GENERAL QUESTIONS

- 1. Q. Where can Applicants find more information about the Resilient Food Systems Infrastructure Program (RFSI) and the application process and requirements?
 - A. The California Department of Food and Agriculture (CDFA) has an <u>RFSI-specific website</u> (www.cdfa.ca.gov/rfsi). This site includes links to the Request for Proposals (RFP), Frequently Asked Questions (FAQ), Questions and Answers (Q&A), recordings of webinar presentations, and other useful resources.
- 2. Q. Are there examples of funded projects from the previous solicitation on the RFSI website?
 - A. A link to a list of past awardees can be found on the bottom of the RFSI website at the link <u>December 2024 Awards</u> (https://www.cdfa.ca.gov/rfsi/docs/rfsi_2024_Awards.pdf). Examples of grant-awarded equipment purchases include refrigerated vehicles, coolers, freezers, pasteurizers, processing and packaging lines, and in-field equipment such as de-stickers and hydrocoolers. Other equipment that meets the purpose of RFSI is also allowable.
- 3. Q. What is aggregation?
 - A. Aggregation is the act of gathering or picking up harvested agricultural products from one or more producers. The products are then stored, processed, and/or distributed.

ELIGIBILITY

- 1. Q. Can multiple sub-businesses under the same parent business or same owner apply for RFSI funding?
 - A. No. Multiple awards will not be granted to a single business and/or owner, including under another business entity and/or Unique Entity Identifier (UEI). Each business may apply only once.
- 2. Q. If a potential Applicant owns multiple businesses, including some businesses which are not eligible for RFSI funding, can they select one eligible sub-business through which to apply?
 - A. Yes. The Applicant business must be a unique business, pay taxes separately, and have its own UEI.
- 3. Q. Can Applicants who applied in the 2024 Solicitation, but were not awarded, apply for the 2025 extension?
 - A. Yes. Please note that the eligibility requirements have not changed.
- 4. Q. What will be required to demonstrate that a project has access to the location where equipment will be installed?
 - A. Successful Applicants will be required to submit a letter signed by the property owner stating that they have full access to all resources and infrastructure necessary for the project. If they are the owner, Applicants will be required to sign this letter themselves. If they are leasing, Applicants will be required to obtain the property owner's signature on the letter. If they are working with a government entity, Applicants will be required to obtain that entity's responsible officer's signature on the letter.

PROJECT TYPES

- 1. Q. Is in-field processing allowable?
 - A. In-field processing is allowable so long as it supports the middle of the supply chain in the processing, aggregation, and/or distribution stages. Applicants should make it clear that activities are post-harvest and support the middle of the supply chain.
- 2. Q. Can multiple items that constitute a production or processing line be combined to meet the minimum cost requirement? Further, can Applicants request small items or accessories that do not qualify as equipment?
 - A. Yes, multiple items can be combined to reach the \$10,000 minimum threshold. All projects must include at least one piece of special-purpose equipment. Equipment is defined as tangible personal property having a useful life of more than one year and an acquisition cost that equals or exceeds \$5,000 (net) per unit. Lower-cost items and accessories to the equipment are allowable if they are necessary for the safe and useful function of the equipment in question; Applicants should make their necessity clear in the proposal. Other non-equipment items are not eligible.
- 3. Q. What type of vehicles are allowed and what type of vehicles are not allowed?
 - A. General purpose equipment is used for purposes other than technical activities. Purchasing general purpose equipment is not allowable; general-use motor vehicles such as pick-up trucks, family vehicles, or passenger vans are not allowable. Delivery vehicles, box trucks, refrigerated vans and trucks, flatbed trucks, etc. are allowable, provided they are used for special-purpose middle-of-the-supply-chain activities only.
- 4. Q. Is delivery to wholesale or retail centers allowable?
 - A. Delivery to retail centers, farmers' markets, wholesalers, processing centers, or aggregation centers is allowable. Direct-to-consumer activities such as community supported agriculture (CSA) deliveries, delivery to individuals, or selling out of a vehicle are not allowable.
- Q. Is software allowable?
 A. No, software is not considered to be tangible personal property and thus is not allowable.
- 6. Q. Is small mobile equipment, such as tractors or forklifts, allowable?
 - A. Tractors are considered general purpose equipment and are not allowable. A forklift may be allowable if the Applicant can demonstrate its use exclusively in the middle of the supply chain for processing, storage, aggregation, and/or distribution activities.
- 7. Q. Are operating costs such as rental costs for cooler space, purchasing costs for packaging or other supplies, or freight costs for crops allowable?
 - A. No. This grant may be used only to purchase special-purpose equipment for use in the middle of the supply chain.
- 8. Q. Are solar panels or a solar generator kit allowable?
 - A. Equipment with solar power included is eligible. However, installing a solar setup onto existing equipment or facilities is considered an upgrade to those existing features, rather than a separate equipment purchase. Upgrades are not eligible for this funding opportunity.

- 9. Q. Is composting equipment eligible?A. No. Composting activities are considered pre-harvest and are therefore ineligible.
- 10. Q. Are herbs eligible?
 - A. Equipment related to herbs is eligible provided the herbs are processed for food. Equipment related to nutritional or dietary supplements is not eligible.

FUNDING PRIORITIES

No questions at this time.

APPLICATION

- 1. Q. What is required to apply?
 - A. Applicants must submit a completed proposal form and at least one sufficiently detailed quote/bid/estimate/etc. to <u>grants@cdfa.ca.gov</u> no later than 5:00 p.m. PT on July 17, 2025.

Successful Applicants will be invited to work with CDFA to complete the U.S. Department of Agriculture (USDA) application template and all other eligibility checks, including Small Business Administration Size Standards, National Environmental Protection Act requirements, certification of access to project location through ownership or current lease, and possession of a UEI through the <u>System for Award Management</u> (https://sam.gov/).

- 2. Q. What level of guidance or assistance can CDFA provide to Applicants?
 - A. CDFA cannot advise individual Applicants on how to best complete their application or how to answer specific questions, nor can CDFA speculate on how reviewers will view a particular application or question response. CDFA recommends all Applicants provide as much detail, support, and documentation as is available to them at the time of application. A good rule of thumb is to ask if a reasonable reader who does not know your organization would understand a response and find it to fully answer the question asked.

CDFA recommends all Applicants refer to the scoring rubric on page 9 of the <u>RFSI</u> <u>RFP</u> (https://www.cdfa.ca.gov/rfsi/docs/rfsi_requestforproposals_2025.pdf) to understand how applications will be scored.

BUDGET AND COSTS

- 1. Q. What should the required quote/bid/estimate include?
 - A. The quote(s) should provide enough detail so that, together with the proposal, CDFA reviewers can identify and understand the equipment requested. All costs requested should be included in the quote(s), including tax, shipping, etc.

- 2. Q. How precise must quotes/bids/estimates/etc. be in terms of cost?
 - A. Applicants should endeavor to submit the most accurate quote possible. If necessary, CDFA recommends contacting multiple vendors to receive more than one quote or bid.
- 3. Q. Are expedited shipping costs allowable?
 - A. Shipping costs are allowable provided they are included in the provided quote(s). Due to the compressed timeline of this funding opportunity, CDFA will consider the likelihood that the requested equipment can be purchased and delivered within the required timeline.
- 4. Q. Can costs be increased after the submission of a proposal?A. No, costs cannot be increased after proposals are submitted to USDA, for any reason.
- 5. Q. Can RFSI funding be used to reimburse Applicants for equipment that has already been purchased?
 - A. No. Proposals that include activities outside of the grant duration, including purchasing equipment prior to being awarded funds, are not eligible and will be disqualified.

REQUIREMENTS AND LIMITATIONS

- 1. Q. Is an existing gravel area considered to be a pre-existing hard surface, as required for outdoor stationary equipment installation?
 - A. No, gravel is not considered a pre-existing hard surface. USDA considers placing objects onto gravel surfaces to include ground disturbance. Projects that involve ground disturbance of any kind are not eligible.
- 2. Q. Does equipment need to be manufactured and/or assembled in the United States?
 - A. It is not a requirement that equipment be manufactured or assembled in the United States. However, it is highly recommended that the equipment is already in the United States due to the compressed timeline of this solicitation. Extensions will not be available if equipment is delayed in shipping, nor will award amounts be increased in the event of tariff charges.
- Q. Will Recipients of this funding opportunity be ineligible for future RFSI funding?
 A. RFSI is planned as one-time funding. This funding opportunity is not a new opportunity from the 2024 Solicitation. Rather, it is an extension to distribute remaining funds. Should RFSI funding be made available again by USDA, they would set the eligibility requirements regarding repeat funding at that time.
- 4. Q. Can Recipients sell the agricultural products that are processed by, aggregated in, or delivered by equipment purchased with RFSI funds?
 - A. Yes, it is expected that Recipients will sell their products. The goal of RFSI is to increase market opportunities for small- and mid-sized producers and processors.

SCORING CRITERIA

- 1. Q. Will the cost of the equipment be considered during scoring?
 - A. No, provided the cost is greater than \$10,000 and less than \$100,000 (up to \$200,000 with the amount above \$100,000 paid by the Applicant).
- 2. Q. What makes a proposal more likely to be successful?
 - A. Well-researched and detailed proposals, which make both the need for the equipment and the impact the equipment will have clear and understandable, are more likely to score well. Proposals that will benefit producers or processors outside of the application organization may have a competitive edge. Finally, feasibility will be considered whether a project can reasonably be completed in the limited timeline available.
- 3. Q. How can proposals demonstrate they will benefit producers or processors outside of the Applicant organization?
 - A. There are many ways that a piece of equipment may benefit producers or processors beyond the proposed owner of that equipment. For example, the equipment may allow a processor to purchase additional crops from producers in their community, or provide more product to local aggregators, distributors, and/or retailers; the equipment may be used by other producers or processors in a cooperative system or organization; the equipment may be added to local emergency-preparedness plans; the equipment may be used for training other local producers and/or processors; etc.

Please note that this list is not intended to be all-inclusive. CDFA recommends all Applicants carefully consider their own proposed project and its potential impact.

REVIEW AND NOTIFICATION

No questions at this time.

GRANT MANAGEMENT

- 1. Q. What is the timeline for making purchases?
 - A. All purchases must be completed no later than December 31, 2025. Recipients will then have until March 31, 2026, to complete other grant requirements including installation, invoicing, and reporting. Extensions will not be available for any reason.
- 2. Q. Can Recipients expend pre-award costs?
 - A. Due to the compressed timeline of this funding opportunity, pre-award costs will not be allowed prior to Award Announcement.

- 3. Q. Are advance requests available for Recipients?
 - A. Yes. CDFA will email each Recipient an Advance Request Form at the time of Grant Agreement execution. An advance can be requested for up to 90 percent of the approved award amount. 10 percent will be withheld until the end of the grant term.
- 4. Q. What is a 10 percent withhold?
 - A. CDFA holds 10 percent of an award until the completion of all grant activities, including the completion of a final report and resolution of any audit findings. This 10 percent will be released to Recipients who have completed all required grant activities after March 31, 2026.

Applicants should ensure they have the cash flow available to cover this 10 percent cost between purchasing equipment and completion of the grant. Note this time may range as long as November 2025 through April 2026.

- 5. Q. Are successful Applicants required to purchase the exact piece of equipment for which they provide a quote/bid/estimate/etc. at the time of application?
 - A. If a proposal is awarded funding and the same equipment is out of stock at that time, a similar piece of equipment performing the same function may be purchased after approval by CDFA.
- 6. Q. What are the reporting requirements for Recipients?
 - A. Grant Recipients will be required to invoice CDFA promptly after completing their purchase, along with submitting all receipts and completing an <u>Equipment Inventory Record Form</u> (https://www.cdfa.ca.gov/forms/docs/oga_2-1-6_Equipment_Inventory_Record.pdf).

Recipients will also complete a final report for submission to USDA outlining their project and the impact of the purchased equipment at the end of the grant term.