



Northern Border
Regional Commission



REGIONAL FOREST ECONOMY PARTNERSHIP 2021 Program Manual

Letter of Interest Deadline (Required)

September 10, 2021

Application Deadline (By Invitation Only)

November 12, 2021

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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.

Authority: Authorized by subtitle V of title 40, United States Code, and through the Energy and Water Development Appropriations Bill, 2020 (approved December 2019).

Congress directed the Northern Border Regional Commission to dedicate not less than \$4,000,000 for initiatives to address the decline in forest-based economies throughout the region. This follows similar directives in 2018 (\$3,000,000), 2019 (\$4,000,000) and 2020 (\$4,000,000). These funds comprise the “Regional Forest Economy Partnership” initiative, and a summary of those awards can be found on NBRC’s website, <http://www.nbrc.gov/articles/76>.

In addition to the application requirements set forth in this document, applicants must also comply with applicable requirements established by Congress for NBRC funding.

REGIONAL FOREST ECONOMY PARTNERSHIP OVERVIEW

Available Funds: \$4,000,000

Award Size. The maximum award size is \$1,000,000. The minimum award size is \$250,000. The Commission does maintain discretion in reducing the minimum if outcomes can demonstrate that they will lead to an outsized impact either directly within the scope of the proposed project, or indirectly through subsequent efforts.

Type of Awards. All awards will be made in the form of *Grant Agreements*. NBRC does not anticipate having substantial involvement in the work being conducted under this award.

Period of Performance. The period of performance shall begin on January 1st of each year and not exceed 36 months from the last day of the calendar year in which the award was made. A grantee must liquidate all obligations incurred under the award no later than 30 days after the end of the period of performance stated in the funding award.

Granting Entity Name: Northern Border Regional Commission.

Catalog of Federal Domestic Assistance (CFDA) Number: The NBRC Catalog of Federal Domestic Assistance (CFDA) number is: 90.601.

RFEP Purpose and Program Description. The purpose of the program is to assist rural communities, institutes of higher education and research, and economic development support organizations in their efforts to transition the forest-based industry and its workforce to a focus on new technologies and viable business models across the 4-state NBRC region. NBRC’s intention is to offer funding to rural communities through a competitive application process.

For those potential applicants familiar with the NBRC’s core “Economic and Infrastructure Development” funding opportunity, the RFEP program is distinct in two important ways:

1. The RFEP program emphasizes the potential for impact across the entire NBRC region.
2. Infrastructure requests must directly support the forest industry, such as through research and development/innovation for new product development, harvesting, hauling/delivery wood (i.e., roads, rail), markets for mill residuals (i.e., biomass, softwood and hardwood pulp), and value-added processing.

The program will span two funding threads, which may or may not be considered mutually exclusive for purposes of a proposal:

1. New technology and innovations that seek to find new uses for forest products and evolve traditional forest economy business models into those that can create sustainable future commercial markets and opportunities. This category includes research and development at higher education institutions, and/or entities such as the Northeastern States Research Cooperative (NSRC), or State, Regional or municipal-based research divisions and departments.

Examples include, but are not limited to:

- Production of wood-based heating products
 - Production of “Mass Timber” products (e.g., Cross-laminated timber)
 - Existing industry upgrades or transitions to more innovative and sustainable forest products
2. Workforce re-training and development for the purpose of building the skills needed for forest industry businesses.

Examples include but are not limited to:

- Establish training and re-training programs to support workforce development
- Coordination of collaborative efforts to identify strategic opportunities for economic investment supporting the redevelopment for former mill sites and communities
- Development of targeted workforce programs to support identified employers’ needs for a skilled workforce

INVESTMENT GOALS:

1. Invest in the commercialization of new forest products and the development of new markets for forest product residuals.
2. Invest in new technology that seeks to find new uses for forest products.
3. Invest in workforce re-training for displaced forest economy workers in support of re-entry to the workforce in new industries, or in support of re-entry to new roles within legacy forest economy enterprises.
4. Encourage projects that leverage existing (or, in some cases, new) partnerships to effect multiple counties, states and/or the entire NBRC region, and/or have the potential to do so.
5. Invest in proposals focused on research and development within the forest products industry which demonstrate the potential to impact the entire NBRC region.
6. Support for pilot projects that may provide a foundation for future region-wide impact.

FOR FURTHER INFORMATION: Specific questions regarding RFEP requirements should be directed to the respective State Program Managers(s), and Andrea Smith, NBRC’s Program Director. See contact information on Page 12.

ELIGIBILITY INFORMATION

Eligible Applicants.

- Local governments (village, town, city, and county).
- Other political subdivisions of States (regional planning commissions, authorities of the state).
- Indian Tribes.
- Non-profit entities.

LETTER OF INTEREST – REQUIRED TO BE SUBMITTED FOR APPLICATION CONSIDERATION

Information Required for a Letter of Interest:

Applicant Information

Name of Applicant Entity

Type of Entity (i.e., local government, non-profit, etc.)

Primary Contact Name, address, phone number and e-mail

Co-Applicant? If yes, provide name and type of entity

Total Project Amount

RFEP Request Amount

Project Location(s)

Narrative

For the narrative portion of the LOI, please include a letter (no more than 5 pages) that clearly articulates the following:

1. Overall description of the project, including how it aligns with the Investment Goals, and the stated purpose and goals of RFEP
2. Specifically identify the challenge the project seeks to address
3. A list and brief description of all the collaborating partners in the project, and their respective roles
4. Self-identified intended outcomes and measures of success

Budget and Budget Narrative: (not considered part of the 5-page narrative)

Budget – SF424cbw

Budget narrative to include:

1. Expenses over \$5,000 with brief justification for each.
2. Matching funds detail should include the following: Source, amount, date of commitment (and if not yet committed or pending, include anticipated date of commitment)

Threshold Requirements.

NBRC staff and an Advisory Board consisting of representatives from all four states will review Letters of Interest that are received on or prior to the deadline. The Advisory Board, in coordination with the four State Program Managers, will prioritize the Advisory Board list and determine which projects will be invited to submit a full application.

Dates: Letters of Interest will be accepted from all eligible applicants no later than **5:00 p.m. EST September 10, 2021**. LOI required information should be submitted as one PDF and sent to rfep@nbro.gov. RFEP LOIs *not* sent to this e-mail address or that are submitted as mailed submissions will not be considered. Invitations to submit a full application will be sent by October 1st with full applications due by November 12th.

FULL APPLICATION INFORMATION

Full applications will be by invitation only. Applicants who are invited to apply may submit their full application by 5pm on Friday, November 12, 2021. The application and all support documents must be submitted as one PDF to rfep@nbro.gov. Applications submitted via another e-mail address or by mail will not be considered.

Rating Criteria. Each full application will be scored based on the rating criteria developed for the RFEP. These criteria are summarized in the chart below, with detail to follow:

RFEP Core Rating Criteria	Potential Points Awarded
Alignment with Purpose, Goal, and Investment Criteria of the RFEP	Up to 30 Points
Budget and Work Plan	Up to 20 Points
Collaboration and Capacity	Up to 15 Points
Clarity of Outcomes	Up to 15 Points
Sustainable Innovation	Up to 10 Points
Match Commitment	Up to 10 Points
TOTAL POINT VALUE	100 Points

Rating Criteria 1: Alignment with Purpose, Goal, and Investment Criteria of the RFEP (30 points):

1. Overall description of the project, including how it aligns with the Investment Goals, and the stated purpose and goals of RFEP
2. Specific identification of the challenge(s) the project seeks to address
3. A list and brief description of all collaborating partners, and their respective roles
4. Self-identified intended outcomes and measures of success

Through the project description, applicants should specifically refer to the Purpose, Goal, and Investment criteria for the RFEP, and relate these to their project and its outcomes.

- Applicants should further describe the regional significance of the project and its context within the broader regional economy. In this portion, applicants should state whether (and if so, how) the project is complementary to a comprehensive regional plan, and/or statewide economic development priorities.

Points will be awarded based on the extent to which the proposed project clearly and strongly addresses the problems or barriers described, demonstrates an innovative approach, and meaningfully addresses the specifically identified Goals

outlined in this Manual. **Please note: Not every project is expected to address all NBRC goals. However, projects that address multiple goals will be given greater consideration.**

Rating Criteria 2: Budget and Work Plan (20 points):

Sources and Uses of Funds/Budget: The applicant's budget proposal should thoroughly estimate all applicable costs (direct, indirect, and administrative), and be presented in a clear and coherent format using Standard Form-424-cbw found on the www.nbrc.gov website. The Commission is not required to approve or fund all proposed activities. The applicant must thoroughly document and justify all budget categories and costs, and all major tasks of the project.

ELIGIBLE COSTS

Investment funds may be used for the following:

- Reasonable fees to contractors, but no fees or profits for the recipient or sub-recipient.
- Construction and pre-construction costs, such as engineering.
- Bid performance or payment bonds.
- Indirect costs for work performed by the recipient staff.

If you do not have a federally approved indirect cost rate (as is the case for many non-profits), you may use 10% as your indirect cost rate for the purposes of this application.

Further detail on applicable and allowable costs is available in the Federal Cost Principles Uniform Guidance ([2 CFR 200](https://www.federalregister.gov/documents/2013/07/23/2013-14618/federal-acquisition-regulation-far-part-31-cost-principles)).

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 (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.

Use of Funds by Project Activity: It should be clear how funds in the budget are necessary to carry out the work outlined in project budget and work plan.

The applicant's proposed budget should clearly identify the funding necessary for the *entire project* (not just the NBRC request). The budget should include all funds necessary to complete the project.

The applicant's proposed budget and work plan should not include any project funds that have already been committed and/or expended for costs relative to this project. Should the project be selected for funding, any previously committed or expended funds are not eligible to be counted as match, nor are they eligible to be reimbursed with NBRC funds.

The application will be evaluated on the extent to which: proposed resources are appropriate for the scope of the proposed project; the allocation of resources to appropriate activities are as described above; the budget presentation is clear and concise; and the project budget is complete and includes match.

Applicants must submit a work plan that is consistent with the Uses of Funds described. These criteria include an outline of the following:

- *Proposed Activities.* Briefly describe the proposed activities, including any components that will not be directly funded with Northern Border Regional Commission funding.
- *Schedule.* Briefly describe the project completion schedule, to include: monthly milestones for the critical management actions for the applicant, and any other entity whose cooperation or assistance is necessary to achieve your desired result; and the end dates of each required action and your expected metrics and results. Applicants should be prepared to initiate eligible activities within 60 days of receipt of a Notice to Proceed.
- *Alignment to Budget.* The applicant will outline the alignment of the work plan and budget, providing a clear connection with each of the budget line items.

Other Work Plan Elements:

- *Responsible Entity:* Indicate the entity responsible for each project and activity, including any elected body or bodies appointed by elected officials.
- *Anticipated Obstacles:* Applicants should also identify potential obstacles in executing the proposed activities and discuss steps they would take to overcome those obstacles.

An applicant's score on this rating criteria will be based on the clarity and logic of proposed activities, quality of public participation (where applicable), clarity of the project schedule, identification of responsible entities for each task, suitability of evaluation methods, and identification of potential obstacles. In addition, throughout the narrative the applicant shall demonstrate proper due diligence and project readiness.

Rating Criteria 3: Collaboration and Capacity (15 points):

Ratings under this factor are based on the capacity of the applicant's organization and its team, and the capacity of other entities that are part of the project application. An applicant's established working partnerships with other entities to leverage additional resources or commitments to increase the effectiveness of the proposed activities will also be taken into consideration. Demonstration of creative problem-solving efforts will provide additional points in this rating criteria. Letters of support may be helpful only if they demonstrate how the supporter is going to participate in the project, provide funding, or otherwise be involved in the project.

The applicant can demonstrate their capacity to implement the project, should it be selected for funding, by providing:

- Specific examples of previous projects that demonstrate the applicant's capacity to implement the proposed work plan;
- An explanation of the applicant's experience managing federal funds (applicants should provide examples of past successful federally funded projects).
- A description of the applicant's ability to access individuals or partners with knowledge and recent (within the past 3-5 years) experience in the proposed activities or other strategies to successfully carry out the proposed activities. (This applies only if the applicant does not have experience to provide specific examples described in part A).

Rating Criteria 4: Clarity of Outcomes (15 points):

Applicants are required to clearly identify the benefits or outcomes of its proposed project. The Commission recognizes that each project is unique and thus allows significant latitude to the applicant to set the desired outcomes that will result from implementation of the project. For points to be awarded, applicants should select outcomes to report on, and provide baseline data accompanied by a narrative that describes current conditions related to each outcome determined in the application. Applicants will be evaluated on their ability to:

- Identify intended outcomes;
- Describe the connection between the intended outcomes and existing conditions, supported by data (where available);
- Clearly articulate the elements of their plan that will help achieve the identified intended outcomes;
- Establish specific benchmarks to measure progress toward the outcomes.

Rating Criteria 5: Sustainable innovation (10 points)

An applicant's score on this rating criteria will be based on their ability to demonstrate the project's intent to develop, design, and/or improve innovative new products, technologies, processes, or services to create new markets or improve existing ones, and the applicant's ability to demonstrate how the project will address identified needs or problems.

Examples include but are not limited to:

- Strategies with strong research and development components
- Processes that combine new or improved skills, technology, and structure to create or enhance new products and services
- Development of new or improved technologies, such as machinery to increase production, improve product quality, enhance the efficient use of materials, or reduce emissions

Rating Criteria 6: Cost Share and Match Commitment (10 points): *

An applicant's score on this rating criteria will be based on how well the application demonstrates the project's ability to obtain other community, local, State, and private support beyond the required match, as outlined. When evaluating this factor, the Commission will consider: (1) the number of resources leveraged that meets or exceeds the required match, and (2) whether funding has been secured at the time of application.

Applicants receive five (5) points if they have 100% of their match committed and documented at the time of application. Applicants who have 25% or more than their required match (or 125% of required match) committed and documented at time of application will be eligible for up to five (5) additional points. **Applicants will be scored higher for match resources greater than the required match amount as described. If the applicant does not have signed commitments at the time of application, they will be given 6 months from the date of award to secure match resources if awarded. Please note: Entities with committed match will be given priority over those without.**

For all match resources, the applicant must support each source, cash or in-kind, by a letter of commitment from the contributing entity, whether a public or private source. Such evidence must be provided in the form of letters of firm commitment, memoranda of understanding, or other signed agreements to participate. Each letter of commitment, memorandum of understanding, or agreement to participate should include the organization's name, the level of commitment, and the organization's responsibilities as it relates to the specific project proposed for NBRC funding. The commitment must be signed and dated by an official of the organization legally able to make commitments on behalf of the organization. The letter must describe the contributed resources the applicant will use in the project and their designated purpose.

To score points in this rating factor, resources may be provided by federal, state, regional, or local entities, public or private organizations, and other entities. The applicant should provide supporting documentation of all committed funds. Applicants must record the matched resources along with their funding request on the SF-424 coversheet.

Maximum federal contribution – NBRC may be match for other federal programs and may use other federal resources to match its funds. Federal funds are eligible as match only up to a cap of 80% of the total project costs, regardless of the number of Federal participants.

Required minimum match – NBRC is required to determine, on an annual basis, the distress level of counties within the NBRC region. From this analysis, areas of ‘distress’ are allowed to have up to 80% of a project funded by NBRC. Areas with less distress, ‘transitional’ counties, may receive 50% of the project cost in a grant from NBRC. Finally, those areas determined to have the minimal amount of distress are labeled ‘attainment’ counties. These counties are not eligible to receive NBRC funds unless it can be demonstrated that municipalities within these counties are ‘isolated areas of distress’. The 2021 Distress Criteria has been published by NBRC (see www.nbrc.gov). It is very important that you review this data to ensure that your project is eligible to apply, and to determine minimum required match.

Multi-county/multi-state minimum match – An average of the counties eligible match (based on the distress criteria described above) where the project will take place or where work will be conducted consistent with NBRC’s SEID program.

In-Kind Contributions – In-kind contribution can be contributions of professional time. Staff in-kind contributions should be given a monetary value. If the applicant does not provide letters from contributors specifying details and the amount of the actual contributions, those contributions will not be counted. When an individual donates his/her time in a professional capacity to supervise members, train or engage in member development, provide technical assistance on a project, evaluate a project, oversee project quality, or provide pro bono work as a member of the organization on a permanent or temporary basis, the time involved may be considered an in-kind contribution. A letter of commitment from the volunteer or organization providing the number of hours and value of those services must be provided with the application. Current volunteer rates can be found at: <https://independentsector.org/value-of-volunteer-time-2021>.

*** Based on FY’21 appropriations language, NBRC will accept requests from 2021 grant applicants for “no match” applications if the grantee indicates that matching funds are not available because of the impacts of COVID-19. Please see Appendix A of this manual for additional NBRC guidance. Applicants who believe they can demonstrate their project qualifies for “no match” consideration must fully execute the Affidavit template in Appendix A of this manual and submit it along with their completed grant application. With respect to the scoring of RFEP applications, and match being one of the required criteria, applicants who submit an executed COVID match waiver affidavit with their application will be considered for the project’s impact and readiness regardless of match. The applicant will not be penalized for lack of match.**

APPLICATION DOCUMENTATION

Items necessary for an application to be considered eligible to be reviewed and scored include the following:

- Name of Applicant Entity
Type of Entity (i.e., local government, non-profit, etc.)
Primary Contact Name, address, phone number and e-mail
Co-Applicant? If yes, provide name and type of entity
DUNS #
EIN#
Total Project Amount

RFEP Request Amount
Project Location(s)

- Narrative of no more than 15 pages providing an outline of the rating criteria outlined below. The rating criteria must be identified and answered separately as numbered above.

Required Support Documents are listed below and should be saved as PDFs and Labeled Accordingly (for example, NEPA documentation should be one pdf labeled as NEPA.pdf)

- NEPA Documentation – as outlined in Appendix B.
- Standard Form 424 - Application for Federal Assistance. This must be completed for applicant and all co-applicants. Instructions for the SF424 can be found [here](#). ([Sample SF-424](#))
- Standard Form 424cbw – Budget Form. The project budget should only include reference to costs and funds that have not been committed or expended. The funds reflected in the budget should align with the Budget Narrative and provide evidence that the remainder of the project funds, as outlined, are committed. The Budget Narrative should describe how you arrived at your numbers. **Note:** If funds are not committed the narrative should detail how the applicant will obtain match funding within 6 months from date of project award.
- SF424A - Budget for Non-Construction and SF424B – Assurances for Non-Construction

OR

SF424C – Budget for Construction and SF424D – Assurances for Construction

- Certificate regarding Lobbying Standard Form LLL ([Sample SF-LLL](#))
- NBRC Form 1001 - Debarment, Suspension Certification
- COVID Match Waiver Affidavit (if applicable)
- Current Certificate of Good Standing (if applicant and/or co-applicant is non-profit)
- IRS determination letter (if applicant and/or co-applicant is non-profit)
- Indirect cost rate documentation (If applicable, letter from cognizant agency with the approved indirect cost rate)
- RLF Documentation (If applicable, as outlined in Appendix C)
- Resolution by the Applicant's Legal Authority providing authorization to the named person authorized to sign the application to the NBRC. The resolution must also indicate the executive's permission to sign 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.

Full applications are by invitation only. Applicants who are invited to apply may submit their full application by 5pm on Friday, November 12, 2021. One e-mail with the application and all required support documents, each in PDF format, must be submitted to rfep@nbrc.gov. Applications submitted via another e-mail address or by mail will not be considered.

Evaluation and Selection

The rating criteria to be used to award the maximum points is determined by how fully and thoroughly the applicant answers each item listed in each rating criteria. The Program Managers from the states of Maine, New Hampshire, New York, and Vermont will coordinate application scoring for each of the rating criteria and present results to the Commission. The Governor's Alternates and the Federal Co-Chair will vote on the projects selected for funding. Projects that fall short of an 80-point threshold will not be considered for funding.

Application Rating

NBRC is committed to ensuring that RFEP funded projects result in the achievement of NBRC's strategic mission and the purpose of the Congressional funding set aside. To support this effort, grant applications submitted will be rated on the rating criteria set out in this application manual. The maximum potential number of points to be awarded is 100.

AWARD ADMINISTRATION INFORMATION

Award Notices

Successful applicants will be notified via email or phone.

NBRC will require selected applicants to provide the documentation necessary to support the award, including but not limited to a project workplan, budget and other federally required paperwork. Should the grantee not be able to provide NBRC with all required documentation within the specified program timelines outlined in this manual, an award will not be made. If the applicant provides the documentation necessary to support the award, NBRC will issue a Grant Agreement under which the grantee is required to sign. The grantee is required to fulfill all terms and conditions during the project's period of performance outlined in the executed Grant Agreement. Successful applicants who do not have documented match commitments at the time of application, will be given 6 months from the date of award to secure match resources.

NBRC reserves the right to publicly post the top-scoring applications in the competition.

Adjustments to Funding

NBRC has the discretion to waive the minimum grant size requirements if the applicant demonstrates the ability to make effective progress toward stated goals with a lesser amount of funds.

ADMINISTRATIVE AND NATIONAL POLICY REQUIREMENTS.

Environmental Requirements

All applicants that are proposing to use award funds for land acquisition must comply with NBRC's environmental procedures. Each proposal will be subject to a NBRC environmental review and the appropriate NEPA documentation to support the project must be included with the application for RFEP funding. Please see Appendix B of this manual for additional information. Selection for participation (preliminary approval) does not constitute approval of the proposed site(s).

Administrative and Indirect Cost Requirements

An approved federal indirect rate may be used for projects requiring staff compensation. If an applicant does not have an established federal cognizant agent, a 10% de minimis (overhead) rate may be used.

Reporting

NBRC Award Agreements will include the terms and conditions of the award, including the reporting requirements, and be consistent with other NBRC grant reporting. Review NBRC's website (nbrc.gov) for grant administration details.

Intergovernmental Review. Not required.

SUBMISSION INFORMATION

Letters of Interest. Letters of Interest will be accepted from all eligible applicants no later than **5:00 p.m. EST September 10, 2021.**

Full Application. Full applications will only be accepted from those entities expressly invited to apply based on the review of the Letters of Interest, and must be submitted no later than **5:00 p.m. EST, November 12, 2021.**

Submission Format:

- The entire LOI shall be submitted as ONE pdf (with no other attachments) to rfep@nbrc.gov. The email subject line for the LOI **MUST** be **REGIONAL FOREST ECONOMY PARTNERSHIP LOI**
- The Application and required support documentation must be submitted via one e-mail to rfep@nbrc.gov. The e-mail subject line for the application **MUST** be **REGIONAL FOREST ECONOMY PARTNERSHIP APPLICATION**

If these instructions are not followed your information may not be considered.

CONTACTS

RFEP Information/Questions: For RFEP related information or general questions regarding this funding opportunity, please contact NBRC Program Director Andrea Smith by e-mail asmith@nbrc.gov or phone #603-369-3001 x3.

For those considering applications in 2021, please contact the NBRC Program Director and the NBRC Program Manager in the State(s) where the proposed project will take place. Both will be happy to assist you as you develop your projects and applications:

Maine:

Charlotte Mace
207.624.7448
charlotte.mace@maine.gov

New York:

Kyle Wilber
518.473.3694
kyle.wilber@dos.ny.gov

New Hampshire:

Benoit Lamontagne
(603) 419-9713
benoit.l.lamontagne@livefree.nh.gov

Vermont:

Kristie Farnham
802.398.5268
kristie.farnham@vermont.gov



APPENDIX A – COVID-19 MATCH WAIVER GUIDANCE and AFFIDAVIT

Based on the NBRC's interpretation of FY'21 appropriations language, the NBRC will accept requests from 2021 grant applicants for "no match" applications if the grantee indicates that matching funds are not available because of the impacts of COVID-19.

An applicant seeking a match relief waiver must complete the Affidavit template provided by NBRC (below), which must be signed by the "authorizing official" and included with the "additional documents" submitted with the application.

In the course of completing the Affidavit, the Applicant will identify the percentage of match for which they are requesting a waiver and attesting to the fact that match funding is unavailable due to the economic impacts of COVID-19. If an applicant follows the template and submits an executive waiver of match affidavit with their RFEP application, the request will be accepted without further documentation.

With respect to the scoring of RFEP applications, and match being one of the required criteria, applicants who submit an executed COVID match waiver affidavit with their application will be considered for the project's impact and readiness regardless of match. The applicant will not be penalized for lack of match.



NORTHERN BORDER REGIONAL COMMISSION

CY2021 AFFIDAVIT OF NON-FEDERAL COST-SHARE WAIVER REQUEST

In order to support my assertion this filing is consistent with the Omnibus Appropriations Bill (Consolidated Appropriations Act, 2021, December 21, 2020), I affirm that:

- ☐ I am an authorized official acting on behalf of _____, the entity applying for Northern Border Regional Commission funding.
- ☐ The applicant entity is in good standing in the State where it is located.
- ☐ The applicant entity is eligible for NBRC funding.
- ☐ The applicant is seeking a match waiver of _____%.
- ☐ Match funding is unavailable to the economic distress directly related to the impacts of COVID-19.

Brief description of why match is unavailable and include supporting data (if available).

I, _____ verify that the facts set forth in this affidavit are true and correct to the best of my knowledge, information and belief.

Signature of Authorized Official

Date

Printed Name of Authorized Official

APPENDIX B – NEPA DOCUMENTATION

NATIONAL ENVIRONMENTAL POLICY ACT (NEPA)

42 U.S.C. Sec 1500.1(e) States that all Federal agencies shall to the fullest extent possible 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

OR

NEPA CATEGORICAL EXCLUSION

NEPA EXEMPT

The following activities are EXEMPT from 24 CFR 58.34, the legislation governing NEPA review. Check 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, childcare, 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

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 all that apply	The project falls into the category below.
	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: <ul style="list-style-type: none"> ▪ Replacement of water or sewer lines ▪ Reconstruction of curbs and sidewalks ▪ Repaving of streets
	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.
	3. Rehabilitation of buildings and improvements under the following conditions: <ul style="list-style-type: none"> 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. ii. In the case of multifamily residential buildings: <ul style="list-style-type: none"> A. Unit density is not changed more than 20% B. The project does not involve changes in land use from residential to non-residential; and C. The estimated cost of rehabilitation is less than 75% of the total estimated cost of replacement after rehabilitation. iii. In the case of non-residential structures, including commercial, industrial, and public buildings: <ul style="list-style-type: none"> A. The facilities and improvements are in place and will not be changed in size or capacity by more than 20 percent; and 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.
	4. Studies and Research <ul style="list-style-type: none"> i. Engineering studies and investigations that do not permanently change the environment. ii. Research and analysis. iii. Administrative related activities.
	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;

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"/>

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
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"/>
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). ***Projects located in a floodplain or base floodplain as determined by FEMA, will involve historic preservation, or will impact endangered species, etc. will be required to complete additional documentation if awarded. By signing below, applicant acknowledges: (1) Additional information will be required to meet all NEPA and/or State specific historic preservation requirements; (2) Applicant has the capacity to follow through with this additional review; and (3) Understands a Notice to Proceed will not be issued for the project until these requirements have been documented to NBRC and deemed sufficient for the project to move forward.**

Name_____

Applicant Signature_____

Date_____

Title _____

Organization _____

FINDING

The proposed project does not fall within the EXEMPT (Addendum II. a) or Categorical Exclusion as outlined above. ***Projects located in a floodplain or base floodplain as determined by FEMA, will involve historic preservation, or will impact endangered species, etc. will be required to complete additional documentation if awarded. By signing below, applicant acknowledges: (1) Additional information will be required to meet all NEPA and/or State specific historic preservation requirements; (2) Applicant has the capacity to follow through with this additional review; and (3) Understands a Notice to Proceed will not be issued for the project until these requirements have been documented to NBRC and deemed sufficient for the project to move forward.**

Name_____

Applicant Signature_____

Date_____

Title _____

Organization _____

APPENDIX C - REVOLVING LOAN FUND PROGRAM

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.

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.

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:

- Small business development, including the start-up or expansion of locally owned businesses as measured by job creation.
- Existing business and saving jobs.
- Redevelopment of blighted land and vacant facilities for productive use.
- Modernization and rehabilitation of existing industrial or manufacturing facilities; and/or
- Support for the use of new technologies, growth industries, high-tech firms.

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:

- Modifications in repayment terms, such as deferral of initial principal or interest payments.
- Taking greater risks than banks are traditionally prepared to take when substantial economic development benefits will result if the borrower succeeds.
- Providing below market interest rates.
- Short turn-around time in processing applications; and/or
- Reducing the risk of commercial lenders by providing subordinate financing.

RLF Grantees

- 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.
- Applicants must have a strong and established loan review committee.
- 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).

Application Requirements:

A written work plan that demonstrates the need and capacity for a NBRC RLF grant. A work plan should include:

- 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.
- 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.
- Include a list of proposed fees and other charges it will assess borrowers.
- 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.
- Provide a set of goals, strategies, and anticipated outcomes for the applicant's program.

RLF Loan Program Policies

- 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.

- 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.
- 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.

Borrowers and Loans

- 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.
- The borrowing firm or any of its owners cannot have a delinquent debt to the federal government.
- 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.

Eligible Borrowers

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

Eligible Loans

- RLF grants may be used for debt financing through direct loans for:
 - Machinery, equipment, and other fixed asset acquisition including transportation/delivery and installation costs.
 - New construction, alteration, modification, repair, and renovation of existing facilities, demolition, and site preparation.
 - Land acquisition that is an integral part of a project where the dominant funding requirement is for building acquisition or construction.
 - 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
 - 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.

Loan Projects Not Eligible for NBRC Funds

- Grantees may not make loans to themselves or to a subsidiary (Where *subsidiaries* are organizations under common control through common officers, directors, members, or employees).
- Loans only for land acquisition are not permitted.
- Loans which assist the relocation of businesses are prohibited under 40 USC §15501(f).
- Loans to any nonprofit.
- Loans to acquire an equity position for the RLF in private businesses.
- Loans to subsidize interest payments on existing loans except for interim construction financing.
- Loans that provide the mandatory equity contribution required of borrowers for other federal loan programs.
- Loans that refinance existing debt solely for the purpose of reducing the risk to existing lenders.
- Loans that establish revolving lines of credit for borrowers.
- Loans that create a potential conflict-of-interest or the appearance of a conflict-of-interest 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 are prohibited for a period of one year from the date of termination of service of such related person.
- 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.
- 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%.

NBRC RLF Lending Policies

General

- The responsibility for approving loans and setting terms and conditions consistent with these guidelines resides fully with the Grantee.
- 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.
- 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.
- 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.
- 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.
- A loan agreement between the grantee and borrower is required.

Collateral

- 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:
 - 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.
 - 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.
 - 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.
 - 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.
 - 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.
 - A Grantee may modify the terms under which RLF financing has been extended to enhance the ability of the RLF to achieve program objectives.

RLF Administration/Grant Funds

- 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.
- 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.
- Selling NBRC RLF loans on a secondary market is not permitted.

Program Income

- 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.
 - Loan interest.

- Fees for processing loan applications.
- Loan closing fees.
- Periodic fees for servicing loans.
- Penalties and interest caused by the borrower's late payment.
- Proceeds from the sale of collateral in excess of the unpaid balance of the original loan.
- Interest earned on loan repayment balances while awaiting re-lending.
- 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.
- Grantees must keep complete records (e.g., timecards, 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.

Funds Management

- Grantees may request advance payments only at the time and in the amount immediately needed to close loans.
- 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.
- 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.
- 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.
- Excess Un-loaned Funds
- If RLF grantees are not using NBRC grant funds for lending activities, grants may be revoked and grant funds recovered, as follows:
 - 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.
 - 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.
 - Nothing in this section shall cause a grantee to be automatically ineligible for additional RLF grant recapitalizations.

Reporting

Quarterly Progress Reports: Using the Performance Progress Report (SF-PPR), each Recipient is required to provide quarterly progress reports beginning October 1, 2021. 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 (Q1)
Reporting Period:	January 1 - March 31	Report Due by April 30 (Q2)
Reporting Period:	April 1 - June 30	Report Due by July 31 (Q3)
Reporting Period:	July 1 - September 30	Report Due by October 30 (Q4)

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.

Project Monitoring

- NBRC monitors RLF grant performance through required reports submitted by the grantee, audit findings, grantee site visits and other necessary contact with the grantee.
- 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.

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.

APPENDIX D - RFEP PROGRAM DEFINITIONS

The following terms shall have the meanings indicated below.

Grant Agreement. An agreement in which the Federal government provides funding authorized by public statute. A federal grant is the vehicle the federal government uses to carry out work that it cannot accomplish alone. A grant is to meet an identified public good or purpose. In this case the 'public good/purpose' is to offset the community degradation that took place with the loss of the established forest products industry. It is not intended to carry out other purposes of the applicant.

Indian Tribe. As defined by 2 CFR§ 200.54 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. 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. The non-profit entity must be able to demonstrate they have federal government experience related to economic development and the capacity to administer and complete a project should it be selected for RFEP funding.

Due diligence. The measure of prudence, responsibility, and diligence that is expected from, and ordinarily exercised by, a reasonable and prudent person under the circumstances. *Due diligence* helps people and communities understand the nature of an investment, the risks of an investment, and how (or whether) an investment fits into the larger goals of a community. Due diligence is not just good sense, it is a duty community leaders owe the public, and a non-profit owes its stakeholders, to satisfy any legal requirements, especially when investing in real estate or human capital.

Forest industry. An industry which depends on forests for their raw material and wood-based industries which include but are not limited to pulp and paper, plywood, wood and veneer.

Forest products. Any material derived from forestry as direct consumption for commercial and personal use, such as lumber, paper, building materials, energy utilities, furniture, and firewood.

Forest products residuals. Any materials leftover from logging or the manufacture of wood products, including materials remaining in the forest after harvest, along with bark and sawdust. Wood product mills often convert biomass residuals to energy while manufacturing carbon-sequestering bio-based products that are useful to society.

Commission. Refers to the governing body of the Northern Border Regional Commission, comprised of the Federal Co-Chair (or the entity authorized by Congress in the absence of the Federal Co-Chair) and the Governors (or their appointed Alternates) of the four States that make up the region of NBRC.

Authorizing Official. The person that has been documented to be the individual approved by their board, town, or other entity to apply for, accept, and spend public dollars. The Authorized Official has been documented to have the legal authority to sign all NBRC Investment documents, to submit the RFEP application for funding and accept funds for the purposes outlined in the RFEP application.