in the USDA Rural Development State Offices no later than 4:30 p.m. (local time) are: Second Quarter, December 31, 2016; Third Quarter, March 31, 2017; and Fourth Quarter, June 30, 2017.

**ADDRESSES:** Submit applications in paper format to the USDA Rural Development State Office for the State where the Project is located. A list of the USDA Rural Development State Office contacts can be found at:

<http://www.rd.usda.gov/contact-us/state-offices>

**FOR FURTHER INFORMATION CONTACT:** Specialty Programs Division, Business Programs, Rural Business-Cooperative Service, U.S. Department of Agriculture, 1400 Independence Avenue SW., MS 3226, Room 4204-South, Washington, D.C. 20250-3226, or call 202-720-1400. For further information on this Notice, please contact the USDA Rural Development State Office in the State in which the applicant's headquarters is located.

**SUPPLEMENTAL INFORMATION:**

**Overview**

Solicitation Opportunity Type: Rural Economic Development Loans and Grants.

Announcement Type: Initial Solicitation Announcement.

Catalog of Federal Domestic Assistance Number: 10.854.

Dates: The deadline for completed applications to be received in the USDA Rural Development State Office no later than 4:30 p.m. (local time) are: Second Quarter, December 31, 2016; Third Quarter, March 31, 2017; and Fourth Quarter, June 30, 2017.

**A. Program Description**

1. Purpose of the Program. The purpose of the program is to promote rural economic development and job creation projects.

2. Statutory Authority. These Programs are authorized under 7 USC 940c and 7 CFR part 4280, subpart A. Assistance provided to rural areas, as defined, under this program may include business startup costs, business expansion, business incubators, Technical assistance feasibility studies, Advanced telecommunications services and computer networks for medical, educational, and job training services, and community facilities projects for economic development.

Awards under the REDLG Programs will be made on a competitive basis using specific selection criteria contained in 7 CFR part 4280, subpart A. Information required to be in the application package includes Standard Form (SF) 424, "Application for Federal Assistance;" a Resolution of the Board of Directors; AD-1047, "Debarment/Suspension Certification;" AD-1049 "Certification Regarding Drug-Free Workplace Requirements;" SF LLL, Restrictions on Lobbying; RD 400-1, "Equal Opportunity Agreement;" RD 400-4, "Assurance Agreement;" Assurance Statement for the Uniform Act; Seismic Certification (if construction); paperwork required in accordance with 7 CFR part 1970, "Environmental Policies and Procedures." If the

proposal involves new construction; large increases in employment; hazardous waste; a change in use, size, capacity, purpose, or location from an original facility; or is publicly controversial, the following is required: environmental documentation in accordance with 7 CFR part 1970;” RUS Form 7, “Financial and Statistical Report;” and RUS Form 7a, “Investments, Loan Guarantees, and Loans,” or similar information; and written narrative of Project description. Applications will be tentatively scored by the State Offices and submitted to the National Office for review.

3. Definition of Terms. The definitions applicable to this Notice are published at 7 CFR 4280.3.

4. Application Awards. The Agency will review, evaluate, and score applications received in response to this Notice based on the provisions found in 7 CFR part 4280, subpart A, and as indicated in this Notice. However, the Agency advises all interested parties that the applicant bears the burden in preparing and submitting an application in response to this Notice whether or not funding is appropriated for these Programs in FY 2017.

## **B. Federal Award Information**

Type of Awards: Loans and Grants.

Fiscal Year Funds: FY 2017.

Available Funds: Anyone interested in submitting an application for funding under these Programs are encouraged to consult the Rural Development Web Newsroom Web site at <http://www.rd.usda.gov/newsroom/notices-solicitation-applications-nosas> for funding information.

Maximum Award: The Agency anticipates the following maximum amounts per award: Loans - \$1,000,000; Grants - \$300,000.

Award Dates: Second Quarter, February 28, 2017; Third Quarter, May 31, 2017; and Fourth Quarter, August 31, 2017.

Performance Period: October 1, 2016, through September 30, 2017.

Renewal or Supplemental Awards: None.

### **C. Eligibility Information**

#### **1. Eligible Applicants**

Loans and grants may be made to any entity that is identified by USDA Rural Development as an eligible borrower under the Rural Electrification Act of 1936, as amended (Act). In accordance with 7 CFR 4280.13, applicants that are not delinquent on any Federal debt or otherwise disqualified from participation in these Programs are eligible to apply. An applicant must be eligible under 7 U.S.C. 940c. Notwithstanding any other provision of law, any former Rural Utilities Service borrower that has repaid or prepaid an insured, direct, or guaranteed loan under the Act, or any not-for-profit utility that is eligible to receive an insured or direct loan under such Act shall be eligible for assistance under section 313(b)(2)(B) of such Act in the same manner as a borrower under such Act. All other restrictions in this Notice will apply.

The Agency requires the following information to make an eligibility determination. These applications must include, but are not limited to, the following:

- (a) An original and one copy of SF 424, “Application for Federal Assistance (For Non-construction);”

(b) Copies of applicant's organizational documents showing the applicant's legal existence and authority to perform the activities under the Grant;

(c) A proposed scope of work, including a description of the proposed Project, details of the proposed activities to be accomplished and timeframes for completion of each task, the number of months duration of the Project, and the estimated time it will take from grant approval to beginning of Project implementation;

(d) A written narrative that includes, at a minimum, the following items:

(i) An explanation of why the Project is needed, the benefits of the proposed Project, and how the Project meets the Grant eligible purposes;

(ii) Area to be served, identifying each governmental unit, i.e., tribe, town, county, etc., to be affected by the Project;

(iii) Description of how the Project will coordinate Economic Development activities with other Economic Development activities within the Project area;

(iv) Businesses to be assisted, if appropriate, and Economic Development to be accomplished;

(v) An explanation of how the proposed Project will result in newly created, increased, or supported jobs in the area and the number of projected new and supported jobs within the next 3 years;

(vi) A description of the applicant's demonstrated capability and experience in providing the proposed Project assistance, including experience of key staff members and persons who will be providing the proposed Project activities and managing the Project;

(vii) The method and rationale used to select the areas and businesses that will receive the service;

(viii) A brief description of how the work will be performed, including whether organizational staff or consultants or contractors will be used; and

(ix) Other information the Agency may request to assist it in making a grant award determination.

(e) The last 3 years of financial information to show the applicant's financial capacity to carry out the proposed work. If the applicant is less than 3 years old, at a minimum, the information should include all balance sheet(s), income statement(s), and cash flow statement(s). A current audited report is required if available;

(f) Documentation regarding the availability and amount of other funds to be used in conjunction with the funds from REDLG; and

(g) A budget which includes salaries, fringe benefits, consultant costs, indirect costs, and other appropriate direct costs for the Project.

## 2. Cost Sharing or Matching

For loans, either the Ultimate Recipient or the Intermediary must provide supplemental funds for the Project equal to at least 20 percent of the loan to the Intermediary. For grants, the Intermediary must establish a Revolving Loan Fund (or Fund) and contribute an amount equal to at least 20 percent of the Grant. The supplemental contribution must come from Intermediary's funds which may not be from other Federal Grants, unless permitted by law.

## 3. Other

Applications will only be accepted for projects that promote rural economic development and job creation.

There are no “responsiveness” or “threshold” eligibility criteria for these loans and grants. There is no limit on the number of applications an applicant may submit under this announcement. In addition to the forms listed under the program description, Form AD 3030 “Representations Regulation Felony Conviction and Tax Delinquent Status for Corporate Applicants,” must be completed in the affirmative.

None of the funds made available by this or any other Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

None of the funds made available by this or any other Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a Federal agency has considered suspension or debarment of the corporation and has made a determination that this further action is not necessary to protect the interests of the Government.

4. Completeness Eligibility

Applications will not be considered for funding if they do not provide sufficient information to determine eligibility or are missing required elements.

**D. Application and Submission Information**

1. Address to Request Application Package

For further information, entities wishing to apply for assistance should contact the USDA Rural Development State Office provided in the ADDRESSES section of this Notice to obtain copies of the application package.

Applications must be submitted in paper format. Applications submitted to a Rural Development State Office must be received by the closing date and local time deadline.

All applicants must have a Dun and Bradstreet Data Universal Numbering System (DUNS) number which can be obtained at no cost via a toll-free request line at (866) 705-5711 or at <http://fedgov.dnb.com/webform>. Each applicant (unless the applicant is an individual or Federal awarding agency that is excepted from the requirements under 2 CFR 25.110(b) or (c) or has an exception approved by the Federal awarding agency under 2 CFR 25.110(d)) is required to: (i) be registered in the System for Award Management (SAM) before submitting its application; (ii) provide a valid unique entity identifier in its application; and (iii) continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency. The Federal awarding agency may not make a Federal award to an applicant until the

applicant has complied with all applicable unique entity identifier and SAM requirements and, if an applicant has not fully complied with the requirements by the time the Federal awarding agency is ready to make a Federal award, the Federal awarding agency may determine that the applicant is not qualified to receive a Federal award and use that determination as a basis for making a Federal award to another applicant.

Please note that applicants must locate the downloadable application package for this program by the Catalog of Federal Domestic Assistance Number or FedGrants Funding Opportunity Number, which can be found at <http://www.grants.gov>.

## 2. Content and Form of Application Submission

An application must contain all of the required elements. Each selection priority criterion outlined in 7 CFR 4280.42(b) must be addressed in the application. Failure to address any of the criterion will result in a zero-point score for that criterion and will impact the overall evaluation of the application. Copies of 7 CFR part 4280, subpart A, will be provided to any interested applicant making a request to a Rural Development State Office. An original copy of the application must be filed with the Rural Development State Office for the State where the Intermediary is located.

The applicant documentation and forms needed for a complete application are located in the PROGRAM DESCRIPTION section of this Notice, and 7 CFR part 4280, Subpart A. There are no specific formats required per this Notice, and applicants may request forms and addresses from the ADDRESSES section of this Notice.

(a) There are no specific limitations on the number of pages or other formatting requirements other than those described in the PROGRAM DESCRIPTION section.

(b) There are no specific limitations on the number of pages, font size and type face, margins, paper size, number of copies, and the sequence or assembly requirements.

(c) The component pieces of this application should contain original signatures on the original application.

3. Submission Dates and Times

(a) Application Deadline Dates: No later than 4:30 p.m. (local time) on: Second Quarter, December 31, 2016; Third Quarter, March 31, 2017; and Fourth Quarter, June 30, 2017.

Explanation of Dates: Applications must be in the USDA Rural Development State Office by the dates and times as indicated above. If the due date falls on a Saturday, Sunday, or Federal holiday, the application is due the next business day.

(b) The deadline date means that the completed application package must be received in the USDA Rural Development State Office by the deadline date and time established above. All application documents identified in this Notice are required.

(c) If completed applications are not received by the deadline established above, the application will neither be reviewed nor considered under any circumstances.

(d) The Agency will determine the application receipt date based on the actual date postmarked.

(e) If the grantee has a previously approved indirect cost rate, it is permissible, otherwise, the applicant may elect to charge the 10 percent indirect cost permitted under 2 CFR 200.414(f). Due to the time required to evaluate Indirect Cost Rates, it is likely that all funds will be awarded by the time the Indirect Cost Rate is

determined. No foreign travel is permitted. Pre-Federal award costs will only be permitted with prior written approval by the Agency.

(f) Applicants must submit applications in hard copy format as previously indicated in the APPLICATION AND SUBMISSION INFORMATION section of this Notice. If the applicant wishes to hand deliver its application, the addresses for these deliveries can be located in the ADDRESSES section of this Notice.

(g) If you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

## **E. Application Review Information**

### 1. Criteria

All eligible and complete applications will be evaluated and scored based on the selection criteria and weights contained in 7 CFR part 4280, subpart A. Failure to address any one of the criteria by the application deadline will result in the application being determined ineligible, and the application will not be considered for funding.

### 2. Review and Selection Process

The State Offices will review applications to determine if they are eligible for assistance based on requirements contained in 7 CFR part 4280, subpart A. If determined eligible, your application will be submitted to the National Office. Funding of projects is subject to the Intermediary's satisfactory submission of the additional items required by that subpart and the USDA Rural Development Letter of Conditions. The Agency reserves the right to award additional discretionary points under 7 CFR 4280.43.

In order to distribute funds among the greatest number of projects possible, applications will be reviewed, prioritized, and funded by ranking each State's highest scoring Project in highest to lowest score order. The highest scoring Project from each State will be considered that State's Priority One Project. Priority One projects will be ranked according to score from highest to lowest. The second highest scoring Project from each State will be considered the State's Priority Two Project. Priority Two projects will be ranked according to score from highest to lowest and so forth until all projects have been scored and ranked in priority order. All Priority One projects will be funded before any Priority Two projects and so forth until funds are depleted, so as to ensure broad geographic distribution of funding.

**F. Federal Award Administration Information**

1. Federal Award Notices

Successful applicants will receive notification for funding from the Rural Development State Office. Applicants must comply with all applicable statutes and regulations before the loan/grant award can be approved. Provided the application and eligibility requirements have not changed, an application not selected will be reconsidered in three subsequent quarterly funding competitions for a total of four competitions. If an application is withdrawn, it can be resubmitted and will be evaluated as a new application.

2. Administrative and National Policy Requirements

Additional requirements that apply to intermediaries or grantees selected for these Programs can be found in 7 CFR part 4280, subpart A. Awards are subject to USDA grant

regulations at 2 CFR Chapter IV which incorporated the Office of Management and Budget (OMB) regulations 2 CFR 200.

All successful applicants will be notified by letter which will include a Letter of Conditions, and a Letter of Intent to Meet Conditions. This letter is not an authorization to begin performance. If the applicant wishes to consider beginning performance prior to the loan or grant being officially closed, all pre-award costs must be approved in writing and in advance by the Agency. The loan or grant will be considered officially awarded when all conditions in the Letter of Conditions have been met and the Agency obligates the funding for the Project.

Additional requirements that apply to intermediaries or grantees selected for these Programs can be found in 7 CFR 4280, subpart A; the Grants and Agreements regulations of the U.S. Department of Agriculture codified in 2 CFR parts 400.1 to 400.18, and successor regulations to these parts.

In addition, all recipients of Federal financial assistance are required to report information about first-tier sub-awards and executive compensation (see 2 CFR part 170). You will be required to have the necessary processes and systems in place to comply with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) reporting requirements (see 2 CFR 170.200(b), unless you are exempt under 2 CFR 170.110(b)).

The following additional requirements apply to intermediaries or grantees selected for these Programs:

(a) Form RD 4280-2 “Rural Business-Cooperative Service Financial Assistance Agreement.”

- (b) Letter of Conditions
- (c) Form RD 1940-1, "Request for Obligation of Funds."
- (d) Form RD 1942-46, "Letter of Intent to Meet Conditions."
- (e) Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Covered Transactions."
- (f) Form AD-1048 "Certification Regarding Debarment, Suspension, Ineligibility and voluntary Exclusion-Lower Tier Covered Transactions."
- (g) Form AD-1049, "Certification Regarding a Drug-Free Workplace Requirement (Grants)."
- (h) Form AD-3031, "Assurance Regarding Felony Conviction or Tax Delinquent Status for Corporate Applicants." Must be signed by corporate applicants who receive an award under this Notice.
- (i) Form RD 400-4, "Assurance Agreement." Each prospective recipient must sign Form RD 400-4, Assurance Agreement, which assures USDA that the recipient is in compliance with Title VI of the Civil Rights Act of 1964, 7 CFR part 15 and other Agency regulations. That no person will be discriminated against based on race, color or national origin, in regard to any program or activity for which the re-lender receives Federal financial assistance. That nondiscrimination statements are in advertisements and brochures.

Collect and maintain data provided by ultimate recipients on race, sex, and national origin and ensure Ultimate Recipients collect and maintain this data. Race and ethnicity data will be collected in accordance with OMB Federal Register notice, "Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity"

(62 FR 58782), October 30, 1997. Sex data will be collected in accordance with Title IX of the Education Amendments of 1972. These items should not be submitted with the application but should be available upon request by the Agency.

The applicant and the ultimate recipient must comply with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act of 1973, Age Discrimination Act of 1975, Executive Order 12250, Executive Order 13166 Limited English Proficiency (LEP), and 7 CFR part 1901, subpart E.

- (i) SF LLL, "Disclosure of Lobbying Activities," if applicable.
- (j) Use Form SF 270, "Request for Advance or Reimbursement."

3. Reporting

(a) A Financial Status Report and a Project performance activity report will be required of all grantees on a quarterly basis until initial funds are expended and yearly thereafter, if applicable, based on the Federal fiscal year. The grantee will complete the Project within the total time available to it in accordance with the Scope of Work and any necessary modifications thereof prepared by the grantee and approved by the Agency. A final Project performance report will be required with the final Financial Status Report. The final report may serve as the last quarterly report. The final report must provide complete information regarding the jobs created and supported as a result of the grant if applicable. Grantees must continuously monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved. Grantees must submit an original of each

report to the Agency no later than 30 days after the end of the quarter. The Project performance reports must include, but not be limited to, the following:

(1) A comparison of actual accomplishments to the objectives established for that period;

(2) Problems, delays, or adverse conditions, if any, which have affected or will affect attainment of overall Project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular Project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation; and

(3) Objectives and timetable established for the next reporting period.

(4) Any special reporting requirements, such as jobs supported and created, businesses assisted, or economic development which results in improvements in median household incomes, and any other specific requirements, should be placed in the reporting section of the Letter of Conditions.

(5) Within 90 days after the conclusion of the Project, the grantee will provide a final Project evaluation report. The last quarterly payment will be withheld until the final report is received and approved by the Agency. Even though the grantee may request reimbursement on a monthly basis, the last 3 months of reimbursements will be withheld until a final report, Project performance, and financial status report are received and approved by the Agency.

In addition to any reports required by 2 CFR 200 and 2 CFR 400.1 to 400.18, the Intermediary or grantee must provide reports as required by 7 CFR part 4280, subpart A.

**G. Federal Awarding Agency Contact(s)**

For general questions about this announcement, please contact your USDA Rural Development State Office provided in the ADDRESSES section of this Notice.

**H. Civil Rights Requirements**

All grants made under this Notice are subject to Title VI of the Civil Rights Act of 1964 as required by the USDA (7 CFR part 15, subpart A) and Section 504 of the Rehabilitation Act of 1973, Title VIII of the Civil Rights Act of 1968, Title IX, Executive Order 13166 (Limited English Proficiency), Executive Order 11246, and the Equal Credit Opportunity Act of 1974.

**I. Other Information**

**Paperwork Reduction Act**

In accordance with the Paperwork Reduction Act of 1995, the information collection requirement contained in this Notice is approved by OMB under OMB Control Number 0570-0070.

**Federal Funding Accountability and Transparency Act**

All applicants, in accordance with 2 CFR part 25, must have a DUNS number, which can be obtained at no cost via a toll-free request line at (866) 705-5711 or online at <http://fedgov.dnb.com/webform>. Similarly, all applicants must be registered in SAM prior to submitting an application. Applicants may register for the SAM at

<http://www.sam.gov>. All recipients of Federal financial grant assistance are required to report information about first-tier sub-awards and executive total compensation in accordance with 2 CFR part 170.

### **Nondiscrimination Statement**

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA Programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a

letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture  
Office of the Assistant Secretary for Civil Rights  
1400 Independence Avenue SW.  
Washington, D.C. 20250-9410;
- (2) fax: (202) 690-7442; or
- (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov)

USDA is an equal opportunity provider, employer, and lender.

Dated: November 15, 2016

Samuel H. Ridders  
Administrator  
Rural Business-Cooperative Service  
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