



Northern Border  
Regional Commission



# 2020 Application Manual

ECONOMIC & INFRASTRUCTURE  
DEVELOPMENT INVESTMENT PROGRAM

[www.nbrc.gov](http://www.nbrc.gov)

APPLICATION DEADLINE: May 15, 2020

Last updated February 2020

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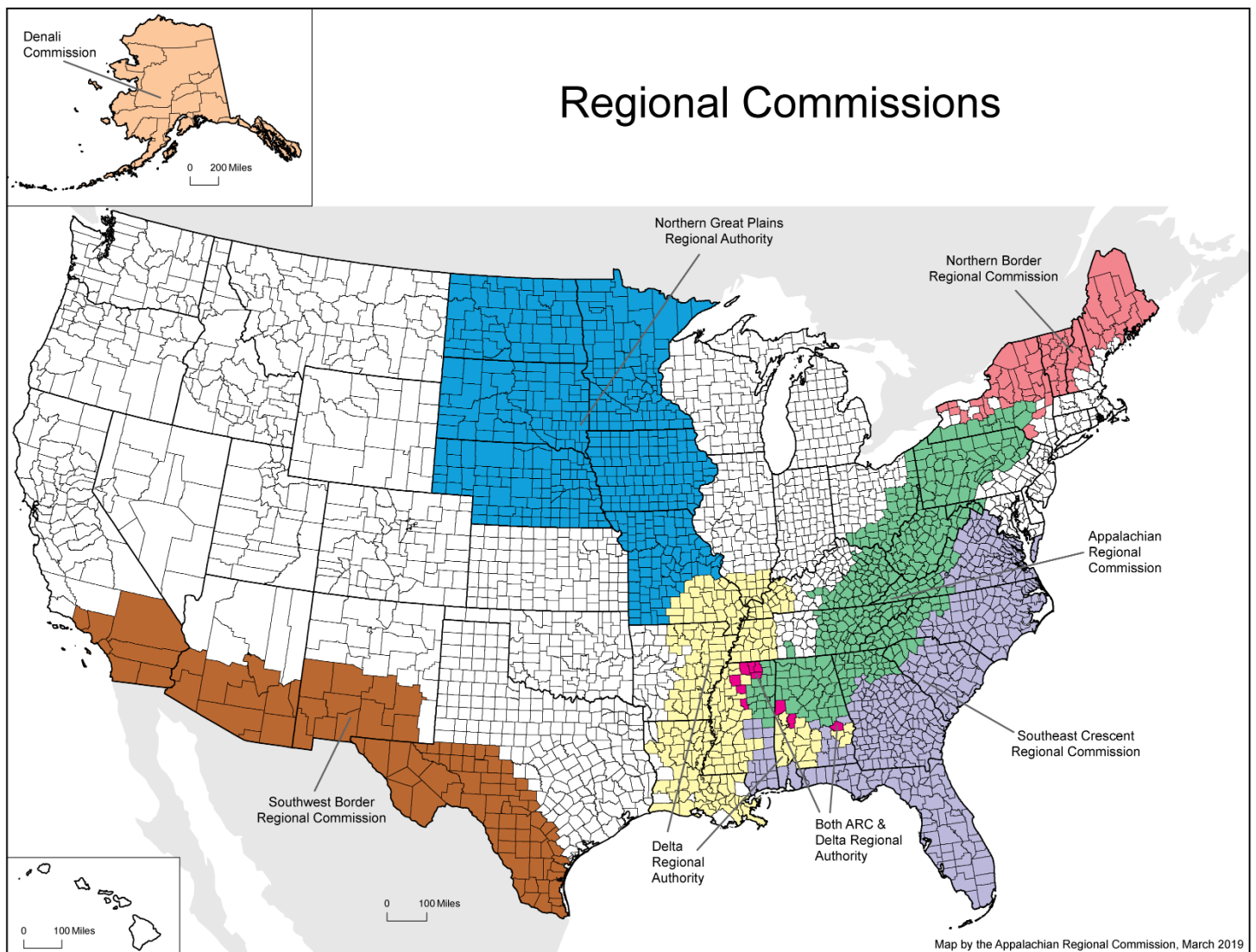
## INTRODUCTION

Established by Congress in 2008, the Northern Border Regional Commission (NBRC) is a partnership between the federal government and the States of Maine, New Hampshire, New York and Vermont. The mission of the NBRC is to fund economic development and infrastructure projects throughout designated counties in its four-state service area. The governance of the NBRC is based on the Appalachian Regional Commission model created in the 1960s.

The NBRC partnership provides investments to job-creating projects that help reduce poverty, unemployment, and outmigration.

NBRC investment funds originate from the Federal Government but are approved by the Federal Government's NBRC representative (Federal Co-Chair) and the Governors of the four States.

The NBRC partnership is aided by recognized Local Development Districts (LDD) that assist with technical assistance, provide information on complimentary funding opportunities for projects, and ensure consistency with administration of projects that are funded.



## SECTION A.- GENERAL INFORMATION AND ELIGIBILITY

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Applicants for Northern Border Regional Commission (NBRC) funding should familiarize themselves with this document and provide conclusive evidence within the application package which clearly describes the eligible nature of the project. This determination must be consistent with the definitions found below.

### I. MAXIMUM GRANT AMOUNT & AVAILABLE FUNDING

The maximum grant amount for 2020 is \$1,000,000 for “infrastructure,” defined below. For all other applications the maximum amount is \$350,000. Multi-State awards may receive a maximum per project of \$1,000,000.

The total amount of funds available for 2020 is approximately \$4.5MM / State. The Commission may, at its discretion, choose to make available an additional \$4.5MM in total funds (across all four NBRC states) via the U.S. Economic Development Administration and the U.S. Department of Agriculture. These will be made available dependent on the overall strength of project applications, and those applications' adherence to NBRC's strategic priorities as outlined in our strategic plan (available via NBRC's website).

### II. TIMEFRAME

All proposed projects must be completed by September 30, 2023. If you anticipate that your project will take more than three years from the time of award you should contact the NBRC staff at 603-369-3001 with questions and consider postponing your application to a future year.

### III. COMMISSION SERVICE AREA

Only projects within the NBRC's service area are eligible for funding under 40 U.S.C. §15733. The NBRC service area is:

Maine: Androscoggin, Aroostook, Franklin, Hancock, Kennebec, Knox, Oxford, Penobscot, Piscataquis, Somerset, Waldo, and Washington counties.

New Hampshire: Belknap, Carroll, Cheshire, Coos, Grafton, and Sullivan counties

New York: Cayuga, Clinton, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Montgomery, Niagara, Oneida, Orleans, Oswego, Rensselaer, St. Lawrence, Saratoga, Schenectady, Seneca, Sullivan, Warren, Washington, Wayne and Yates counties.

Vermont: all counties within the State

### IV. ELIGIBLE APPLICANTS

The NBRC Economic and Infrastructure funding is available to:

- State governments of Maine, New Hampshire, Vermont, and New York;
- Local governments (village, town, city and county);
- Other political subdivisions of States (regional planning commissions, authorities of the state)
- Indian Tribes; § 200.54 [Indian tribe](#) (or “federally recognized Indian tribe”). Indian tribe means any [Indian tribe](#), band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native [Claims](#) Settlement Act ( [43 U.S.C. Chapter 33](#)), which is recognized as eligible for the special programs and services provided by the United [States](#) to Indians because of their status as Indians ( [25 U.S.C. 450b\(e\)](#)). See annually published Bureau of Indian Affairs list of Indian Entities Recognized and Eligible to Receive Services.
- Non-profit entities. The term ‘nonprofit entity’ means any organization described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of that Code that has been formed for the purpose of economic development.

## V. INELIGIBLE APPLICANTS

Ineligible applicants include for-profit entities, LLCs and other entities that are not a 501(c), 40 U.S.C. §15101(c). Ineligible entities are also those entities normally deemed eligible but, due to prior federal or state funding history have been identified as ineligible for future investments. Additionally, a non-profit identified by a state that does not have a federally recognized 501(c) status is not an eligible applicant.

## VI. PREVIOUS APPLICANTS

If a grantee has an outstanding investment with NBRC, they cannot receive additional NBRC investments until their current project has both: submitted reimbursement requests totaling 75% or more of the project by June 30, 2020, and; demonstrated that 75% of the cost share has been completed by June 30, 2020.

## VII. ELIGIBLE PURPOSE

The following funding categories constitute eligible activities for NBRC investments. Items A-D below provide detail on eligible categories within NBRC's definition of "infrastructure," as defined in NBRC's enabling legislation. Please also refer to the definition of "construction" below, which further defines eligible infrastructure projects in 2020.

<sup>^</sup> These are 'infrastructure' projects as defined by NBRC's enabling legislation. NBRC is required to use 40% of its annual appropriations to fund infrastructure projects.

<sup>\*\*</sup> These eligible purposes have been identified in the recently adopted NBRC Strategic Plan and will receive higher scores for potential funding. See Strategic Plan at: [www.nbrc.gov](http://www.nbrc.gov)

**"Construction"** is defined for NBRC purposes as construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property. For purposes of this definition, the terms "buildings, structures, or other real property" include, but are not limited to, improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, cemeteries, pumping stations, railways, airport facilities, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, canals, and channels. A project that includes planning and engineering when part of a larger construction implementation will be considered 'construction'; a project solely made up of planning and/or engineering will not be considered 'construction'.

Grant recipients must maintain ownership/control over all investments made with NBRC funds, ownership of physical equipment and/or structures may not transfer to any other entity, unless fully depreciated. Types of infrastructure that NBRC may fund include:

### a.) <sup>^</sup>Transportation:

Transportation infrastructure shall include fixed installations and rights of way necessary for transporting from one point to another and may include [roads](#), [railways](#), [airways](#), [waterways](#), [canals](#) and terminals such as [airports](#), [railway stations](#), [bus stations](#), parking, terminals, refueling depots (including fueling docks and [fuel stations](#)) and [seaports](#), sidewalks and trails when used for transportation purposes.

### b.) <sup>^</sup>Basic Public:

Basic public infrastructure shall mean those services that are generally necessary to conduct business and operate, and include waste, water and energy. Specifically; the collection and distribution systems, treatment plants and other infrastructure that collects, treats and delivers drinking water and waste water-related services; electric power generation and transmission; solid waste to include, [recycling](#), [composting](#), [disposal](#), and [waste-to-energy](#) via incineration; systems for heat distribution through sources such as co-generation, biomass, geothermal heating, heat pumps and central solar heating.

**c.) ^Telecommunications:**

The equipment and structures necessary for the transmission of signals over long distances that may include electrical and electromagnetic technologies, such as, [telephone](#), and [teleprinter](#), [networks](#), [radio](#), [microwave transmission](#), [fiber optics](#), coaxial cable and [communications satellites](#). Investments must meet or exceed the most current U.S. Federal Communication Commission definition of broadband data transmission.

**d.) ^Renewable and Alternative Energy:**

Renewable energy is generally defined as any naturally occurring, theoretically inexhaustible source of energy, such as biomass, solar, wind, tidal, wave, and hydroelectric power that is not derived from fossil or nuclear fuel. Publicly owned and non-profit entities are eligible. Facilities that are owned by a for profit entity will NOT be eligible.

**e.) \*\*BUSINESS AND WORKFORCE DEVELOPMENT:**

Business Development shall mean those areas of business development which include entrepreneurship, the creation of new businesses or the retention or expansion of existing businesses in the local communities and are deemed eligible. Projects shall document job-creation or job-retention. Funding of start-up projects, such as business incubators or industrial parks, must have committed business tenants. Expansion of existing business incubators and industrial parks are also allowed.

Business Incubator projects must document that a need exists, per standards of research described by the International Business Innovation Association <https://inbia.org>. A plan should also be developed to coincide with standards and operations as set forth by the International Business Innovation Association.

Business Incubation shall mean a business support process that accelerates the successful development of start-up and fledgling companies by providing entrepreneurs with an array of targeted resources and services.

Workforce Development shall mean job training or employment-related education for a specific employer to fill immediate job openings or retain current jobs which are documented as such by that specific employer. Delivery of such training shall be using existing public educational facilities (EPEFs) located in the region. However, if, the applicant demonstrates (1) sufficient information demonstrating an EPEFs inability (as example, insufficient capacity, curriculum, and/or accessibility) to satisfy the defined need, and the applicant (2) demonstrates a compelling need to use a non-EPEF for such training, then a project may be eligible.

Revolving loan funds may be used for the purpose of making loans to create and/or retain jobs. (Any applicant interested in applying for revolving loan funds should read Addendum I of this Program Manual to understand the uses and limitations of any revolving loan fund set up through NBRC.)

**f.) BASIC HEALTH CARE:**

The cost of basic health care facilities, such as clinics, and including telehealth infrastructure, will be eligible. Operating costs of facilities will NOT be deemed eligible.

**g.) RESOURCE CONSERVATION, TOURISM, RECREATION:**

While easements and land purchases are eligible under the federal criteria, an economic development case needs to be made to substantiate the use of funds. Construction projects that promote resource conservation, tourism, recreation, and preservation of open space, such as access roads, bridges, signage, etc., are eligible projects. All projects must also be consistent with the economic development goals of the region.

If there is any question about your project being an eligible use, it is strongly recommended to contact the NBRC staff or the State Program Manager (contact information found at III. B. 25.)

## VIII. INELIGIBLE PURPOSES

- No pass-through funding will be awarded. Eligible entities may not be conduits for ineligible entities such as private-sector businesses or other entities that are not listed as Co-Applicants. Property purchased with NBRC funding cannot, in turn, be sold or donated to the private entity beneficiary.
- No financial assistance will be authorized to assist any relocation from one area of the region to another.
- NBRC investment funds cannot be used to “supplant” existing federal programs.
- Funds may be used to match other federally funded projects (when both federal agencies allow) only when the total funds from both NBRC and the federal funds does not exceed 80% of the total project budget.
- Projects that promote unfair competition between businesses with the same immediate service area.

## IX. ELIGIBLE COSTS

Investment funds may be used for the following:

- Reasonable fees to contractors but not any fee or profit to the recipient or sub-recipient.
- Construction and pre-construction costs such as engineering.
- Bid, performance or payment bonds are eligible costs.
- Indirect costs for work performed by the recipient staff. Indirect cost must be documented by a Federal Cognizant Agent or an entity acting on their behalf. If you do not have a federally approved indirect cost rate (such as many non-profits) you may use 10% as your indirect cost rate for the purposes of this application.
- Applicable and allocable costs as outlined in the Federal Cost Principles. Uniform Guidance (2CFR 200).

## X. INELIGIBLE COSTS

Investment funds may NOT be used for:

- Food and beverages for meetings
- Alcohol
- Entertainment
- Appraisals of property to be purchased or used as match, because it is assumed that in order to determine a budget for the application the value must be known
- Allowance or payment of debts
- Any costs incurred prior to receiving a Notice to Proceed. Consistent with this, no match funding can be documented as part of the project prior to receiving a Notice to Proceed.

## XI. FEDERAL FUNDING CEILING

If a project uses funds from multiple federal sources (including the NBRC), no more than 80% of a total project cost can be comprised of federal funds. (e.g: if an applicant is receiving \$100,000 from a federal source such as Economic Development Administration and the total project cost is \$200,000. The total amount the project could be awarded by NBRC would be \$60,000.) This is in NBRC's enabling legislation. It is equally important for applicants to check with other federal sources, as each federal agency may have its own restrictions.

## XII. ELIGIBILITY CRITERIA

By statute (40 U.S.C. §15702), the NBRC is required to annually assess the level of economic and demographic distress in its service area. Assessing distress is important as the resulting designations reflect whether or not the NBRC can provide grants within a county. It also determines the percent of match required for NBRC funded projects.

Counties are designated as either:

- *Distressed*, eligible for 80% funding and require a 20% match
- *Transitional*, eligible for 50% funding and require a 50% match
- *Attainment*, not eligible for funding, unless certain circumstances are present. In general, NBRC funds may not be provided to projects located within a designated Attainment County. However, if a municipality is distressed or the project has a greater effect on distressed and transitional counties surrounding it, there is a possibility that it could be an eligible project. Reference Attainment Counties #16 below.

### XIII. MULTI-STATE or MULTI-COUNTY APPLICATIONS

Multi-state applications are acceptable. To determine match requirements, take the average match of the counties in which the project will take place. The maximum amount of any multi-state project will be \$1,000,000, and applicants must detail the specific financial request for each state involved, in Question #5 of the application. Each state will review applications independently. Additionally, in Question #10 (b) list all the states that the application covers, and in Question #11 list all counties that the project will cover.

*Example 1: 1 distressed county (20%), 1 transitional county (50%), and 1 attainment county (100%) participate in a joint project for job training. The average of the three = 56.67 % so the match would be 56.67% and NBRC may provide 43.33%. If the NBRC award was \$350,000 then the minimum match required would be \$457,754.*

*Example 2: 2 distressed counties (20%), 2 transitional counties (50%). The average of the four is 35% so the match would be 35% and NBRC may provide 65%. If the NBRC award was \$1,000,000 then the minimum match required would be \$538,462.*

### XIV. DESIGNATED DISTRESSED COUNTIES

In 2020, forty-three of the sixty-one NBRC counties are considered Distressed. Distressed counties are the most severely and persistently economically challenged and have high rates of poverty, unemployment, or outmigration. Distressed counties have at least three of the following criteria:

- a. Outmigration of Population
- b. Per Capita Income lower than the national average
- c. Unemployment higher than the national average
- d. 2000-2010 Population increase less than the national average
- e. Poverty Rate higher than the national average
- f. Percent of secondary seasonal homes

The following counties are designated as Distressed for the purposes of prioritization and match.

**Maine:** Androscoggin, Aroostook, Franklin, Kennebec, Knox, Oxford, Penobscot, Piscataquis, Somerset, Waldo, and Washington

**New Hampshire:** Coos and Sullivan

**New York:** Cayuga, Clinton, Essex, Franklin, Fulton, Genesee, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Montgomery, Niagara, Oneida, Orleans, Oswego, St. Lawrence, Seneca, Schenectady, Sullivan, Washington, Wayne and Yates

**Vermont:** Caledonia, Essex, Orange, Orleans and Rutland

**The maximum percent of qualified project costs matched by NBRC funds in distressed counties is 80%.**

### XV. DESIGNATED TRANSITIONAL COUNTIES

In 2020, sixteen of the sixty-one NBRC counties are considered Transitional. Transitional counties are economically challenged or have recently suffered high rates of poverty, unemployment, or outmigration. Transitional counties have at least one of the following criteria:

- a. Outmigration of Population
- b. Per Capita Income lower than the national average
- c. Unemployment higher than the national average
- d. 2000-2010 Population increase less than the national average
- e. Poverty Rate higher than the national average
- f. Percent of secondary seasonal homes



Accordingly, the following counties are designated as Transitional for the purposes of prioritization and match.

**Maine:** Hancock and Waldo Counties

**New Hampshire:** Carroll and Cheshire Counties

**New York:** Rensselaer, Saratoga, and Warren Counties

**Vermont:** Addison, Bennington, Chittenden, Franklin, Grand Isle, Lamoille, Washington, Windham and Windsor Counties.

The maximum percent of qualified project costs matched by NBRC funds in transitional counties is 50%.

## XVI. ATTAINMENT COUNTIES

In 2020, two of the sixty-one NBRC counties are considered Attainment. They are:

**New Hampshire:** Belknap and Grafton County.

NBRC funds may not be provided to projects located within a designated Attainment County. There are three exceptions to this:

### 1. Isolated Areas of Distress

When a county is designated as Attainment, the Commission will collect economic and demographic data within that county to identify Isolated Areas of Distress. Isolated Areas of Distress are municipalities that have high rates of poverty, unemployment, or outmigration. For a listing of the Isolated Areas of Distress in Belknap and Grafton Counties see the Distress Criteria on the NBRC website.

If a project is located within an Isolated Area of Distress, an application may be submitted, but the applicant must indicate the location of the isolated area in the application. List this in Question 12 of the Application.

### 2. Multi-County Projects

Projects within an Attainment County may be funded if the project is part of a multi-county project that includes at least one other Distressed or Transitional County. Match for multi-county projects will be the average of the counties that make up the project.

**Example 1:** 1 distressed county (20%), 1 transitional county (50%), and 1 attainment county (100%) participate in a joint project for job training. The average of the three = 56.67 % so the match would be 56.67% and NBRC may provide 43.33%. If the NBRC award was \$350,000 then the minimum match required would be \$457,754.

**Example 2:** 2 distressed counties (20%), 2 transitional counties (50%). The average of the four is 35% so the match would be 35% and NBRC may provide 65%. If the NBRC award was \$1,000,000 then the minimum match required would be \$538,462.

### 3. Significant Benefits (waiver required by April 5, 2020)

An exception exists for projects located within an Attainment County that could bring significant economic benefits to NBRC Distressed or Transitional counties outside of that county. However, this exception requires a Waiver approved by the Federal Co-Chair and the Governor's Alternates of the four NBRC States.

Waiver process: Applicants for NBRC funding should contact the NBRC Interim Program Director if they believe their project should be eligible for a waiver. Submit information as outlined on page 12 (Letter of Interest to Apply) of this Application Manual. Applicants will need to show clear and convincing evidence of a project's economic impact beyond the border of the Attainment County.

**NOTE:** If a Significant Benefits waiver is being requested, the request must be received by April 5, 2020.

**The percent of qualified project costs matched by NBRC funds in multi-counties will be the average of each of the counties.**

## **XVII. MATCH and COST SHARE**

NBRC defines **match** as the minimum required by law in order to receive NBRC funds. **Cost share** is defined as the total of other funds necessary to complete the project. (i.e., Total project equals \$2,000,000. Applicant applies for \$1,000,000. The project is in a county that requires 20% match. The minimum match = \$200,000. The cost share for the project = \$1,000,000) While a \$1,000,000 may require \$250,000 match in order to be awarded, the recipient will be required to demonstrate that the \$1,000,000 is committed to the project in order to receive a Notice to Proceed.)

Refer to #12 thru #16 (above) in this Application Manual to determine the amount of required matching funds for your project. With the following qualifications and exceptions, matching or cost sharing requirements may be satisfied by any of the following:

- Applicant is providing cost share: How to document. Letter from the appropriate authority stating that the entity will provide the cost share. Letter is required to have the following elements: 1. state the amount of the commitment, 2. the dates that the commitment will cover, consistent with the period of performance, and 3. That the funds are for the purpose outlined in the application. If the funds will be used for paying staff within the applicant's organization, the letter should also state the following: 1. the # of hours staff are anticipated to work on the project, 2. the pay of those staff (hourly rate), 3. and the indirect cost rate that will be used (if applicable).
- Municipal lending: NBRC requires proof of authorization to spend. This may be different for different states, and may take the form of city council approval, Town or City manager approval, , or demonstration of town meeting approval. It is the applicant's responsibility to ensure that they have the appropriate authority to loan/bond funds for the project, but there must be some sort of authorization documented.
- Letter of commitment from a source other than the applicant. A letter is required to have the following elements: 1. state the amount of the commitment; 2. the date that the award was made; 3. the purpose of the funds are for the scope outlined in the application. A letter of submission, or status notification of 'application received' or 'pending' is NOT a letter of commitment.
- Volunteer Services: Provide a written plan of how the volunteer donation amount will be calculated. (Ex: 4 meetings a year, taking place quarterly that are expected to last 1.5 hours and 5 volunteers will participate.  $4 \times 1.5 \times 5 = 30$  hours  $\times 24.14 = \$723.60$ .) The volunteer rate may be used as cost share and should be consistent with the national average [www.independentsector.org/volunteer\\_time](http://www.independentsector.org/volunteer_time), or consist of the professional fee charged in any situation. Volunteers may not be: a) counted for the same activity in a different project (counted twice), or b) be federal employees. Additionally, their time must be recorded and be submitted as an invoice. You may include any Indirect Cost Rate in addition to the volunteer rate. Note: the rate that is calculated at the time of the grant agreement will be the rate for the remaining project period until project completion. While the national rates may fluctuate, it is not feasible to renegotiate these rates during the project period. In-kind services in the form of volunteers on a construction site are highly discouraged.
- Municipal Force Accounts may be used. Applicants must document that they have the experienced staff. Force account work is limited to work that the municipality can demonstrate is within the technical skill and managerial ability of the applicant and its forces. The applicant must provide an accounting of time and costs and provide appropriate documentation of indirect costs, if being used. Both salaries of staff and cost of mobilization and fees for vehicles may be counted as cost share when those cost are appropriately documented.
- Land or other donated real property or equipment: A Letter of Intent from the current property owner stating that they will provide the land to the project stating the sale and 'appraised' value of the land, the anticipated date of transaction, and identification of the property. Even if the property is being donated, a professional appraisal is required. NOTE: A municipal assessment is NOT an appraisal. An appraisal of the property must have been completed within the past 18 months, or an appraisal must be made prior to issuing a Notice to Proceed if the project is being donated. RE EQUIPMENT: The entity that is donating equipment must provide a letter with the following elements: 1. date that the equipment will be transferred to the grantee; 2. market value of the equipment; 3. a description of the equipment, and; 4. A statement that the donation

is for the purpose of the project as scoped out in the grant agreement. [NOTE: 2 CFR 200.306(i)(1) does not address the timing of the donation of property]

- Cost sharing or matching requirements may be met by other Federal grants when authorized by those other agencies, but only up to 80% of the total project cost.
- Neither costs nor the value of third party in-kind contributions may count towards satisfying a cost sharing requirement of a grant agreement if they have been or will be counted towards satisfying a cost sharing requirement of another Federal grant agreement, a Federal procurement contract, or any other award of Federal funds in another project.
- Unless NBRC expressly approves use of program income under the additive alternate contained in 2 CFR 200.307(e)(2) or the cost share alternative in 2 CFR 200.307(e)(3), it is required to treat program income under the deductive method as outlined in 2 CFR 200.307(e)(1). This means that if program income is received it will reduce the NBRC award amount.
- Costs and third-party in-kind contributions counting towards satisfying a cost sharing requirement must be verifiable from the records of the applicant. These records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services will be supported by the same methods that the organization uses to support the allocability of regular personnel costs.
- All cost share must be committed by September 30 of the year following the award year. This date allows for extraordinary situations that may occur. If this date cannot be met, applicant should consider postponing that application until the subsequent year.

## XVIII. APPLICATION SCORING CRITERIA

Each State scores the applications received within their state independently. Generally, each state creates a team of reviewers and has access to a group of consultants who have specialized knowledge on scientific or technical expert opinion that provide guidance when needed. Final decisions about awards are approved jointly between the Federal Co-Chair and the Governor's Alternates (collectively, the five members that make up the board of the Northern Border Regional Commission). The scoring system for each state is provided below. If the application is for a multi-state project, each state will score the application independently. While States will consult with one another in order to strive for consistency, a multi-state application may be awarded in one state and not in another.

## Northern Border Regional Commission - Overall Criteria (50 points total)

The project is located within an Opportunity Zone. See maps available via NBRC's website [see the Opportunity Zones link across the top of the homepage]	The investment is located in an Opportunity Zone		The investment is not located within an Opportunity Zone	Yes: 10 points No: 0 Points
Potential # of points	5	3	1	Score between 5 and 0
How does the project impact on meeting the priorities and/or strategies of a regional or state development plan? .	Clearly explain connection, listed within a CEDS or other regional document and how it aligns with regional strategies	Secondary or tertiary connection is articulated, can draw connection to strategies outlined	Distant connection or vague relations to strategies	
Extent to which match funding needed to complete the project is realistic and available within a year of being awarded.	Match funding is committed to the project at time of application	Match funding has been clearly outlined and has been demonstrated that it will be available within a year following award	Match funding is poorly outlined or confusing, or has not been convincingly articulated that it will be available within a year following award	
Is this a construction project as outlined in the Application Materials.	Yes		No	
Potential for future private investment. Private investment defined as for profit business investing as a result of the project.	The project demonstrates that private investment will take place as a result of the project.	The project shows potential for future private investment	No private investment will result from the project	
The project will have continuing impacts such as employment opportunities, increased income or wages.	The project demonstrates that employment and/or income will increase	The project draws reasonable connections to opportunities for employment and/or income increases	The project doesn't demonstrate opportunities for increases	
Extent to which the project impacts and/or meets the objectives outlined in the NBRC Strategic Plan.	<u>Revitalize</u> and modernize essential infrastructure. <u>Increase</u> access, affordability, and use of high-speed telecommunications. <u>Stabilize</u> and reduce electric and thermal energy costs.	<u>Retain</u> , expand and diversify business enterprise. <u>Position</u> the region as an attractive and supportive place for creative and entrepreneurial people. <u>Support</u> and expand a highly productive workforce. <u>Foster</u> entrepreneurial leadership and capacity. <u>Inform</u> and align local, state, and regional economic development decision-making with regional data and perspectives.	Other	
Budget and workplan are clear and feasible. Work plan is clear and feasible for timely project completion	The budget clearly connects to the work plan that is outlined and costs are reasonable for the intended outcome		Budget does not connect to the work plan and has not been well thought out or	
Extent to which the project will aid in meeting performance measures outlined in the NBRC Strategic Plan.	Able to articulate and draw connection between the project and one or more of the performance measures, based on feasibility studies specific to the project or documented professional opinion	General connection between the project and the performance measures outlined in the Strategic Plan.	No clear connection between performance measures and the project.	



Northern Border Regional Commission - State Specific (50 points total)				
Maine (all range between 10-0 points)				
Maine Priority. If the project is Economic Development, Public Infrastructure/Infrastructure, Tourism (Including Outdoor Recreation), and Renewable and Alternative Energy	Maine NBRC Priorities are Public Infrastructure, Economic Development, Tourism and Renewable and Alternative Energy			
Create, retain or attract jobs	Project clearly demonstrates commitment to job creation with evidence that jobs will be created or retained as a direct result of the investment.			
Public Infrastructure/Infrastructure in support of Economic Development	Project clearly identifies a need and demonstrates how the NBRC investment will impact the situation in the region.			
Education and Workforce Development (Including entrepreneurship, business incubation, and workforce training)	Project reliably forecasts measurable results, applicant and partners demonstrate they have experience and capability to complete the project and clearly identify impact for community, region and State			
Project readiness/Budget/Commitment of matching funds/Sustainable project	Project can begin immediately, including matching funds committed within 12 months of award and/or assured completion within 12 month timeframe. Applicant clearly identifies evidence based on assumptions and forecasts the project is sustainable.			
New Hampshire (between 10-0 points)				
Invests in infrastructure that provides long-term community and economic impacts	Project significantly affects a large geographic area or number of individuals/businesses and long-term benefit is clear.			
Expands New Hampshire's skilled workforce	Project positively strengthens the workforce by improving existing workers skills or by expanding the pool of skilled workers.			
(between 5-0 points)				
Builds regional capacity to carry out economic development strategies	Project significantly improves organizational or individual ability to create or successfully implement economic development activities			
Supports and encourages entrepreneurship and innovation	Project identifies new or creative approaches to supporting entrepreneurs and the development of new businesses.			
Leverages existing local and regional resources to promote economic growth	Project utilizes New Hampshire's natural, cultural or economic assets to strengthen the local economy.			
Demonstrates organizational capacity to implement and sustain project	Applicant presents a reasonable work plan/budget and can demonstrate project sustainability.			
Project readiness	Project is ready to begin immediately, planning activities are complete, and all match funding is secured.			
funding need	Applicant can show that other funding sources were explored and that NBRC funding is necessary in order to move the project forward.			
New York				
Potential # of points	5	3	1	0
1) Financial Need	NBRC funds are critical to project completion and make up a significant share of project cost.	NBRC funds are critical to project completion or make up a significant share of project cost.	NBRC funds will have minimal impact on the ability to complete the project.	Project will be completed without NBRC funding
2) Project Need and Significance of Community Impact	Project need and community impact is significant	Project need or community impact is significant	Project need and/or community impact is limited	If the applicant does not answer or information can not be found a 0 will be given
3) Support of applicable Regional Economic Development Council	Project has received a letter of support from REDC	Project supports a specific REDC strategy	Project generally supports REDC plan	Project is inconsistent with an REDC plan.
4) Project Link to Downtowns, Existing Community Centers or Identified Growth Areas	Project is located in a downtown or community center, and is identified in as a key objective in a local government's comprehensive plan.	Project is located in a downtown or community center, and is generally consistent with a local government's comprehensive plan.	Project is located outside of a downtown or community center, but creates a linkage to a downtown or connects it to a nearby amenity/asset	Project has no effective on a downtown or community center.
5) Project Readiness and Sustainability	Project can begin immediately, and the application provides clear evidence that the project is sustainable, including local resolutions and full commitment of matching funds.	Long-term project support and sustainability is evident, but project readiness is not clear and timeline is uncertain.	Project support is limited and application is unclear about the project's long-term sustainability.	If the applicant does not answer or information can not be found a 0 will be given
6) Regional Impact	Project will have an impact across multiple counties	Project will have an impact across multiple municipalities within a county	Project will impact a single municipality	If the applicant does not answer or information can not be found a 0 will be given
7) Support for Workforce Development, Entrepreneurship and Emerging Economic Opportunities	Project is a creative, new approach to support workforce and business development in STEM related fields or other emerging opportunities	Project is a creative or new approach for workforce training and business development	Project generally supports workforce training or business development.	If the applicant does not answer or information can not be found a 0 will be given
8) Development of Community Infrastructure or Assets Critical for Sustainable Development	Project will develop new community infrastructure or assets.	Project is a new effort to leverage existing community infrastructure or assets.	Project enhances an existing efforts to leverage community infrastructure or assets.	If the applicant does not answer or information can not be found a 0 will be given
0 - 10 Points				
9) Project Significance in meeting New York State priorities?	Review considerations include: the geographic distribution of grants; the uniqueness of the project as reviewed against project applications; the ability of the project to serve as a model for future projects; and the impact on current regional and statewide initiatives.			

Vermont				
Section A: Degree to which the project aligns with and advances the 8 "Steps to Success" identified in Vermont's Comprehensive Economic Development Strategy (CEDS) (Up to 5 points each) Link to Vermont CEDS: <a href="https://accd.vermont.gov/sites/accdnewfiles/documents/DED/CEDS/CEDSExecutiveSummary.pdf">https://accd.vermont.gov/sites/accdnewfiles/documents/DED/CEDS/CEDSExecutiveSummary.pdf</a>				
Makes financing available				
The application directly makes funding available through deployable capital (loan fund, equity capital, etc.) and the application demonstrates a need for the capital through documented demand (letters of support, etc.), and the applicant had demonstrated capacity in providing financing. Leverages beyond the required match.	The application directly makes funding available through deployable capital and demonstrates demand	The application directly makes funding available through deployable capital and demonstrates demand	The application claims to provide financing assistance, but no demand is demonstrated	The application makes no claim, but the reviewer sees a connection
Educates a great workforce				
The project provides direct training or recruitment assistance to workers for less than \$5,000 per worker with measurable job skills improvement, goals and demonstrated past success		The project provides direct training or recruitment assistance to workers for less than \$20,000 per worker with measurable job skills improvement, goals and demonstrated past success		The project provides no or low direct training or recruitment assistance to workers.
documented need and a track record of success and the application demonstrates through quantitative data, a high return.		a good track record but no documented need (and the reviewer feels there is a need) and the return is not considered a best of class return by reviewer		there are too many weaknesses in need, success and return
the investment is focused on economic activities exclusive to working lands including forestry, agriculture and outdoor based tourism, and the applicant articulates through quantifiable data the benefit for working lands	the predominant focus is on working lands	at least half of the benefit is on working lands enterprises	at least one quarter of the benefit is on working lands enterprises	at least a reference to working lands
focused to provide support to innovative activities exclusive that are not currently being undertaken at scale in Vermont (i.e.: tech commercialization, new agriculture practice)	the focus of the grant is to support innovation	Innovative activities will receive at least half of the grant support	Innovative activities will receive at least one quarter of the grant support	there is a reference to innovative activities
Work plan is precisely clear and HIGHLY feasible for timely Project completion	Work plan is clear and VERY feasible for timely Project completion 4 pts	Work plan is seemingly clear and feasible for timely Project completion 3 pts	Work plan is SOMEWHAT clear and feasible for timely Project completion 2 pts	Work plan is NOT clear and less likely feasible for timely Project completion 1 or 0 pts
provides a service that is designed to address cases of an economic downturn or weather related emergency	resilience is mentioned in the proposal and the reviewer believes the grant will address cases of economic downturn or weather related emergencies	resilience is an outcome from the project although not a focus and not explicitly cited		the project supports economic activities during an economic downturn or weather related emergency but there is no mention of resilience in the proposal
Section B: Broad State Priorities (Up to 5 points each)				
Is the project located within or does it directly benefit a state designated downtown, opportunity zone or village center?	- within designated area and significant impacts also within the area (5 Points)	within designated area and impacts also within the area (4 Points)	Not within designated area- , but significant impacts within designated area (s) (3-1 points)	Not within designated area(s) and minimal to low impact in designated areas (2 to 0 points)
Degree to which the project aligns with and advances the Governor's three guiding strategic priorities: strengthen Vermont's Economy; make Vermont more affordable; and protect the most vulnerable Vermonters	Strengthen economy - (See Question Two - input question 2 or 1 points)	Affordability - 2 or 1 points if the grant clearly demonstrates a direct savings to Vermonters through reduced taxes, bills or other expenses and increases wages, 2 points if the grant reduces out of pocket costs to Vermonters through indirect means, 1 point if the reviewer can qualitatively say the grant would make Vermont more affordable.	Protecting the vulnerable 2 or 1 point if the grant focuses on low income households (120 percent MHI or below) or those historically disadvantaged (minority groups, disabled, woman, HUB Zone businesses, etc.)	
Section C: Financial Need (5 points) Extent to which NBRC funding is necessary for the project to proceed or succeed.				
Project would not happen without NBRC funding: 5 points	Project would happen over a significantly longer timeframe or would have to be significantly scaled back without NBRC funding: 4 points	Project would happen over a moderately longer timeframe or would have to be moderately scaled back without NBRC funding OR the project would still proceed as planned but the lack of NBRC funding would unsustainably stress the applicant's budget: 3 points	The project timeline or implementation would experience slightly adverse impacts without an NBRC grant, but for the most part would proceed as planned: 2-1 points	Zero points for Projects happens regardless of NBRC funding

## SECTION B. - LETTER OF INTEREST

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It is highly advised that all applicants submit a Letter of Interest to Apply by March 31, 2020, so that State Program Managers and Local Development Districts are aware of your project and can assist you better through the process.

Submit the following as one pdf to: [admin@nbrc.gov](mailto:admin@nbrc.gov)

I. Applicant information

II. Project Information:

- County(ies) in which the project will be located
  - If an "Attainment" county, the Isolated Area of Distress
- Brief project description
- Category of the project: Infrastructure or not?

III. Project Financing, to include:

- Total project cost
- NBRC requested amount
- Matching funds

NOTE: Information received as part of the Letter of Interest **will not be used** for your application. Any and all information must be resubmitted as part of the full application. All application materials will be required to be submitted as one package on the due date regardless if information that has been previously submitted as part of a Letter of Interest.

## SECTION C. - APPLICATION INSTRUCTIONS

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If you need additional information or have questions please contact [admin@nbrc.gov](mailto:admin@nbrc.gov), or (603) 369-3001.

**Application deadline is 5pm on Friday, May 15, 2020**

### I. General Information

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1. **NAME OF ENTITY APPLYING:** This is the name of the organization NOT the name of a person. This section simply asks for the entities name, Data Universal Number System Number (DUNS) (if you do not have a DUNS # you may apply for one at <https://www.grants.gov/web/grants/applicants/organization-registration/step-1-obtain-duns-number.html>)
2. **CO-APPLICANT IF APPLICABLE:** Collaboration is highly encouraged. Please note that any co-applicant is equally responsible for following federal regulations and will be considered an 'applicant,' meaning that the entity must meet all the eligibility requirements and provide all contact information. An applicant may apply for more than one project within each state, however State prioritization may only award one application within that state. If a co-applicant is not listed in the application, funds may not be passed on to the entity without proper notice, bidding and procurement procedures that invite and honor fair and open competition with public dollars
3. **AUTHORIZED OFFICIAL:** The person with authority to apply for and accept funding. If you are filing the application on behalf of another entity you are not the authorized official.
4. **PROJECT PRIMARY CONTACT:** Please provide the contact information of the person that will be responsible for the project after any award may be issued. This is not the contact information for a grant writer or consultant that may be assisting with this application but not involved in the project once funded.
5. **STATE AND CONGRESSIONAL DISTRICT.** List the State or States that the project is in or will provide service to as well as the appropriate Congressional District for these same areas.
  - A) List the state(s) that the project is located in;
  - B) If unknown, a good resource for Congressional Districts is:  
[https://en.wikipedia.org/wiki/List\\_of\\_United\\_States\\_congressional\\_districts](https://en.wikipedia.org/wiki/List_of_United_States_congressional_districts)

Maine ME-02: all Counties except Knox and parts of Kennebec

Maine ME-01: Knox County and parts of Kennebec

New Hampshire NH-02: all Coos, Grafton and Sullivan Counties with the exception of the  
Town of Campton

New Hampshire NH-01: all of Carroll County plus the Town of Campton

New York NY-19: Sullivan, Greene, and parts of Rensselaer and Montgomery

New York NY-20: Schenectady and parts of Rensselaer, Montgomery and Saratoga

New York NY-21: Clinton, Essex, Franklin, St. Lawrence, Jefferson, Lewis Hamilton, Fulton, Warren, Saratoga,  
Washington and parts of Saratoga and Herkimer

New York NY-22: Oneida, Madison and parts of Herkimer and Oswego

New York NY-24: Cayuga, Wayne and parts of Oswego

New York NY-23: Seneca, Yates

New York NY-26: Parts of Niagara



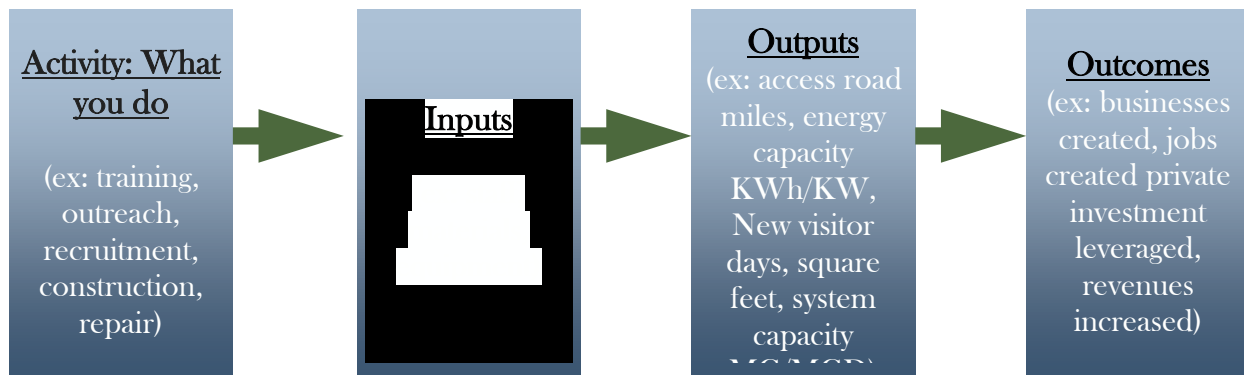
New York NY-27: Orleans, Genesee, Livingston and parts of Niagara,  
Vermont VT-00: all counties

6. **AMOUNT BEING REQUESTED:** The maximum NBRC grant award is \$1,000,000 for infrastructure projects and \$350,000 for all other projects. Your request should not exceed this amount. If this is a multi-state application, list the amount for each State. To do so, please select the State in which funds are being sought. If you are submitting a multi-state application indicate which state, you are seeking funds from and the amount corresponding to each state. I.E: Vermont \$200,000 and New Hampshire \$100,000. The system will total the full NBRC request. This amount may not exceed the totals allowed through this program.
7. **PREVIOUS RECIPIENT:** Has the entity listed above received funds from NBRC in the past? This is important because 75% of the project must be completed prior to another award. Y/N
8. **WHAT LOCAL DEVELOPMENT DISTRICT IS THE ENTITY LOCATED IN:** Federal legislation states that the Northern Border Regional Commission, "shall enhance the capacity of, and provide support for, local development districts (LDD) in its region." It outlines obligations that LDDs have once they are designated. 40 U. S. C., §15505 (c). See <http://www.nbrc.gov/content/local-development-districts>. The NBRC created a map that will provide this information in a more convenient manner. See MAP at [www.nbrc.gov/content/resources](http://www.nbrc.gov/content/resources).
9. **WAS THE APPLICANT REQUIRED TO SUBMIT A SINGLE AUDIT IN THE PAST 12 MONTHS?** 2 CRF 200.501(a). Single Audits require comprehensive testing of compliance and internal controls over compliance of federal programs. States, local governments, and not-for-profit entities are required to undergo a single audit only if they spend \$750,000 or more in federal awards in a fiscal year. Keep in mind, the threshold relates to expenses, not revenues. The only person that can answer this question for you is your auditing firm or internal CPA, NBRC cannot advise if you're required to complete this. Y/N

## II. Project Information

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10. **TIMELINE:** All project start dates will be October 1, 2020, unless authorization in writing is received to start earlier. Contact (603) 369-3001 if your project will necessitate this. Also state the projected project end date. The final date that all projects are required to be completed is September 30, 2023.
11. **IN WHAT COUNTY OR COUNTIES WILL THE PROJECT TAKE PLACE?** It is important to include all counties in which the project will take place. This is not the location of your office, it is the location of the project. If you have a multi-county (multi-state) project, the minimum match required will be the average of the counties.
12. **ISOLATED AREAS OF DISTRESS:** In 2020 there are two counties that are in Attainment: Grafton and Belknap Counties in NH. These counties do not qualify for funding from NBRC. However, municipalities within these counties may qualify if they have been identified as isolated areas of distress.
13. **PROJECT DESCRIPTION:** In 50 words or less, describe the project and what it will accomplish. In a concise manner explain both the outputs that will be completed and the intended results (outcome) that are anticipated by the investment.
- For example:** The Project will replace ~1.3 miles of 36" pipe with ~1.3 miles of 48" pipe along Broad Street (output), improving transmission to the Wastewater Treatment Plant in Cheshire City. This will increase capacity in order to allow future development and create jobs along Broad Street benefitting all of Billings County and extended area. (outcome)
14. **WHAT IS THE TYPE OF ACTIVITY THAT WILL BE IMPLEMENTED?** Y/N Note: It is important that you understand your responsibility for federal procurement procedures if you will be implementing a construction project or hiring consultants.
15. **IS THIS A CONSTRUCTION PROJECT?** Y/N
16. **WILL THE PROJECT CREATE OR RETAIN JOBS?** Y/N
17. **WILL THE PROJECT IMPROVE WATER OR SEWER SERVICE?** Y/N
18. **WILL THE PROJECT TRAIN INDIVIDUALS AS PART OF A WORKFORCE DEVELOPMENT PROGRAM?** Y/N
19. **PROJECT LOCATION:** Upload a pdf of a map indicating the physical location of the project and provide a narrative of the location of the project. For technical assistance, there should still be a map of the region to be served.
20. **PROJECT FOCUS:** Section A. VII of this Application Manual lists the Eligible Purposes of Northern Border Investments. Please identify one or more of the Eligible Purposes outlined and provide a narrative of how your project is consistent with the intended purposes of NBRC funding.



**21. ECONOMIC IMPACT OF THE PROJECT:** Provide justification that the outcomes anticipated by the NBRC investment will result in positive economic growth for the region and cite the basis for the justification. Explain how the project may assist in any of the following:

- create and/or retain jobs
- raise per capita income
- lower poverty in the region
- lower regional unemployment
- lower regional outmigration rates

It is important for the reviewers to understand how you arrived at your understanding of economic impact. What economic studies or experts can you reference to justify economic impact.

**22. OUTCOMES OF THE PROJECT:** Outcome measurements (often referred to as Performance Measures) are documentable ways to assess the extent to which a program/project has achieved its intended outcomes. List between two and four Outcome Measures that can demonstrate the impact of your investment over time. Below are examples of potential outcomes. These are meant to provide ideas. They are not the only outcomes that may be appropriate for your application. What is important is that the outcomes you choose are not outputs (items such as linear feet of pipe installed), they are results (the changes). Note: Make sure these are reasonable and obtainable, as the success of your project will be gauged in the future on the measurements that you choose. Your outcome should be bulleted and not more than 5-10 words, i.e. "The project will result in new businesses moving into the project area."

**What are Outcomes and Outputs? How are they connected?**

Outputs: Outputs are the activities or deliverables that will be accomplished as a result of an investment. Outputs are generally described as deliverables or milestones in a work plan or timeline, include things like the number of workers trained, square feet developed, or new day visitors to a facility. Outputs are generally accomplished during the life of the investment.

Outcomes: Outcomes are the measurable impacts or results of the work of the investment. Outcomes sometimes occur after the completion of the investment.

Every project must have at least 2 Outcome Performance Measures.

It is expected that estimated measures are included in project applications and will be reported within the project closeout reports. The following are examples that may be used for projects. You may have measures that better fit your project.

PROJECT TYPE	COMMON OUTPUTS	COMMON OUTCOMES
Education or workforce development project	Students served, workers/trainees served	Students improved, workers/trainees improved, programs implemented
Tourism facility, revitalization, or trail construction project	Communities served, linear feet of trail, average new visitor days	Businesses improved, communities improved, non-export (tourism) revenues
Water, sewer, or infrastructure construction project	Businesses served, MGD capacity, linear feet	Businesses improved, jobs created, jobs retained, private investment leveraged

#### Examples of Outcomes

**Businesses Created:** New businesses created as a result of an NBRC project. This is generally a secondary measure in business development projects such as entrepreneurship training, value-added agriculture, access to capital, or business accelerators/incubators. The grantee should estimate how many new businesses will be created within three years of the project end date.

**Businesses Improved:** The number of businesses with a measurable improvement as a result of an NBRC project. For each project this number is always the same as, or a subset of, the “businesses served” output measure.

**Communities Improved:** The number of communities with a measurable improvement as a result of an NBRC project, including projects that improve planning, civic participation, infrastructure, and educational opportunities. This measure should also be used for consolidated technical assistance grants. The “communities improved” number will generally be the same as, or a subset of, the “communities served” output measure.

**Costs Reduced:** Costs reduced as a result of project activities, within one year of project implementation. For example, small business technical assistance may help a business streamline and cut costs, or an energy-efficiency program may help to reduce energy costs, through a renegotiated flat fee for energy use or through a reduction in kilowatt hours used. See the output measure “energy capacity.”

**Households Improved:** The number of households with measurable improvement as a result of an NBRC project. For each project this number is generally the same as, or a subset of, the “households served” output measure.

**Jobs Created:** The projected number of jobs (direct hires, excluding construction jobs) that will result from an NBRC project, measured during the project period and up to three years after the project end date. Part-time and seasonal jobs should be converted to full-time equivalents and rounded up to whole numbers. Note: for infrastructure projects, employers should provide letters stating their intention to create a specific number of new jobs; for non-infrastructure jobs, applicants should estimate the number of jobs that will be created by the organizations expected to benefit from the project.

**Jobs Retained:** The number of jobs that would be lost or relocated without the NBRC project, measured during the project period and up to three years after the project end date. Note: for infrastructure projects, employers must provide letters explicitly stating the number of jobs at risk, due to loss of competitiveness or relocation, without the project. For non-infrastructure projects, applicants should estimate the number of existing jobs that would be at risk, due to loss of competitiveness or relocation, without the NBRC-funded project.

**Leveraged Private Investment (LPI):** The dollar amount of private-sector financial commitments, outside of project costs, that result from a project, measured during the project period and up to three years after the project end date. Note: for infrastructure projects, businesses should provide letters stating their intention to make a specific level of investment if the project is funded; for non-infrastructure jobs, applicants should estimate the dollar value of investments that will be made by the company or companies that will benefit from the project.

**Organizations Improved:** The number of organizations with a measurable improvement as a result of an NBRC project. This number is generally the same as, or a subset of, the “organizations served” output measure.

**Participants Improved:** The number of participants with a measurable improvement as a result of the project (use when patients, students, or worker/trainee measures do not apply). A plan and a method for measuring the degree of improvement must be provided. This number is generally the same as, or a subset of, the “participants served” output measure.

**Programs Implemented:** The number of new programs, or the number of ongoing activities related to a defined goal, that are implemented as a result of an NBRC project. If possible, use with other measures that indicate the results of the project, such as students, workers, participants, etc.

**Revenues Increased:** Export Sales: The increase in revenue in export sales that a business or businesses realize as a result of an NBRC project, within three years of the project end date.

**Revenues Increased:** Non-Export Sales: The increase in revenue in domestic (non-export) sales that a business or businesses realize as a result of an NBRC project, within three years of the project end date.

**Students Improved:** The number of students who obtain a job in the field for which they were specifically trained; the number that receive a diploma, certificate or other career credential; or the number of students who successfully complete a course or unit of study and/or graduate to the next grade or level necessary to continue their education. When outcomes occur after the project period, the number of students improved may be counted up to three years beyond the project end date. For programs where final outcomes are achieved after three or more years, the number of students improved may be counted by an alternative benchmark, such as the number of students completing a skill, grade, or level, or continued enrollment for the project period. This number is generally the same as, or a subset of, the “students served” output measure.

**Telecom Sites:** The number of new telecom services installed as a result of an NBRC project. This diverse measure includes, but is not limited to, new telemedicine sites, new Wi-fi hotspots, a new wireless router or computer lab, new fiber run to an industrial site, a new antenna used to provide broadband service, etc.

**Workers/Trainees Improved:** The number of workers/trainees with improved skills that enable them to obtain employment or to enhance their current employment. For example, the number of workers or trainees obtaining a new job; getting higher pay or a better position; or receiving a certification, measured during the project period when possible. When outcomes occur after the project period, the number of workers or trainees improved may be counted up to three years beyond the project end date. For programs where outcomes are achieved after three or more years, the number of students improved may be counted by an alternative benchmark, such as completion of a skill, level/course, or continued enrollment for the project period. This number is generally the same as, or a subset of, the “workers/trainees served” output measure.

#### Examples of some common Outputs

**Access Road Miles:** The length of the access roads constructed as part of the project, in miles or decimals of miles (not linear feet).

**Acres:** The number of acres impacted by an NBRC site-development or reclamation project, such as the number of acres graded and prepared for development at an emerging industrial park, the number of acres open to future development, the number of acres permanently preserved for farmland, or other preservation efforts that improve the local economy, or the number of acres remediated in a reclamation project.

**Businesses Served:** The number of businesses served by an NBRC project, including entrepreneurship projects, business technical assistance, and infrastructure projects.

**Communities Served:** The number of communities served by an NBRC project, including projects that improve planning, civic participation, infrastructure, and educational opportunities. For consolidated technical assistance grants, the number of communities served is the number of projects submitted by state NBRC program offices.



**Energy Capacity (KWh/KW):** The number of kilowatt hours saved by energy efficiency projects, or kilowatts produced by renewable energy projects within one year of project implementation.

**Housing Units Constructed/Rehabbed:** The number of housing units constructed or rehabilitated as a part of an NBRC housing or community development project.

**Linear Feet:** The number of linear feet of pipe, wire, cable, trails, etc., to be constructed or installed.

**New Visitors: Days:** The number of new daytime visitors to a tourism destination times the number of days they visit, within one year of project implementation.

**New Visitors: Overnights:** The number of new overnight visitors to a tourism destination times the number of their overnight stays, within one year of project implementation.

**Organizations Served:** The number of organizations served by an NBRC project, including hospitals, schools, churches, non-profits, non-governmental organizations.

**Patients Served:** The number of unique patients receiving clinical services one or more times as a result of an NBRC health project. For equipment projects, report the number of patients served during the project period and one year after the equipment is deployed. For health projects that do not provide clinical services (such as health promotion activities), use the measure "participants served."

**Participants Served:** The number of individual participants that can be served or are targeted by an NBRC project (use when patients, students, or worker/trainee measures do not apply). This can include the number of attendees at a meeting, workshop or conference. For example, the number of individuals participating in a planning process; or the number of individuals attending health promotion activities.

**Plans/Reports:** The number of plans or reports developed as a result of an NBRC project. This could include strategic plans, master plans, concept plans, or plans for infrastructure improvements or new programs, as well as research reports, feasibility studies, etc. This measure is often paired with the outcome "Programs Implemented," since a program or specific activity is often implemented as a result of a planning process.

**Square Feet:** The number of square feet constructed or improved by an NBRC project, such as the square footage of a renovated community center, a newly constructed parking lot, a reconfigured interior space, etc.

**Students Served:** The number of students that an NBRC education project will be able to serve, measured during the project period, when possible (e.g., the number of students served by a science and technology program in a given semester or year). For projects that are not fully operational during the project period, the measurement time period may be extended up to three years after the project end date. Projects that expand existing programs count only the additional number of students served.

**System Capacity (MGD/MG):** The capacity of a water or sewer system, in millions of gallons per day; or the capacity of a water tank, in millions of gallons. This includes the capacity of a new water or sewage treatment plant or water tank, or the increase in capacity of a plant due to renovation, new equipment, or other improvements. This measure may be expressed in decimals.

**Workers/Trainees Served:** The number of worker/trainees that an NBRC training project will be able to serve, measured during the project period when possible. For example, the number of worker/trainees the project will be able to enroll in a new workforce education program. For projects that are not fully operational during the project period, the measurement time period may be extended up to three years after the project end date. Projects that expand existing programs count only the additional number of workers/trainees that the project will be able to serve.

23. **WORK PLAN:** Provide a Work Plan that lists tasks relating to any outputs that will be completed in order to achieve the Outcome Measures outlined in #22. Your work plan is what should be reported on when you submit a quarterly report. So, when you are writing this keep in mind how you're going to report on what you're writing. If you can't, don't include it. Be concise! **Do not** make this a long narrative. This should be a well thought out plan for implementing your project. Even when a project is technical assistance in nature there still should be deliverables that clearly demonstrate work completed as outlined. This work plan will be part of the Grant Agreement if awarded. So, it is important that tasks are thought through and vetted with partners and staff that will be involved in the project. The example below is a broad outline but provides some idea for an outline to use. Some narrative of the tasks could be helpful, project timelines are required.

TASKS	PROJECT TIMELINE	COMMON OUTPUTS	COMMON OUTCOMES
1. RFP for Engineer 2. Development Contract for Engineer 3. Approve sewer installation plans 4. Bid process for construction 5. Hire construction firm 6. Mobilize for construction 7. Complete Construction	Provide associated timeline for each task	Businesses served, MGD capacity, linear feet	Businesses improved, jobs created, jobs retained, private investment leveraged

**24. REGIONAL PLAN:** In many regions there may be a number of documents from which to draw. What is important is that the project is consistent with regional strategies. A regional plan could be any number of documents; a Regional Plan, a Comprehensive Economic Development Strategy (CEDS), an Economic Planning document or any number of titles. What is important is that it has been developed through a broad public process, and it is supported by leaders in the region and municipal leaders are engaged in the process. NBRC does not determine which regional plan should be consulted. Rather, it is important that your project is part of a coordinated effort that helps efficient and impactful delivery of very limited public dollars. Therefore, your project should be consistent with a plan that is regional in nature and has been widely adopted by municipal governments and general public within your area. Consult your Local Development District, found at [www.nbrc.gov](http://www.nbrc.gov).

**25. STATE PLANNING:** How does the project fit into a statewide economic development plan? There may not be a state planning document endorsed by your state for economic development. It is important that the project is consistent with state strategies. You may be able to reference a number of documents, but the most appropriate document should be one that is supported by leaders within the state and that the plan was created through a broad inclusive process. Consult the following Program Managers within your state if you have questions about how to reference a specific document.

#### **Maine**

Andrea K Smith  
DECD – Office of Community Development  
(207) 624-9813  
[andrea.smith@maine.gov](mailto:andrea.smith@maine.gov)

#### **New Hampshire**

Mollie Kaylor  
New Hampshire Department of Business and Economic Affairs  
(603) 271- 6305  
[mollie.kaylor@livefree.nh.gov](mailto:mollie.kaylor@livefree.nh.gov)

#### **New York**

Kyle Wilber  
New York Dept. of State, Division of Local Government Services  
(518) 473-3355  
[kyle.wilber@dos.ny.gov](mailto:kyle.wilber@dos.ny.gov)

#### **Vermont**

Kristie Farnham  
Vermont Agency of Commerce & Community Development  
(802) 398-5268  
[kristie.farnham@vermont.gov](mailto:kristie.farnham@vermont.gov)

**26. STRATEGIC PLAN:** The NBRC Strategic Plan can be found at [www.nbrc.gov](http://www.nbrc.gov). Explain how this project will help advance the goals of the Strategic Plan and/or explain how the project could contribute to meeting the performance measures outlined.

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The following six (6) questions are for entities requesting to use funds for a **Revolving Loan Fund**. Please put N/A if not applicable to your project.

27. **BRIEF ORGANIZATIONAL HISTORY:** Please provide a history of the organization's lending experience that demonstrates potential successful use of NBRC funds. Please include year in existence current loan portfolio.

28. **ADMINISTRATION:** Provide a brief explanation of how administration of the RLF will be funded.

29. **ORGANIZATIONAL PROCEDURES:** Provide a copy of the organization's procedure manual and/or explain how an established loan review committee will participate in decision-making pertaining to the NBRC RLF.

30. **STAFF RESUMES:** Provide staff resumes who will be responsible for the NBRC funds and a list of loan review committee members.

31. **USE OF FUNDS:** Describe the use of funds to include addressing known funding gaps, address target populations, potential and/or known recipients, and how funds will fill an identified demand.

32. **REVOLVING LOAN FUND POLICY DOCUMENT:** Include the organization's RLF policy document. If the document does not address the following provide this additional information.

- Service area for NBRC RLF
- Eligible loan purposes
- Fees, rates, terms, collateral requirements, limits, priorities
- Application process
- Method of disposition of funds to the borrower
- Monitoring of the borrower and reporting requirements and actions taken for delinquencies

### III. Project Financing

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#### 33. PROJECT FINANCIAL OVERVIEW

**TOTAL PROJECT COSTS** (total project costs including what you are requesting from Northern Border Regional Commission)

**NBRC REQUESTED AMOUNT:** This number should match the number in C. I.6.

**COST SHARE** (this is equal the TOTAL PROJECT COST minus NBRC REQUEST). It is also what should be identified in #35 below.

34. **BUDGET:** Complete the SF424cbw. **Additionally, you must upload a document (please label it BUDGET NARRATIVE) that briefly outlines how you arrived at your budget, whether you received an official engineers report, etc.**

**35. IDENTIFY MATCH/COST SHARE:** For detail of match (cost sharing) requirements and what qualifies as match see Section A. XII thru XVII of this Application Manual. List all funding sources, their status (has the funding been approved and/or committed, pending — and what is the notification date?), and what is the type of cost share (cash, loan, grant, in-kind, etc.). Include as attachments to this application any letters of commitment, approval, etc.

If awarded, recipients will have until September 30, 2021, to demonstrate that cost share funds are committed and receive a Notice to Proceed. A Notice to Proceed will not be issued until all other funds needed to complete the project are committed. **No funds will be reimbursed for any work completed prior to receiving a Notice to Proceed.**

**36. WILL THERE BE ANY CAPITAL INVESTMENTS MADE BY PRIVATE COMPANIES?** If yes, attach participation agreements or letters of commitment.

**37. ADMINISTRATION:** For all projects, except State agencies; budget no more than 5% for the first \$100,000, and 1% for funds in excess of \$100,000 of the total amount of the NBRC requested amount. You will be required to use a Local Development District to administer your investment. Include this in your budget even if you don't currently have a relationship with an LDD. Include this amount on question 6. You can include this amount in the 'consultant' field in your budget form.

• **(THIS DOES NOT APPLY TO PROJECTS IN THE STATE OF VERMONT - Projects located wholly in Vermont will be provided grant administration services through a pilot project of NBRC. Grant recipients will be notified about this upon award)**

**38. SUSTAINABILITY:** How will the investment be sustained over time? (e.g., A water infrastructure project has been completed with NBRC funding in the Town of Somewhere. The Town of Somewhere has included future maintenance and service of the facility in their budget and has an established Capital Improvement Program to ensure that maintenance and issues will be covered.) A project is not deemed sustainable if it depends on future grants to meet its intended purpose.

**39. PROPERTY:** Will property or equipment be purchased with NBRC or matching funds? (If so, an appraisal will be required prior to any land transaction taking place, signed off on by a MAI (Member Appraisal Institute) Appraiser or a Certified General Appraiser.

**40. OWNERSHIP:** Who is the owner of the property at the time of application? Who will own any property or improvements resulting from the investment? When public dollars are used to purchase any title to property or equipment, it must remain in control of the applicant; control of the property or equipment may not be transferred to another entity. Control can take the form of fee title, easement, or lease. Please provide the procedure, or instruments that will be put in place to maintain control by the award recipient.

**41. FINANCIAL NEED:** Describe efforts to fund this project with other sources. List other sources that have been applied for and what the status is of those funds. What local efforts have been made to fund the project? Please outline why NBRC funds are needed and how the project may or may not move forward without NBRC funds. (e.g. the project will take longer because additional fund raising will need to happen, the project would need to be staged, the project would not move forward, etc.)

## IV. Authorization

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The NBRC requires a resolution by the applicant's legal authority providing authorization to the executive to make and sign this application to Northern Border Regional Commission. The resolution should also indicate the executive's permission to sign any and all NBRC investment documents that bind the applicant. Examples of legal authorities include select boards and councils for municipalities; commissions for counties; state authorized officials or boards for states; boards of directors, or trustees for nonprofits.

By signing this application, authorizing official acknowledges and affirms the following statements:

- The applicant is not legally organized as a for-profit entity, LLC, Sole Proprietorship, Individual or any other entity excluded from receiving federal grants or awards;
- The applicant has no outstanding federal debts, liens or encumbrances;
- The applicant is in good standing with its single audit requirements, if applicable;
- Any conflicts of interest have been disclosed in writing prior to the submission of this application;
- No application preparation or consultant fees shall be paid from NBRC awarded funds;
- Submission of this application does not constitute a contract or guaranteed funding from NBRC;
- No expenses are eligible for reimbursement prior to the execution of the Notice to Proceed;
- That a Notice to Proceed will not be issued until cost share funding has been secured and documented;
- The project must be located within the NBRC service area and be a direct benefit to the area;
- All applicable state laws pertaining to contracting, procurement, and bidding process adhere to or exceed the requirements detailed in 2 C.F.R 200, and shall be adhered to;
- The project does not relocate businesses from one region to another;
- You have the legal authority to sign any and all NBRC Investment documents, to submit this application for funding and accept funds for the purposes outlined in this application;
- To the applicant's knowledge, the statements and information contained in this application are true and correct.

## SECTION D. - OTHER NECESSARY DOCUMENTATION

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- STANDARD FORM 424 APPLICATION FOR FEDERAL ASSISTANCE (The Catalog of Federal Domestic Assistance (CFDA) # is 90.601)
- BUDGET - (SF 424cbw) AND A BUDGET NARRATIVE DESCRIBING HOW YOU ARRIVED AT YOUR NUMBERS (it is important that you download this form and not try to fill it out when you first open it online)
- DISCLOSURE OF LOBBYING ACTIVITIES (only apply if this applies to your organization)
- NEPA DOCUMENTATION AS OUTLINED IN ADDENDUM II
- CERTIFICATE OF GOOD STANDING (NON-PROFIT ORGANIZATIONS)
- IRS DETERMINATION LETTER (NON-PROFIT ORGANIZATIONS)



## SECTION E - SUBMISSION INFORMATION AND INVESTMENT CONDITIONS

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### I. WHAT APPLICATION MATERIALS TO SUBMIT

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Completed Applications will consist of the following: The completed online application and all items filled out and completed from Section D.

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Incomplete applications will not be accepted for review.

### II. TIMELINE OF INVESTMENT PROGRAM

**Application deadline is 5pm on May 15, 2020**

03/02/20	SEID Investment Program Announcement, and application available on <a href="http://www.nbrc.gov">www.nbrc.gov</a>
03/31/20	Letters of Interest due
05/15/20	ALL applications due by 5pm
06/30/20	Last day for Previously Awarded Recipients to complete 75% of previous projects
08/10-8/14	NBRC notification of awards & notice to unsuccessful applicants
08/17-09/11/20	NBRC grant agreement preparation & distribution
Early October	Mandatory grant recipient workshop

### III. WHERE TO SUBMIT APPLICATIONS

**All applications are to be submitted by 5:00 pm Friday May 15, 2020, using the online Application Database only. No paper submissions will be accepted.**

### IV. AWARD CONDITIONS

- The NBRC reserves the right to withdraw awards for projects that do not demonstrate evidence of committed and eligible cost sharing funds by September 30, 2021.
- The investment period (maximum time that the project shall be completed) shall be October 1, 2020, to September 30, 2023, unless a waiver has been granted to begin the project prior to October 1, 2020. In the event the project may take longer to complete, the recipient shall submit in writing the reason and request an extension from the NBRC.
- NBRC may require the recipient to file a Notice of Federal Interest with the registry of deeds when real property is purchased.
- NBRC shall be held harmless. Recipients shall carry out programs as independent contractors and not as agents of the NBRC. Recipients assume sole and complete responsibility for the conduct of the program in such a manner as to assure the safety and welfare of all persons participating in or in any way involved in, or affected by, any activity conducted. The NBRC, by its provision of funds for this project, undertakes no responsibility in this regard. Recipients shall indemnify and save harmless the NBRC, its agents, officers and employees, from and against any and all claims, demands, suits, judgements, settlements, etc., for sums of money or on account of personal injuries, property damage, or loss of life or property covered by an Agreement.

# ADDENDUM I- REVOLVING LOAN FUND PROGRAM

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## 1. Definitions

- “RLF” is an acronym for Revolving Loan Fund
- Indian tribe—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 45 (b)).
- Nonprofit organization—The term "nonprofit organization" means any organization described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under 501(a) of that Code that has been formed for the purpose of economic development.

## 2. Overview

It is NBRC's policy not to provide RLF grant funding only to entities whose primary business is lending.

A revolving loan fund is a pool of money used by an eligible applicant for the purpose of making loans to create and/or save jobs. As loans are repaid by the borrowers, the money is returned to the RLF to make other loans. In that manner, the RLF fund becomes an ongoing or "revolving" financial tool. The major difference between the Northern Border Regional Commission's RLF program and conventional lending is the lending goal. For conventional lending institutions, the goal is profit. For an NBRC RLF, the goal is saving and creating private-sector jobs. Revolving loan funds are not a substitute for conventional lending sources. Given the small size of the RLF program and the limited resources of each project, revolving loan funds are not intended to match or replace the capacity of banks or other lending organizations. RLFs are designed to fill gaps in existing local financial markets and to provide or attract capital which otherwise would not be available for economic development. As part of the grant agreement, NBRC requires that RLF projects be administered in accordance with a revolving loan fund plan developed by the grant applicant and approved by the NBRC. An applicant's RLF plan defines specific objectives and operating procedures, including standards and selection criteria for loans in the portfolio. NBRC does not review or approve individual loans made by the RLF. Instead, NBRC monitors RLF project activities for conformance with the NBRC's statute (40 USC, Subtitle V), these guidelines, the RLF plan, and other conditions of the grant agreement.

## 3. Objectives and Strategies

One of the major problems in local business development, and a significant contributing factor to local economic distress, is credit availability. Even when credit may be available, the cost and terms of the credit may prevent firms from expanding, continuing operations, or starting up. The result may be a community's loss of jobs, tax revenues, and private investment. The primary objective of the NBRC RLF program is saving and creating private-sector jobs. Projects are expected to support specific types of economic activities planned or underway in the area. These may include, depending on local needs and conditions, one or more of the following:

- 3.1. Small business development, including the start-up or expansion of locally owned businesses as measured by job creation;
- 3.2. Existing business and saving jobs;
- 3.3. Redevelopment of blighted land and vacant facilities for productive use;
- 3.4. Modernization and rehabilitation of existing industrial or manufacturing facilities; and/or
- 3.5. Support for the use of new technologies, growth industries, high-tech firms.
- 3.6. The effectiveness of a revolving loan fund project as a development tool will depend on its lending policies and financing techniques. These may include, but are not limited to:
- 3.7. Modifications in repayment terms, such as deferral of initial principal or interest payments;
- 3.8. Taking greater risks than banks are traditionally prepared to take, when substantial economic development benefits will result if the borrower does succeed;
- 3.9. Providing below market interest rates;
- 3.10. Short turn-around time in processing applications; and/or
- 3.11. Reducing the risk of commercial lenders by providing subordinate financing.

4. RLF Grantees
  - 4.1. Applicants must have robust staff capacity in any of the following areas of expertise: finance, law, credit analysis, loan packaging, loan processing and servicing. Applicants must have enough resources to cover the administrative costs of RLF operations.
  - 4.2. Applicants must have a strong and established loan review committee.
  - 4.3. As lending organizations, RLF grantees must recognize their obligations to federal and state law including but not limited to the Equal Credit Opportunity Act (ECOA), 15 U.S.C. 1691-1691f, as implemented by Federal Reserve Board Regulation B and the Internal Revenue Code requirements for lender cancellation of debt (Form 1099C, Cancellation of Debt).
  - 4.4. Application Requirements:
    - 4.4.1. A written work plan that demonstrates the need and capacity for a NBRC RLF grant. A work plan should include:
      - 4.4.1.1. A complete listing of all staff and loan review committee members responsible for administering the RLF along with a statement of their qualifications and experience.
      - 4.4.1.2. Demonstrate a need for loan funds. As a minimum, applicants should identify a sufficient number of proposed and known ultimate recipients it has on hand to justify NBRC funding of its RLF grant request or include well developed targeting criteria for borrowers consistent with the applicant's mission.
      - 4.4.1.3. Include a list of proposed fees and other charges it will assess borrowers.
      - 4.4.1.4. Include the applicant's plan for loaning the grant funds. The plan, which may be in the form of an existing RLF policy, must be of sufficient detail to provide the NBRC with a complete understanding of what the applicant will accomplish by lending the funds and the complete mechanics of how the funds will get from the applicant to the borrower. The service area, eligibility criteria, loan purposes, fees, rates, terms, collateral requirements, limits, priorities, application process, method of disposition of the funds to the borrower, monitoring of the borrower's accomplishments, reporting requirements by the borrowers, and the actions that an applicant plans to take to deal with a delinquency are some of the items that should be addressed by the applicant's RLF plan;
      - 4.4.1.5. Provide a set of goals, strategies, and anticipated outcomes for the applicant's program.
    - 4.4.2. NBRC RLF grantees must adhere to NBRC RLF Loan Program policies recorded in this publication. Grantees must affirm that they understand and do agree to operate RLFs in accordance with the NBRC RLF policies contained in these guidelines. NBRC relies on the affirmation of each grantee's chief executive officer, on this plan, as a basis for releasing loan funds to the grantee.
    - 4.4.3. Grantees may request changes to their RLF operating plan that improve RLF administration and/or enhance the ability of the grantee to meet the original objectives of the RLF project. All revisions to a grantee's RLF operating plan must be approved by NBRC, in advance.
  - 4.5. NBRC RLF grantees must adhere to NBRC RLF Loan Program policies recorded in this publication. Grantees must affirm that they understand and do agree to operate RLFs in accordance with the NBRC RLF policies contained in these guidelines. NBRC relies on the affirmation of each grantee's chief executive officer, on this plan, as a basis for releasing loan funds to the grantee.
5. Borrowers and Loans
  - 5.1. Eligible Borrowers
    - 5.1.1. Private, for-profit firms that do business within the NBRC Service Area are the primary eligible target market for RLF loans. Firms must include majority US citizens or legal resident ownership. The borrower may be located outside the Service Area, but the activity financed, and its benefits must be within the NBRC's Service Area.
    - 5.1.2. The borrowing firm or any of its owners cannot have a delinquent debt to the federal government.
    - 5.1.3. Private, for-profit developers, whose development projects create jobs within the Region. The eligibility conditions for lending to private, for-profit firms apply equally to developers. Developers must hold binding commitments for development occupancy from private business tenants.
    - 5.1.4. A borrower is eligible for RLF financing only when credit is not otherwise available on terms and conditions that would permit accomplishment of the borrower's project. RLF participation in a project must not displace local commercial lenders. The grantee is responsible for determining that a borrower meets this requirement and for

maintaining documentation in the loan file describing, in each case, the basis for the determination. A borrower eligibility determination must be supported by either:

- 5.1.4.1. A loan commitment letter from the commercial lender participating in the project.
- 5.1.4.2. A commercial lender letter declining participation.
- 5.1.4.3. A memorandum documenting discussion with commercial lenders about the limits of their participation in a borrower's project.

## 5.2. Eligible Loans

5.2.1.1. RLF grants may be used for debt financing through direct loans for:

- 5.2.2. Machinery, equipment and other fixed asset acquisition including transportation/delivery and installation costs;
- 5.2.3. New construction, alteration, modification, repair and renovation of existing facilities, demolition and site preparation;
- 5.2.4. Land acquisition that is an integral part of a project where the dominant funding requirement is for building acquisition or construction;
- 5.2.5. Working capital, which can include but is not limited to loans for the interest obligation of interim construction loans, not to exceed a term of three years, and for reasonable fees of loan packaging, environmental data collection, consultants and fees of licensed professionals (engineers, architects, lawyers, accountants and appraisers); and
- 5.2.6. Refinancing existing debt only when the Grantee can document that the project is viable and necessary and that jobs will be lost or not created.

## 5.3. Loan Projects Not Eligible for NBRC Funds

- 5.3.1. Grantees may not make loans to themselves or to a subsidiary. (Subsidiaries are organizations under common control through common officers, directors, members, or employees.)
- 5.3.2. Loans only for land acquisition are not permitted.
- 5.3.3. Loans which assist the relocation of businesses are prohibited under 40 USC §15501(f).
- 5.3.4. Loans to any nonprofit.
- 5.3.5. Loans to acquire an equity position for the RLF in private businesses.
- 5.3.6. Loans to subsidize interest payments on existing loans except for interim construction financing.
- 5.3.7. Loans that provide the mandatory equity contribution required of borrowers for other federal loan programs.
- 5.3.8. Loans that refinance existing debt solely for the purpose of reducing the risk to existing lenders.
- 5.3.9. Loans that establish revolving lines of credit for borrowers.

5.4. Loans that create a potential conflict-of-interest or the appearance of one for any officer or employee of a grantee, any current member of a grantee's loan review committee, administrative board or staff that reviews, approves or otherwise participates in decisions on RLF loans, and people related to them by blood, marriage, or law are prohibited. Former members of the board, former members of the staff and former members of the loan review committee are barred from receiving NBRC RLF loan assistance for one year from the date of termination of their service. Loan activities that directly benefit these individuals or people related to them by blood, marriage, or law is prohibited for a period of one year from the date of termination of service of such related person.

5.5. All borrower loan activities and economic benefits resulting from loan activities must be located within the NBRC Service Area. NBRC RLF loan assistance must be withdrawn if for any reason the activity financed, or the economic benefit is moved from the NBRC Service Area.

5.6. A Grantee's operating plan must articulate that the maximum percentage of costs of any loan project that may be financed from Federal sources, including NBRC originated RLF funds, is 80%.

## 6. NBRC RLF Lending Policies

### 6.1. General

- 6.1.1. The responsibility for approving loans and setting terms and conditions consistent with these guidelines resides fully with the Grantee.
- 6.1.2. Grantees may make loans and guarantees to eligible borrowers at interest rates and under conditions determined by the grantee to be most appropriate in achieving the goals of the RLF.
- 6.1.3. Financing should be designed to assist firms with special credit problems, and therefore may involve greater risks and more lenient terms than commercial lenders may provide. To encourage the participation of commercial

lenders in a loan project, the RLF loan may be for a longer period than that of other project lenders or may involve a period of interest-only payments by the borrower.

- 6.1.4. A formal written loan application is required for each potential borrower. As a minimum the application should include: General information identifying the borrower, management and business history, the project description, a schedule of proposed financing, number of employees, and proposed job impact of the project.
- 6.1.5. Grantees must offer loan assistance by formal commitment letter which shall include a clear identification of the collateral and other loan terms offered, the conditions of the loan and other loan documentation required. A borrower must sign an acceptance of the loan commitment offered.
- 6.1.6. A loan agreement between the grantee and borrower is required.

## 6.2. Collateral

- 6.2.1.1. When determining collateral requirements, the grantee must consider the merits and potential economic benefits of each request. When appropriate and practical, RLF financing may be secured by liens or assignments of rights in assets as follows:
- 6.2.2. When the purpose of a loan is for working capital, a Grantee will normally obtain collateral such as liens on inventories, accounts receivable, fixed assets and/or other available assets of the borrower. Such liens shall be properly recorded as prescribed by applicable state and local Uniform Commercial Code laws. The lien position of the RLF may be subordinate and made inferior to lien(s) securing other loans made in this project.
- 6.2.3. In addition to these types of security, grantees may also require security in the form of the assignment of patents and licenses, the acquisition of hazard, liability and other forms of insurance including flood insurance as appropriate, performance bonds and such other additional security as a grantee determines is necessary to mitigate the RLF's exposure. The RLF must be shown as a lender loss payee by endorsement on insurance.
- 6.2.4. RLF loans to closely held corporations, partnerships, or proprietorships dependent for their continuing success on certain individuals ordinarily will be required to provide, and assign to the RLF, life insurance on these key persons.
- 6.2.5. Personal guarantees from a borrower's principal owners (partnerships and proprietorships) and their spouses, to the extent permitted by law (see the Equal Credit Opportunity Act), making them jointly and severally liable for the loan, should be required. In case of a corporate borrower, in addition to the pledging of corporate assets, members of the Board of Directors holding 20 percent or more of the corporation's outstanding common stock or 20 percent or more of the corporation's voting stock and their spouses (if jointly held), should guarantee loans.
- 6.2.6. Should a grantee determine that it is necessary or desirable to take actions to protect or further the interests of the RLF, the grantee should act to sell, collect, liquidate or otherwise recover on loans or guarantees extended by the RLF in accordance with the legal rights of the grantee, other lenders and the RLF borrower?
- 6.2.7. A Grantee may modify the terms under which RLF financing has been extended to enhance the ability of the RLF to achieve program objectives.

## 7. RLF Administration

### 7.1. Grant Funds

- 7.1.1. RLF grant principal may be used only to fund loans. It is the grantee's responsibility to provide for the administrative costs of staffing and operating the RLF. These costs may not be charged against grant principal unless specifically authorized in the grant.
- 7.1.2. All repayments of RLF grant principal must be returned to the RLF for subsequent lending. Proceeds from the sale, collection or liquidation of loan collateral must also be returned to the RLF for lending. The reasonable costs of collection or action to recover a loan are treated as administrative expenses. Any proceeds from the sales of collateral assets above the original unpaid amount of the loan are treated as program income.
- 7.1.3. Selling NBRC RLF loans on a secondary market is not permitted.

### 7.2. Program Income

- 7.2.1. Program income is the income received by the grantee earned as a result of lending authorized by the grant agreement. Program income typically includes but is not limited to the following, however described by the grantee.
  - 7.2.1.1. Loan interest.

- 7.2.1.2. Fees for processing loan applications.
- 7.2.1.3. Loan closing fees.
- 7.2.1.4. Periodic fees for servicing loans.
- 7.2.1.5. Penalties and interest caused by the borrower's late payment.
- 7.2.1.6. Proceeds from the sale of collateral in excess of the unpaid balance of the original loan.
- 7.2.1.7. Interest earned on loan repayment balances while awaiting re-lending.
- 7.2.2. Program income will be added to the loan fund to expand RLF lending or used to cover reasonable and necessary administrative costs of the RLF.
- 7.2.3. Grantees must keep complete records (e.g., time cards, logs, invoices, vouchers) to document those administrative costs. Administrative costs include direct costs that are specifically identifiable to an RLF cost and indirect costs which are incurred for common objectives.
- 7.3. Funds Management
  - 7.3.1. Grantees may request advance payments only at the time and in the amount immediately needed to close loans.
  - 7.3.2. All grant payments (drawdown) made by NBRC to grantees are advance payments and are made based on a Grantee invoice as well as supporting documents such as either a letter of commitment to the borrower or a proposal to extend credit approved by the grantee's loan review committee. All payments are made by automated clearing house (ACH) procedures. Grantees are provided with an ACH enrollment form with their initial grant contract.
  - 7.3.3. Grant advances should not be requested earlier than 30 days prior to the anticipated loan closing date. Should the forecast loan closing date be delayed by more than 60 days beyond the forecasted date, Grantee should be prepared to return the advance to the NBRC?
  - 7.3.4. Grantees must place funds advanced from NBRC or returned to the RLF from lending activities in accounts pending the closing of new loans. Interest earning accounts may be federally insured deposits or short-term certificates of deposit that are covered by deposit insurance.
- 7.4. Excess Un-loaned Funds
  - 7.4.1.1. If RLF grantees are not using NBRC grant funds for lending activities, grants may be revoked and grant funds recovered, as follows:
  - 7.4.2. If an RLF grantee does not require an initial advance payment from an RLF grant (either capitalization or recapitalization) within 12 months following the date of a Notice to Proceed document, NBRC may revoke its approval of such RLF grant.
  - 7.4.3. If an RLF grantee does not require the full amount of a previously approved RLF grant (either capitalization or recapitalization) within 36 months of grant notice to proceed the unused grant balance may be de-obligated by NBRC.
  - 7.4.4. Nothing in this section shall cause a grantee to be automatically ineligible for additional RLF grant recapitalizations.

## 8. Reporting

- 8.1. Quarterly Progress Reports: Using the Performance Progress Report (SF-PPR), each Recipient is required to provide quarterly progress reports beginning October 1, 2020. Quarterly reports will be required until all NBRC funds are disbursed by the grantee for loans. Reports are due as follows:
  - Reporting Period: October 1 - December 31 - Report Due by January 31
  - Reporting Period: January 1 - March 30 - Report Due by April 30
  - Reporting Period: April 1 - June 30 - Report Due by July 31
  - Reporting Period: July 1 - September 30 - Report Due by October 30
- 8.2. Annual Financial, Loan Portfolio, and Audit Reports: Following full disbursement of funds to the grantee, reports for RLF activities for any Federal fiscal year (October 1 through September 30) will be due on October 30. Reports will extend beyond project closeout until all resulting principal from loans has been paid in full back to the grantee or seven years after a Notice to Proceed has been issued, whichever is sooner.



9. Project Monitoring

- 9.1. NBRC monitors RLF grant performance through required reports submitted by the grantee, audit findings, grantee site visits and other necessary contact with the grantee.
- 9.2. Grantees are responsible for operating NBRC funded RLF's in accordance with the terms of the NBRC's statutory provisions (40 USC, Subtitle V), NBRC RLF Guidelines, the grant agreement and the grantee's RLF operating plan. RLF grants are held by the grantee as trustee for the benefit of borrowers and potential borrowers. Grantees may be required to repay NBRC the amount of NBRC RLF funds used in violation of the code, these guidelines, the grant agreement or the grantee's operating plan.
- 9.3. A grantee's failure to comply with these guidelines or the terms of the grant, including reporting requirements, may be cause for terminating the grant. When grants are terminated for cause, NBRC has the right to recover grant funds and/or the assets of the RLF project, in accordance with the legal rights of the grantee and the Commission.

## ADDENDUM II-NATIONAL ENVIRONMENTAL POLICY ACT

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42 U.S.C. Sec 1500.1(e) States that all Federal agencies shall to the fullest extent possible shall use the National Environmental Policy Act (NEPA) process to identify and assess the reasonable alternatives to proposed actions that will avoid or minimize adverse effects of these actions upon the quality of the human environment. Applicants must attach one of the following documents to their application.

NEPA EXEMPT Addendum II (a)

or

NEPA CATEGORICAL EXLUCTION Addendum (b)

## NEPA EXEMPT Addendum II (a)

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The following activities are EXEMPT from 24 CFR 58.34, the legislation governing NEPA review. Check any and all that are applicable to your project.

- ☐ Environmental and other studies, resource identification and development of plans and strategies;
- ☐ Information and financial services;
- ☐ Administrative and management activities;
- ☐ Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, child care, health, drug abuse, education, counseling, energy conservation and welfare or recreational needs;
- ☐ Inspections and testing of properties for hazards or defects;
- ☐ Purchase of insurance;
- ☐ Purchase of tools;
- ☐ Engineering or design costs;
- ☐ Technical assistance and training;
- ☐ Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from disasters or imminent threats to public safety including those resulting from physical deterioration;

Does your project consist solely of the elements checked above?    Yes ☐                      No ☐

If you check no, you will be required to fill out the Categorical Exclusion worksheet instead of this EXEMPT worksheet.

I do certify that the above information is true to the best of my knowledge as of the date of application.

Name \_\_\_\_\_

Title \_\_\_\_\_

Organization \_\_\_\_\_

Applicant Signature \_\_\_\_\_ Date \_\_\_\_\_

## NEPA CATEX Addendum II (b) (three pages)

### Interim Determination of Categorical Exclusion for Northern Border Regional Commission

Project Names(s):	
Other potential Federal funding for this project (NBRC will coordinate with other federal organizations whenever necessary to assure compliance with NEPA regulations):	
Check off any and all that apply	<b>The project falls into the category below.</b>
	<p>1. Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings) when the facilities and improvements are already in place and will be retained in the same use without change in size or capacity for more than 20 percent. Examples:</p> <ul style="list-style-type: none"> <li>▪ Replacement of water or sewer lines</li> <li>▪ Reconstruction of curbs and sidewalks</li> <li>▪ Repaving of streets</li> </ul>
	<p>2. Special projects directed toward the removal of material and architectural barriers that restrict the mobility of and accessibility to the elderly and handicapped persons.</p>
	<p>3. Rehabilitation of buildings and improvements under the following conditions:</p> <ul style="list-style-type: none"> <li>i. In the case of a building for residential use (with one to four units), the density is not increased beyond four units and the land use is not changed.</li> <li>ii. In the case of multifamily residential buildings: <ul style="list-style-type: none"> <li>A. Unit density is not changed more than 20%</li> <li>B. The project does not involve changes in land use from residential to non-residential; and</li> <li>C. The estimated cost of rehabilitation is less than 75% of the total estimated cost of replacement after rehabilitation.</li> </ul> </li> <li>iii. In the case of non-residential structures, including commercial, industrial, and public buildings: <ul style="list-style-type: none"> <li>A. The facilities and improvements are in place and will not be changed in size or capacity by more than 20 percent; and</li> <li>B. The activity does not involve a change in land use, such as from non-residential to residential, commercial to industrial, or from one industrial use to another.</li> </ul> </li> </ul>
	<p>4. Studies and Research</p> <ul style="list-style-type: none"> <li>i. Engineering studies and investigations that do not permanently change the environment.</li> <li>ii. Research and analysis.</li> <li>iii. Administrative related activities.</li> </ul>
	<p>5. Acquisition (including leasing) or disposition of an existing structure or acquisition (including leasing) of vacant land provided that the structure or land acquired or disposed of will be retained for the same use;</p>

The entirety of the project is made up of one or more of the above categories: Y\_\_\_\_ or N\_\_\_\_

The determination of the category listed above is supported by the following information (explain how you determined that the project satisfied the condition of the category you checked above and document as appropriate)

## Compliance Checklist for the "Other Requirements" in 24 CFR 58.6 ENVIRONMENTAL CHECKLIST FOR CATEGORICAL EXCLUSIONS

1. Description of project:

2. Project Resources

For the below listed land uses or environmental resources, the undersigned has checked Column A to indicate those that are present within the site(s) of the proposed action. Column B has been checked for those that are within the action's area of environmental impact, such as the areas adjacent to the proposed site(s). Column C has been checked for those land uses and environmental resources that will be affected by the proposed action, as defined in Section 1940.317. (Check appropriate box or circle, as provided. If a check appears in any circle in column A, B, or C, the environmental assessment for a Class I action must be completed).	Located on proposed site	Located within Actions' Area of Environmental Impact	Affected by Proposed Action
a. Wetlands	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
b. Floodplains with existing structure(s)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
c. Floodplains without existing structure(s)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
d. Wilderness (designated or proposed under the Wilderness Act)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
e. Wild or Scenic River (proposed or designated under the Wild and Scenic Rivers Act)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
f. Historical, Archeological Sites (listed on the National Register of Historic Places or which may be eligible for listing)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
g. Critical Habitat or Endangered/Threatened Species (listed or proposed)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
h. Coastal Barrier included in Coastal Barrier Resources System	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
i. Natural Landmark (listed on National Registry of Natural Landmarks)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
j. Important Farmlands	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

For the below listed land uses or environmental resources, the undersigned has checked Column A to indicate those that are present within the site(s) of the proposed action. Column B has been checked for those that are within the action's area of environmental impact, such as the areas adjacent to the proposed site(s). Column C has been checked for those land uses and environmental resources that will be affected by the proposed action, as defined in Section 1940.317. (Check appropriate box or circle, as provided. If a check appears in any circle in column A, B, or C, the environmental assessment for a Class I action must be completed).	Located on proposed site	Located within Actions' Area of Environmental Impact	Affected by Proposed Action
k. Prime Forest Lands	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
l. Prime Rangeland	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
m. Approved Coastal Zone Management Area	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
n. Sole Source Aquifer Recharge Area (designated by Environmental Protection Agency)	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
o. State Water Quality Standard			Yes <input type="checkbox"/> No <input type="checkbox"/>

#### FINDING

This proposal meets, Section 1940.317. As indicated in item 2 above, the proposal does not affect any important land uses or environmental resources that would subject it to disqualification as a categorical exclusion. Additionally, the proposal is neither a phase nor segment of a project which when viewed in its entirety would not meet the requirements of a categorical exclusion per Section 1940.317 (d).

Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Organization \_\_\_\_\_

Applicant Signature \_\_\_\_\_ Date \_\_\_\_\_

\* In terms of its size and components, the criteria for a categorical exclusion as defined in Sections 1940.310.

#### FINDING

The proposed project does not fall within the EXEMPT (Addendum II. a) or Categorical Exclusion as outlined above. Further environmental review may be required if funded through NBRC. The applicant acknowledges that additional information will be required in order to meet NEPA requirements and has the capacity to follow through with additional environmental review.

Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Organization \_\_\_\_\_

Applicant Signature \_\_\_\_\_ Date \_\_\_\_\_



## Glossary of Terms

Administrative Requirements: The general practices that are common to the administration of grants, such as financial accountability, reporting, equipment management, and retention of records.

Allocable Cost: A cost that is allocable to a particular cost objective (i.e., a specific function, grant project, service, department, or other activity) in accordance with the relative benefits received. A cost is allocable to a Federal award where it is treated consistently with other costs incurred for the same purpose in like circumstances and (1) is incurred specifically for the award, (2) benefits both the award and other work and can be distributed in reasonable proportion to the benefits received, or (3) is necessary for the overall operation of the organization.

Allowable Cost: A cost incurred by a recipient that is: (1) reasonable for the performance of the award; (2) allocable; (3) in conformance with any limitations or exclusions set forth in the Federal cost principles applicable to the organization incurring the cost as to the type or amount of cost; (4) consistent with regulations, policies, and procedures of the recipient that are applied uniformly to both federally supported and other activities of the organization; (5) accorded consistent treatment as a direct or indirect cost; (6) determined in accordance with generally accepted accounting principles; and (7) not included as a cost in any other federally supported award (unless specifically authorized by statute).

Approved Budget: The financial expenditure plan for a grant-supported project, program, or activity, including revisions approved by the NBRC and permissible revisions made by the recipient. The approved budget consists of Federal (grant) funds. An approved budget is a contractual obligation that can only be changed by NBRC in writing through a Grant Agreement Amendment.

Closeout: The process by which NBRC determines whether all applicable administrative actions and all work required under the award have been completed by the recipient and the awarding office.

Construction: "Construction" means construction, alteration, or repair (including dredging, excavating, and painting) of buildings, structures, or other real property. For purposes of this definition, the terms "buildings, structures, or other real property" include, but are not limited to, improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, cemeteries, pumping stations, railways, airport facilities, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, canals, and channels. A project that includes planning and engineering when part of a larger construction implementation will be considered 'construction'; a project solely made up of planning and/or engineering will not be considered 'construction'.

Cooperative Agreement: A financial assistance support mechanism used when there will be substantial Federal programmatic involvement. Substantial involvement means that NBRC program staff will collaborate or participate in project or program activities as specified in the Notice of Award.

Cost Share: All other funds (other than NBRC award) that are necessary to complete the project.

Direct Costs: Costs that can be identified specifically with a particular project, an instructional activity, or any other institutional activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy.

Entity Identification Number (EIN): A three-part coding scheme of 12 characters used to identify organizations and individuals. The first character identifies the recipient as an organization or an individual. The next 9 characters are the Internal Revenue Service tax number identification (TIN) for organizations or the social security number (SSN) for individuals. The last 2 characters are a suffix to provide distinction between organizational entities that are assigned a single EIN and those that have more than one EIN. The entities could be subsidiaries, divisions, branches, subdivisions, or other organizational groupings of a major organizational entity.

Equipment: An article of tangible nonexpendable personal property that has a useful life of more than 1 year and an acquisition cost of \$5,000 or more per unit or the capitalization threshold established by the recipient, whichever is less.

Federal Funds Authorized: The total amount of Federal funds obligated by the NBRC for use by the recipient.

Federal Share: The amount, generally expressed as a percentage of total project costs, of financial, property, and other direct assistance provided by the NBRC.

Funding Opportunity Announcement: An NBRC's formally issued announcement of the availability of funding through its website and outreach efforts.

Indirect Costs: Costs that are incurred by a recipient for common or joint objectives and cannot be identified specifically with a particular project or program. These costs also are known as "facilities and administrative costs."

Local Development District:

1. A federally designated Economic Development District, so designated by the US Department of Commerce, Economic Development Administration on or before the creation of the Northern Border Regional Commission in 2012; or,
2. An organization similar in nature that consists of the following:
  - a. is organized and operates in a manner that ensures board-based community participation and an effective opportunity for local officials, community leaders, and the public to contribute to the development and implementation of programs within the region; and,
  - b. is governed by a board with at least a simple majority of members consisting of:
    - elected officials; or,
    - designees or employees of local governments that have been appointed to represent the unit of local government; and,
    - is certified by the Governor or appropriate State officer as having a charter or authority that includes economic development as a scope of service within the region

Match: The minimum amount of funds or contributions that needs to come from other sources.

Non Federal Share: The portion of allowable project costs not borne by the NBRC.

Obligations: The amounts of orders placed, contracts and subawards, goods and services received, and similar transactions by a recipient during a budget period that will require payment during the same or a future budget period.

Outlays or Expenditures: The charges made to the federally sponsored project or program.

Program Income: Gross income earned by a recipient that is directly generated by the grant-supported project, program, or activity or earned as a result of the award.

Project Period: The total time for which support of a project has been programmatically approved. The total project period comprises the initial competitive segment, any subsequent competitive segments resulting from a competing continuation award, and any non-competing extensions.

Real Property: Land, including land improvements, structures, and appurtenances, but not movable machinery and equipment.

Reasonable Cost: A cost whose nature or amount does not exceed that which would be incurred by a prudent person under the circumstances prevailing when the decision was made to incur the cost.

Recipient: The organization or individual that receives a grant or cooperative agreement award from NBRC and is responsible and accountable for the use of the funds provided and for the performance of the grant-supported project or activity. The recipient is the entire legal entity even if a particular component is designated in the Grant Agreement. The term includes "grantee."

Significant Rebudgeting: A threshold that is reached when expenditures in a single direct cost budget category deviate (increase or decrease) from the approved budget amount for that budget category for that budget period by a specified amount. Significant rebudgeting is one indicator of change in scope.

Subaward: Financial assistance in the form of money or property in lieu of money provided under an award by a recipient to an eligible subrecipient (or by an eligible subrecipient to a lower tier subrecipient). The term includes financial assistance when provided by any legal agreement, even if the agreement is called a contract, but does not include either procurement of goods or services or, for purposes of this policy statement, any form of assistance other than grants and cooperative agreements. The term includes consortium agreements.

Subrecipient: An entity that receives a subaward from a recipient or another subrecipient under an award of financial assistance and is accountable to the recipient or other subrecipient for the use of the Federal funds provided by the subaward.

Supplies: Personal property other than equipment, intangible property, and debt instruments. The category of "supplies" includes items that could be considered equipment, but do not meet the threshold definition.

Terms and Conditions: All legal requirements imposed on a grant by the NBRC, whether based on statute, regulation, policy, or other document referenced. In addition to general terms and conditions, the grant agreement may include other conditions that are considered necessary to attain the award's objectives, facilitate post-award administration, conserve grant funds, or otherwise protect the Federal government's interests.

Unallowable Cost: A cost specified by law or regulation, Federal cost principles, or term and condition of award that may not be reimbursed under a grant and may not be counted as cost share.