# Resilient Food Systems Infrastructure Program Frequently Asked Questions – 2025 Solicitation

#### **GENERAL QUESTIONS**

#### 1. Q. Which activities are included in the "middle-of-the-supply-chain"?

**A.** The U.S. Department of Agriculture (USDA) defines "middle-of-the-supply-chain" activities as activities in the Processing and/or Aggregation and Distribution stages of the food supply chain. As an example, Processing activities may include processing, packaging, or preserving crops; extracting products from crops; and/or creating value-added products from crops. Aggregation and Distribution activities may include storing, tracking, distributing, and/or delivering crops. Similar activities not listed here may also be included.

Modernizing, developing, or expanding equipment used for Processing, Aggregation, or Distribution activities are also considered to be "middle-of-the-supply-chain" activities for the purposes of this program.

#### 2. Q. Which activities are NOT included in the "middle-of-the-supply-chain"?

A. Activities related to production or to markets and consumers are **not** part of the middle-of-the-supply-chain. Costs and/or activities related to farm production may include pre-harvest or harvest equipment. However, costs related to on-farm, post-harvest processing, preservation, and/or storage would be considered middle-of-the-supply-chain activities. Costs and/or activities related to markets and consumers may include expanding sales staff for a farm store; renovation of retail space, including additional refrigeration; marketing and promotion; deliveries direct-to-consumer, including via a community sponsored agriculture (CSA) model; etc.

# 3. Q. How does an applicant determine if a proposal is appropriate for the Resilient Food Systems Infrastructure (RFSI) Program?

A. All proposals must support the middle of the food supply chain, meet one or more of the program priorities as described in the Request for Proposals (RFP), and be able to achieve one or more performance measures during the grant duration to be eligible for this program. In addition, all applicant businesses and organizations must be domestically owned, and applicants' facilities must be physically located within the State of California.

# 4. Q. Will the California Department of Food and Agriculture (CDFA) provide assistance with the application process?

A. CDFA will host a webinar providing an overview of the program, eligibility requirements, program priorities, and the application process; a recording will be

available for those unable to attend. Office hours will also be held weekly during the application period. For more information on webinars and office hours, or to register, please visit the RFSI website (https://www.cdfa.ca.gov/rfsi/).

#### 5. Q. How can applicants submit questions during the application period?

A. CDFA will conduct three rounds of Questions and Answers (Q&A) to address general questions about the proposal process. Email all questions about the solicitation process to <a href="mailto:grants@cdfa.ca.gov">grants@cdfa.ca.gov</a>. Questions received during webinars and office hours will also be included in the published Q&A. The deadline to submit questions is July 11, 2025, by 8:00 a.m. PT.

# 6. Q. What is a Unique Entity Identifier (UEI) and is it required to submit a proposal?

A. Entities doing business with the federal government must obtain a UEI through SAM.gov. Active registrants will have their UEI assigned and viewable within SAM.gov. A UEI is not required prior to submitting a proposal; however, recipients will need to obtain a UEI before a proposal can be submitted to USDA. CDFA strongly recommends applicants begin the process of obtaining a UEI now. Obtaining a UEI is free.

#### 7. Q. What is a Simplified Equipment-Only Grant?

A. Simplified Equipment-Only Grants are "Fixed Price" grants, meaning they will fund only equipment purchases (and not associated facility upgrades, staffing, or other costs). No match is required for this grant type, though match may be provided by the recipient to cover costs above the award maximum, up to \$200,000 total cost.

# 8. Q. What are the award limits for Simplified Equipment-Only Grants? How much funding is available?

A. The minimum award amount for the Simplified Equipment-Only Project grants is \$10,000 and the maximum award amount is \$100,000. Approximately \$2.3 million will be available for this solicitation.

# 9. Q. Does this solicitation mean that RFSI funding will be available on a regular basis? Can we apply again next year?

A. This funding opportunity is available to distribute remaining funding that became available as some projects were removed from consideration or came in under budget. In other words, the funding is from the same award from USDA to CDFA that funded projects approved last year. Currently, RFSI is still expected to be one-time funding.

#### **ELIGIBILITY**

#### 1. Q. Who is eligible to apply for RFSI funding?

A. Agricultural producers or processors; groups of agricultural producers and processors; nonprofit organizations, local governments, and Tribal governments operating middle-of-the-supply-chain activities; and institutions such as schools, universities, food banks, or hospitals bringing producers together to establish cooperative or shared infrastructure or to invest in equipment that will benefit multiple producers' middle-of-the-supply-chain activities are eligible to apply.

# 2. Q. Are applicants allowed to submit the same proposal to more than one grant program?

A. Applicants may submit the same proposal to multiple state or federal grant programs; however, applicants are required to disclose the other grant programs. If the proposal is selected for funding by another state or federal award program after the proposal is submitted to the RFSI, the applicant must inform CDFA immediately. Applicants are allowed to receive RFSI funds to support activities within a project funded through multiple grant sources. However, RFSI funds may not be used to duplicate activities funded by another grant source.

#### 3. Q. Are applicants allowed to submit multiple proposals to RFSI?

A. Applicants may submit **one** application, total. Prior RFSI Recipients are not eligible to apply for additional funding, including under a different organization under common ownership and/or UEI.

#### 4. Q. Which commodities are eligible for RFSI funding?

A. Eligible commodities include specialty crops, dairy, grain (for food), eggs, beverages, and other sectors, given that the products are meant for human consumption. Eligible specialty crops include fruit, vegetables, dried fruits, tree nuts, horticultural products such as tea or honey, and culinary and medicinal herbs and spices. Note that some specialty crops, such as floriculture or ornamental trees, are not intended for human consumption and therefore not eligible for RFSI funding.

Aquaculture is eligible; the commodity must be managed for a major portion of its lifespan to be considered aquaculture. Wild-caught or -harvested fish, seafood, or plants are not eligible. Meat and poultry, cannabis, and dietary supplements are not eligible.

#### 5. Q. Is a project eligible if it includes meat and/or poultry?

A. Projects supporting the meat and poultry industries are funded through other USDA programs. Equipment used to process meat, poultry, or wild-caught fish/seafood are not eligible for this funding opportunity.

### 6. Q. Can value-added products created with RFSI support contain ineligible commodities?

A. Meat, poultry, and wild-caught fish and seafood may be included in negligible amounts in value-added products under RFSI. If a value-added product contains a small percentage of ineligible commodities, costs should be pro-rated accordingly, with RFSI funds supporting only eligible commodities.

#### 7. Q. Are individual producers and/or sole proprietors eligible to apply?

A. Individual producers and sole proprietors are eligible to apply. However, those entities should be able to demonstrate that their proposal provides a broader benefit to local and/or regional producers, markets, stakeholders, etc.

#### 8. Q. Are there limits to the size or income of organizations that may apply?

A. RFSI uses the U.S. Small Business Administration (SBA)'s guidelines to determine whether an organization qualifies as a small or mid-size business. CDFA recommends visiting the <u>SBA website</u> (https://www.sba.gov/federal-contracting/contracting-guide/size-standards/size-standards-tool) to check if they meet the standard for RFSI eligibility. This requirement applies to all organizations other than registered non-profit organizations.

#### 9. Q. Is it a requirement that all commodities processed be grown in California?

A. The purpose of RFSI is to create more and better processing options for local and regional producers. While there is not a firm requirement that all items processed be grown or produced in California, California producers and processors should be the primary beneficiaries of RFSI projects. Applicants should make the project's benefit to local and regional producers clear in their proposal. Projects that do not benefit California-grown or -produced products will be disqualified. Projects must be physically located in California to be eligible.

### 10.Q. Can RFSI funding be used to fund a project that transports donated food to recipients in other locations?

A. RFSI funds cannot be used to deliver directly to consumers, as this is not the middle of the supply chain. This is true whether the goods delivered are donated to the recipients or sold to customers. Transportation between aggregation centers or from a distribution center to a market is allowable.

All projects must support the creation of new and better markets for small farms and food businesses; projects that are exclusively donation-based (food donated by producers/processors is donated to consumers) are not eligible for RFSI funding. Projects that involve donated food may be eligible, provided the goods are purchased from producers and processors at a fair market value.

### 11.Q. Can an Equipment-Only Grant be used to fund multiple pieces of equipment?

A. No, Equipment-Only Grants can be used to purchase one piece of equipment only, along with any associated costs necessary to that equipment such as tax, delivery, installation costs, etc. A production or processing line, where several smaller components work together to accomplish one task, may be considered a single piece of equipment. Applicants should demonstrate in their proposal that all pieces are necessary to the production or processing line.

Note that upgrading facilities (such as electrical upgrades to accommodate new equipment) or refurbishing equipment are not eligible costs for Equipment-Only Grants; equipment purchased must be ready to use. Related accessories to the equipment may be allowable; the proposal should make it clear that these accessories are necessary to accomplish project goals.

# 12.Q. Can an Equipment-Only Grant be used to purchase used or pre-owned equipment?

A. Yes, pre-owned equipment may be purchased at a fair market value, provided it is in good working order.

#### **APPLICATION**

- 1. Q. Are the RFSI proposal applications available as a Word document?
  - A. All RFSI proposals must be submitted via PDF to grants@cdfa.ca.gov; links can be found on the <u>CDFA RFSI website</u> (https://www.cdfa.ca.gov/rfsi/).
- 2. Q. Can changes be made to a proposal that has already been submitted via email?
  - A. No changes can be made once a proposal has been submitted.
- 3. Q. Is a federal tax ID required prior to submitting a proposal?
  - A. Applicants must have a legal business name and a federal tax ID in order to submit a proposal.

- 4. Q. Where can applicants find the word limit for each question?
  - A. Two questions have a recommended word count, provided on the application form. Responses that are excessively short or long may be scored fewer points as a result.
- 5. Q. Are applicants required to disclose the use of a grant writer, consultant, or translator?
  - A. No.
- 6. Q. How can applicants provide additional documents, such as letters of support?
  - A. Only the required quote(s), cost proposal(s), schematic(s), etc. may be submitted with the Concept Proposal. Additional documents will not be accepted during the Concept Proposal phase. Any additional documents provided will be disregarded.

#### PERFORMANCE MEASURES

- 1. Q. Where can applicants find additional information about the performance measures?
  - A. The RFSI performance measures are detailed in the <u>RFSI RFP</u> (www.cdfa.ca.gov/rfsi/rfsi\_request\_for\_proposals). Projects must accomplish all selected performance measures and associated indicators during the grant duration. Applicants selected to submit a more detailed Grant Proposal will work with CDFA staff to select the performance measure(s) that best fit their project.

#### BUDGET

- 1. Q. What are federal cost principles?
  - A. Federal cost principles are regulations, based on organization type, used to determine allowable costs and ensure consistent treatment of federal funds. Applicants are responsible for identifying the federal cost principles appropriate to their organization, applying cost principles to RFSI grant funds consistently, and ensuring contractors and/or consultants comply with federal cost principle requirements.
- 2. Q. Can Equipment-Only Grant projects request Indirect Funds?
  - A. Simplified Equipment-Only Grants are not eligible for indirect.
- 3. Q. What is the difference between "special purpose" and "general purpose" equipment? Is there a minimum or maximum cost limit for special purpose equipment?
  - A. Both "special purpose" and "general purpose" equipment refer to 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. Purchasing "special purpose" equipment used only for technical activities is allowable under the conditions outlined in the RFSI RFP (www.cdfa.ca.gov/rfsi/rfsi request for proposals).

"General purpose" equipment is used for purposes other than technical activities. Purchasing general purpose equipment is not allowable; examples are provided in the RFSI RFP. The amount that can be charged for special purpose equipment cannot exceed the maximum award amount.

- 4. Q. If a project or piece of equipment may benefit ineligible commodities (e.g., a supply line that will process both vegetables and meat) or stages of the supply chain (e.g., a vehicle that will be used mainly to deliver to aggregation centers, but also to distribute CSA boxes), what should applicants do?
  - A. Applicants should demonstrate that robust tracking mechanisms are in place to ensure that RFSI funds do not support unallowable costs. Funds can be divided proportionally (pro-rated) based on a reasonable system, such as square footage for coolers, miles driven for vehicles, hours used for processing lines, etc. Projects that primarily or in large part benefit ineligible commodities or activities will be disqualified.
- 5. Q. Should applicants provide quotes to support requested equipment costs?
  - A. Yes, applicants should provide one or more detailed and complete quote(s), bid(s), cost proposal(s) or similar to support their requested costs. Applicants that fail to provide detailed and complete quote(s) may be disqualified.
- 6. Q. Should additional costs such as delivery, installation and tax be included in the cost of the equipment?
  - A. Applicants should provide as much detail as is available to them at the time of application via the required quote, bid, or similar to support their costs. If the installation costs are included in the quote/invoice as the total cost, that should be sufficient documentation to support the additional cost if it is necessary for the use of the equipment. Note that travel costs to support installation are not allowable.

#### APPLICATION AND TECHNICAL ASSISTANCE

- 1. Q. Will RFSI Office Hours be recorded?
  - A. Office Hours are intended to be more conversational, as a resource for individuals to submit questions or discuss their application. As such, recordings of Office Hours will not be made available. However, materials or shorter presentations developed for Office Hours will be made available on the RFSI

website (<u>www.cdfa.ca.gov/rfsi</u>) if they are helpful to all prospective applicants. Office Hours may be recorded for internal purposes, so that CDFA staff can add questions to the publicly available Q&A documents.

# 2. Q. What type of support does CDFA offer during office hours? Will CDFA review my proposal prior to submission?

A. Office Hours will include brief presentations on topics of interest; these will also be available on the CDFA website. Office Hours are also an opportunity to submit questions to CDFA, which will be added to the published Q&A as appropriate. CDFA is not able to review proposals prior to submission.

#### **REVIEW PROCESS AND TIMELINE**

### 1. Q. What is the process with the new Concept Proposal and Grant Proposal phases?

A. Based on feedback from past applicants, the CDFA RFSI team broke the application process into two stages. First, anyone may submit a Concept Proposal. These are short applications that provide basic information on the applicant organization and some detail on the equipment requested, how it will impact the organization, and how it will benefit California producers and processors. These will be reviewed; the most successful proposals will then be invited to work with CDFA RFSI staff to complete a more detailed Grant Proposal for possible submission to USDA.

#### 2. Q. What is the timeline for this new process?

A. Concept Proposals are due July 17, 2025, by 5:00 p.m. PT. CDFA will perform an administrative and technical review of the proposals to determine which applicants will be invited to submit a more detailed Grant Proposal. CDFA staff will reach out to these applicants starting in August, on a rolling basis.

When Grant Proposals are complete, they will be submitted to USDA for review and approval in September-October 2025. CDFA anticipates announcing and executing awards in November 2025. Applicants should be prepared to purchase equipment immediately upon execution of their award.

# 3. Q. How does the review process work between CDFA and USDA for projects that receive funding?

A. CDFA's administrative and technical review process helps to ensure that the proposals recommended to USDA for funding are timely and important for California agriculture and comply with all program rules and regulations. USDA has the final say regarding which proposals receive funding. USDA may approach CDFA with questions on specific proposals, in which case CDFA will

work with the applicant to resolve any issues. In some cases, USDA may ultimately elect to decline a proposal.

#### 4. Q. When will projects take place?

A. Projects selected for funding may begin upon USDA approval, after the execution of a grant agreement. All costs must be expended – that is, all purchases must be made – no later than December 31, 2025. Please note that no-cost extension requests will not be facilitated beyond the maximum grant duration. Costs incurred before the execution of a grant agreement will not be reimbursed.

### 5. Q. Will applicants be notified if their application has been selected for submission to USDA?

A. Disqualified proposals will be informed no later than August 7, 2025. Applicants selected to submit a more detailed Grant Proposal will be notified on a rolling basis in August – September 2025. When CDFA submits selected proposals to USDA for approval, all applicants will be informed as to whether their proposal was submitted to USDA; this is anticipated to occur no later than December 1, 2025.

#### REQUIREMENTS AND LIMITATIONS

- 1. Q. Are RFSI projects subject to the requirements of the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act?
  - A. BABA is not applicable to for-profit entities or projects where the total federal funding is below the Simplified Acquisition Threshold of \$250,000. Thus, BABA is not applicable to this 2025 Solicitation.

# 2. Q. Are RFSI projects subject to the requirements of the National Environmental Policy Act (NEPA)?

A. All activities funded under RFSI must comply with NEPA and related applicable agency regulations and instructions, Section 106 of the National Historic Preservation Act (NHPA), the Endangered Species Act (ESA), other laws and regulations as outlined therein, and any applicable state, local, or tribal laws. A review for NEPA compliance is required prior to the award of grant funds.

Due to the limited time available for project completion, projects that trigger additional environmental or cultural review are not eligible. This includes any stationary equipment to be installed outdoors on any surface other than preexisting (at the time of application) hardtop surfaces such as asphalt, concrete, etc. or projects involving ground disturbance of any kind.