**99-626 MAINE RURAL DEVELOPMENT AUTHORITY**

**Chapter 3: RURAL MANUFACTURING AND INDUSTRIAL SITE REDEVELOPMENT PROGRAM-Amendment 1**

**Summary**: The Maine Rural Development Authority is responsible for administering the Rural Manufacturing and Industrial Site Redevelopment Program. The Program is intended to provide grants for technical assistance, planning or implementation related to the rehabilitation, revitalization and marketing of manufacturing and industrial sites in rural communities. This rule governs the application and approval process for financial assistance from the Program.

**SECTION 1. DEFINITIONS**

A. **Act**: "Act" means 5 MRSA Chapter 383, Subchapter IX.

B. **Applicant**: "Applicant" means any municipality in which an Eligible Industrial or Manufacturing Site is located, or any corporation, any partnership, any limited liability company, any private, nonprofit or public entity, organization or association, any individual or any other person which owns an Eligible Industrial or Manufacturing Site.

C. **Authority**: "Authority" means the Maine Rural Development Authority, or as the context requires, any agent, employee or other representative of the Authority.

D. **Eligible Implementation Grant Project**: "Eligible Implementation Grant Project" means the reasonable costs and expenses of redevelopment and marketing of an eligible industrial or manufacturing site that is located in a community that has experienced severe economic decline and employment loss due to the nonproductive nature of the site, in order to ready the site for productive use, including, without limitation, engineering, infrastructure, access, marketing or technology validation expenses.

E. **Eligible Industrial or Manufacturing Site**: "Eligible Industrial or Manufacturing Site" shall mean a site in a rural location in the State that formerly was used for manufacturing or other industrial use, and is no longer in productive use,

F. **Eligible Technical Assistance or Planning Grant Project**: "Eligible Technical Assistance or Planning Grant Project" means the reasonable costs and expenses of investigation, research, study, analysis or planning in connection with an effort to redevelop an Eligible Industrial or Manufacturing Site, including, without limitation, the conduct or creation of an environmental site assessment, infrastructure analysis, market study, business plan or other similar analysis, report, study or plan, and/or the technical assistance required to select or coordinate such services.

G. **Eligible Forest Economy Community Grant Project**: “Eligible Forest Economy Community Grant Project means either an Eligible Implementation Grant Project or an Eligible Technical Assistance or Planning Grant Project that is also eligible for grant funds for the project under the Sub-Grant Program.

H. **Program**: "Program" means the Rural Manufacturing and Industrial Site Redevelopment Program.

I. **Project**: "Project" means (a) a Planning Grant Project, or (b) an Implementation Grant.

J. **Rural**: "Rural" means any location in the State not within the legal limits of a municipality with a population of over 50,000 residents.

K. **Sub-Grant Program**: “Sub-Grant Program” means the “Increasing Prosperity in Maine’s Forest Economy Communities” sub-grant program approved for funding from the Norther Border Regional Commission pursuant to a Grant Agreement dated August 13, 2019 between the Northern Border Regional Commission and the Maine Development Foundation, NRBC Grant Agreement Number NBRC19GRF09.

**SECTION 2. TECHNICAL ASSISTANCE AND PLANNING GRANTS FOR PROJECTS OTHER THAN ELIGIBLE FOREST ECONOMY COMMUNITY GRANT PROJECTS**

The Authority will not provide direct technical assistance, but may provide grants for Applicants with Eligible Technical Assistance or Planning Grant Projects other than Eligible Forest Economy Community Grant Projects.

A. **Grant Application Process**. From time to time, the Authority may determine to make technical assistance or planning grants available. At such times, the Authority shall give public notice of the date by which applications for grants must be received, and what must be submitted for an application. The public notice may include other terms, conditions or limitations on such grants, including the maximum number or amount of such grants, that the Trustees determine are appropriate.

B. **Grant Application Contents**. An Applicant shall submit an application complying with the requirements of this rule on forms developed by the Authority as may be specified with supporting information as required by this rule and additional information as requested by the Authority. The Authority shall make application forms available. The following minimum information shall be required:

* 1. **Executive Summary**: Summary description of the project, work product, and desired outcome. Describe previous local level of reliance on the closed facility
  2. Statement of the amount of grant funding being applied for and matching funds, if any.
  3. **Sources/Uses Chart**: A chart identifying each of the Sources of funds for the project; the sum total of these Sources; each of the Uses of funds for the project; the sum total of these Uses. Sources and Uses totals must match.
  4. Description of what State agencies and/or regional economic development organizations/resources and/or consultants would assist in providing technical assistance or the planning services.
  5. **Project Narrative**

i. Provide data/background demonstrating severe economic decline and employment loss, event/facility closure date, including but not limited to municipal tax revenues, residents formerly directly employed, residents and supply chain businesses that provided services to the site operators or employees.

ii. Describe lack of staff capacity and thus need to hire someone to provide technical assistance;

iii. Discuss need for grant assistance, likelihood of success, economic impact;

iv. Discuss work product and expected outcome (jobs, direct and indirect; tax revenues, private investment);

v. Discuss: existing facilities (on site and other, e.g. rail, ports, etc.), community support (letters), regional collaboration/consistency with regional plan, time frame for completion of redevelopment plan, regulatory restrictions on use;

* 1. **Collaboration / Committee Formation**: Describe the nature and extent of community support for the project, as well as the plan for formation of Redevelopment Committee made up of local residents and owner of site to steer redevelopment plan.
  2. **Contract**: Provide copies of all relevant private sector and/or government contracts or sample contracts related to the redevelopment, remediation, and/or marketing plan
  3. **Budget**: Estimate cost of the redevelopment project, qualified expenses include future costs only, planning/technical staff, materials, travel, other resources including municipal and private funds, or other match, including in-kind match.

C. **Grant Application Selection**. Following the grant application deadline imposed by the Authority, the Authority shall review and score all of the applications, or ask a service provider to review and score all applications. Applicants may be asked to submit additional materials as part of the review process. Grant applications shall be selected based upon the highest scores from a review of the applications. The total number of grants awarded and total amount of each grant, as well as the aggregate amount of all grants, shall be subject to the discretion of the Authority. Grant applications may be awarded in the amount requested or in such lesser amount as the Authority may determine appropriate. All grant awards shall be made by the Authority following a vote at a regularly scheduled meeting of the Trustees.

Application scoring shall be based on the following factors:

1. Whether the project involves a nonproductive industrial or manufacturing sites located in communities that have experienced severe economic decline and employment loss due to the nonproductive nature of the site and insufficient technical or planning personnel or resources.
2. Amount of matching funds committed to the project
3. Demonstrated community support
4. Likelihood of ultimate completion of redevelopment of site.
5. Potential impact of successful completion of redevelopment.
6. Consistency with any applicable regional economic development plan.

The Trustees shall determine, in advance of review of applications, the specific weight to be given to each factor, provided however, the factor described in subsection (C)(1) shall be given more weight than any other single factor.

D. **Grant Recipient Obligations**

Upon receipt of a technical assistance or planning grant, the Applicant shall execute an Agreement with the Authority that contains the following minimum terms, as well as any other terms determined reasonable or necessary by the Authority:

1. The Applicant will use the grant only for the purposes for which it was awarded.
2. The Applicant will repay the full amount of the grant to the Authority in the event of a material misrepresentation in the Grant Application, or in the event the grant is not used for the purposes for which it was awarded, or there is other material breach of Grant Agreement.
3. The Applicant shall form a Redevelopment Committee made up of local residents and site owner (or their representative) to steer redevelopment plan.
4. The Applicant will provide periodic updates required by the Authority for monitoring purposes, which updates may include local Redevelopment Committee minutes and other data, and verification that grants have had the intended results

The Authority may require disbursement of the grant to be in parts over time upon completion of certain benchmarks.

**SECTION 3. IMPLEMENTATION GRANTS FOR PROJECTS OTHER THAN ELIGIBLE FOREST ECONOMY COMMUNITY GRANT PROJECTS.**

The Authority may provide grants for Applicants with Eligible Implementation Grant Projectsother than Eligible Forest Economy Community Grant Projects.

1. **Grant Application Process**

From time to time, the Authority may determine to make implementation grants available. At such times, the Authority shall give public notice of the date by which applications for implementation grants must be received, and what must be submitted for an application. The public notice may include other terms, conditions or limitations on such grants, including the maximum number or amount of such grants, that the Trustees determine are appropriate.

1. **Grant Application Contents**. An Applicant shall submit an application complying with the requirements of this rule on forms developed by the Authority as may be specified with supporting information as required by this rule and additional information as requested by the Authority. The Authority shall make application forms available. The following minimum information shall be required:

a. **Executive Summary**: Summary description of project; reason for application, work product, and desired outcome. Describe previous local level of reliance on the closed facility

1. Statement of the amount of grant funding being applied for and matching funds, if any.
2. **Sources/Uses Chart**: A chart identifying each of the Sources of funds for the project; the sum total of these Sources; each of the Uses of funds for the project; the sum total of these Uses. Sources and Uses totals must match.
3. Description of what State agencies and/or regional economic development organizations/resources and/or consultants would assist in completion of project.
4. **Project Narrative**

i. Provide data/background demonstrating severe economic decline and employment loss, event/facility closure date, including but not limited to municipal tax revenues, residents formerly directly employed, residents and supply chain businesses that provided services to the site operators or employees.

ii. Discuss need for grant assistance, likelihood of success, economic impact;

iii. Discuss work product and expected outcome (jobs, direct and indirect; tax revenues, private investment);

iv. Discuss: existing facilities (on site and other, e.g. rail, ports, etc.), community support (letters), regional collaboration/consistency with regional plan, time frame for completion of redevelopment plan, regulatory restrictions on use;

1. **Collaboration / Committee Formation**: Describe the nature and extent of community support for the project, including, if applicable, the involvement of a Redevelopment Committee made up of local residents and owner of site to steer redevelopment plan.
2. **Contract**: Provide copies of all relevant private sector and/or government contracts or sample contracts related to the redevelopment, remediation, and/or marketing plan.
3. **Budget**: Estimate cost of the redevelopment project, qualified expenses include future costs only, planning/technical staff, materials, travel, other resources including municipal and private funds, or other match, including in-kind match.
4. Relationship to Regional Economic Development Plan, if any.

C. **Grant Application Selection**. Following the grant application deadline imposed by the Authority, the Authority shall review and score all of the applications, or ask a service provider to review and score all applications. Applicants may be asked to submit additional materials as part of the review process. Grant applications shall be selected based upon the highest scores from a review of the applications. The total number of grants awarded and total amount of each grant, as well as the aggregate amount of all grants, shall be subject to the discretion of the Authority. Grant applications may be awarded in the amount requested or in such lesser amount as the Authority may determine appropriate. All grant awards shall be made by the Authority following a vote at a regularly scheduled meeting of the Trustees.

Application scoring shall be based on the following weighted factors:

1. Amount of matching funds committed to the project (5-25%)
2. Demonstrated community support (5-25%)
3. Likelihood of ultimate completion of redevelopment of site. (10-40%)
4. Potential impact of completion of redevelopment of site (10-40%)
5. Consistency with any applicable regional economic development plan (5-25%)

The Trustees shall determine, in advance of review of applications, the specific weight to be given to each factor.

D. **Grant Recipient Obligations**

Upon receipt of an implementation grant, the Applicant shall execute an Agreement with the Authority that contains the following minimum terms, as well as any other terms determined reasonable or necessary by the Authority:

1. The Applicant will use the grant only for the purposes for which it was awarded.
2. The Applicant will repay the full amount of the grant to the Authority in the event of a material misrepresentation in the Grant Application, or in the event the grant is not used for the purposes for which it was awarded, or there is other material breach of Grant Agreement.
3. The Applicant will provide periodic updates required by the Authority for monitoring purposes, which updates may include verification that grants have had the intended results.

The Authority may require disbursement of the grant to be in parts over time upon completion of certain benchmarks.

**SECTION 3A. TECHNICAL ASSISTANCE AND PLANNING GRANTS FOR PROJECTS THAT ARE ELIGIBLE FOREST ECONOMY COMMUNITY GRANT PROJECTS**

The Authority will not provide direct technical assistance, but may provide grants for Applicants with Eligible Technical Assistance or Planning Grant Projects that are Eligible Forest Economy Community Grant Projects. The Authority may, through a service provider, provide application assistance and administrative support to potential Applicants and/or successful Applicants for Eligible Forest Economy Community Grant Projects, as determined and approved by the Trustees.

A. **Grant Application Process**. From time to time, the Authority may determine to make technical assistance or planning grants available for Eligible Technical Assistance or Planning Grant Projects that are Eligible Forest Economy Community Grant Projects. At such times, the Authority shall ensure that notice of the availability of such grants is given to all potentially eligible Applicants within the state, as identified in the Sub-Grant Program Agreement. The Authority shall also ensure such potential Applicants are provided with the timeline for acceptance of applications, what must be submitted for an application, and such other information that the Trustees determine is appropriate. The notice and information may be provided by the Authority or by a service provider to the Authority.

B. **Grant Application Contents**. An Applicant shall submit an application complying with the requirements of this rule on forms developed by, or otherwise acceptable to, the Authority, with supporting information as required by this rule and additional information as requested by the Authority or its service provider. The following minimum information shall be required in the application, or in additional materials submitted by the Applicant or otherwise collected by the Authority or its service provider:

* 1. **Executive Summary**: Summary description of the project, work product, and desired outcome. Describe previous local level of reliance on the closed facility
  2. Statement of the amount of grant funding being applied for and matching funds, if any, to be received from the Sub-Grant Program or other sources.
  3. **Sources/Uses Chart**: A chart identifying each of the Sources of funds for the project; the sum total of these Sources; each of the Uses of funds for the project; the sum total of these Uses. Sources and Uses totals must match.
  4. Description of what State agencies and/or regional economic development organizations/resources and/or consultants would assist in providing technical assistance or the planning services.
  5. **Project Narrative**

i. Provide data/background demonstrating severe economic decline and employment loss, event/facility closure date, including but not limited to municipal tax revenues, residents formerly directly employed, residents and supply chain businesses that provided services to the site operators or employees.

ii. Describe lack of staff capacity and thus need to hire someone to provide technical assistance;

iii. Discuss need for grant assistance, likelihood of success, economic impact;

iv. Discuss work product and expected outcome (jobs, direct and indirect; tax revenues, private investment);

v. Discuss: existing facilities (on site and other, e.g. rail, ports, etc.), community support (letters), regional collaboration/consistency with regional plan, time frame for completion of redevelopment plan, regulatory restrictions on use;

* 1. **Collaboration / Committee Formation Plan**: Describe the nature and extent of community support for the project, as well as the plan for formation of Redevelopment Committee made up of local residents and owner of site to steer redevelopment plan. To the extent the committee is not in place at time of application, formation or identification of the committee will be required under the Grant Agreement required under Subsection (D) below, prior to grant funding, for successful grant applicants.
  2. **Contract**: Provide copies of all relevant private sector and/or government contracts or sample contracts related to the redevelopment, remediation, and/or marketing plan. To the extent not available at time of application, such materials will be required under the Grant Agreement required under Subsection (D) below, prior to grant funding, for successful grant applicants.
  3. **Budget**: Estimate of cost of the overall redevelopment project, qualified expenses (include future costs only), planning/technical staff, materials, travel, other resources including municipal and private funds, or other match, including in-kind match.

C. **Grant Application Selection**. The Authority shall review and score all of the applications, or ask a service provider to review and score all applications. Applicants may be asked to submit additional materials as part of the review process. Application scoring shall be based on a qualitative assessment and recommendation by the Authority’s service provider, based upon its review of the Application, additional due diligence, and relative comparison of the Project and the Application to other Projects and Applications for Program grants, as well as the total amount of available grant funds (from the Program and other sources) for the Project and other Eligible Projects. The assessment and recommendation shall consider the following factors:

1. Whether the project involves a nonproductive industrial or manufacturing sites located in communities that have experienced severe economic decline and employment loss due to the nonproductive nature of the site and insufficient technical or planning personnel or resources. Projects that meet this requirement will be given preference in the award of grants, but such preference shall not mean that all projects that meet this requirement will obtain full funding before others that do not have such preference receive any funding.
2. Potential impact of successful completion of redevelopment.
3. Alignment of intended post remedial use with available forest products market research.

The total number of grants awarded and total amount of each grant, as well as the aggregate amount of all grants, shall be subject to the discretion of the Authority. Grant applications may be awarded in the amount requested or in such lesser amount as the Authority may determine appropriate. All grant awards shall be made by the Authority following a vote at a regularly scheduled meeting of the Trustees.

D. **Grant Recipient Obligations**

Upon receipt of a technical assistance or planning grant, the Applicant shall execute an Agreement with the Authority that contains the following minimum terms, as well as any other terms determined reasonable or necessary by the Authority:

1. The Applicant will use the grant only for the purposes for which it was awarded.
2. The Applicant will repay the full amount of the grant to the Authority in the event of a material misrepresentation in the Grant Application, or in the event the grant is not used for the purposes for which it was awarded, or there is other material breach of Grant Agreement.
3. The Applicant shall form a Redevelopment Committee made up of local residents and site owner (or their representative) to steer redevelopment plan. This requirement may be met by designating an existing municipal committee in the case the municipality is the site owner, provided such committee meets the other requirements of this subparagraph.
4. The Applicant will provide periodic updates required by the Authority for monitoring purposes, which updates may include local Redevelopment Committee minutes and other data, and verification that grants have had the intended results

The Authority may require disbursement of the grant to be in parts over time upon completion of certain benchmarks.

To the extent not available at time of application, copies of contracts for third parties who may provide technical assistance or planning services may be required, prior to grant funding.

**SECTION 3B. IMPLEMENTATION GRANTS FOR PROJECTS THAT ARE ELIGIBLE FOREST ECONOMY COMMUNITY GRANT PROJECTS.**

The Authority may provide grants for Applicants with Eligible Implementation Grant Projectsthat are Eligible Forest Economy Community Grant Projects.

A. **Grant Application Process**

From time to time, the Authority may determine to make implementation grants available. At such times, the Authority shall ensure that notice of the availability of such grants is given to all potentially eligible Applicants within the state, as identified in the Sub-Grant Program Agreement. The Authority shall also ensure such potential Applicants are provided with the timeline for acceptance of applications, what must be submitted for an application, and such other information that the Trustees determine is appropriate. The notice and information may be provided by the Authority or by a service provider to the Authority.

B. **Grant Application Contents**. An Applicant shall submit an application complying with the requirements of this rule on forms developed by, or otherwise acceptable to, the Authority as may be specified with supporting information as required by this rule and additional information as requested by the Authority. The following minimum information shall be required in the application or in additional materials submitted by the Applicant or otherwise collected by the Authority or its service provide:

a. **Executive Summary**: Summary description of project; reason for application, work product, and desired outcome. Describe previous local level of reliance on the closed facility

1. Statement of the amount of grant funding being applied for and matching funds, if any, to be received from the Sub-Grant Program or other sources.
2. **Sources/Uses Chart**: A chart identifying each of the Sources of funds for the project; the sum total of these Sources; each of the Uses of funds for the project; the sum total of these Uses. Sources and Uses totals must match.
3. Description of what State agencies and/or regional economic development organizations/resources and/or consultants would assist in completion of project.
4. **Project Narrative**

i. Provide data/background demonstrating the project meets the requirements for an Eligible Implementation Grant Project, including information regarding the community’s severe economic decline and employment loss, the event/facility closure date, including but not limited to municipal tax revenues, residents formerly directly employed, residents and supply chain businesses that provided services to the site operators or employees.

ii. Discuss need for grant assistance, likelihood of success, economic impact;

iii. Discuss work product and expected outcome (jobs, direct and indirect; tax revenues, private investment);

iv. Discuss: existing facilities (on site and other, e.g. rail, ports, etc.), community support (letters), regional collaboration/consistency with regional plan, time frame for completion of redevelopment plan, regulatory restrictions on use;

1. **Collaboration / Committee Formation**: Describe the nature and extent of community support for the project, including, if applicable, the involvement of a Redevelopment Committee made up of local residents and owner of site to steer redevelopment plan.
2. **Contract**: Provide copies of all relevant private sector and/or government contracts or sample contracts related to the redevelopment, remediation, and/or marketing plan. To the extent not available at time of application, such materials may be required under the Grant Agreement required under Subsection (D) below, prior to grant funding, for successful grant applicants.
3. **Budget**: Estimated overall cost of the redevelopment project, qualified expenses (include future costs only), planning/technical staff, materials, travel, other resources including municipal and private funds, or other match, including in-kind match.
4. Relationship to Regional Economic Development Plan, if any.

C. **Grant Application Selection**. The Authority shall review and score all of the applications, or ask a service provider to review and score all applications. Applicants may be asked to submit additional materials as part of the review process. Application scoring shall be based upon a qualitative assessment and recommendation by the Authority’s service provider, based upon its review of the Application, additional due diligence, and relative comparison of the Project and the Application to other Projects and Applications for Program grants, as well as the total amount of available grant funds (from the Program and other sources) for the Project and other Eligible Projects. The assessment and recommendation shall consider the following factors:

1. Strength of plan for redevelopment and marketing of site.
2. Demonstrated community support
3. Likelihood of ultimate completion of redevelopment of site.
4. Potential impact of completion of redevelopment of site
5. Consistency with any applicable regional economic development plan
6. Alignment of intended post remedial use with available forest products market research.

Higher scoring applications will be given preference for grant awards, but such preference shall not mean that all projects with preference will be fully funded before those with lower preference receive any funding.

The total number of grants awarded and total amount of each grant, as well as the aggregate amount of all grants, shall be subject to the discretion of the Authority. Grant applications may be awarded in the amount requested or in such lesser amount as the Authority may determine appropriate. All grant awards shall be made by the Authority following a vote at a regularly scheduled meeting of the Trustees.

D. **Grant Recipient Obligations**

Upon receipt of an implementation grant, the Applicant shall execute an Agreement with the Authority that contains the following minimum terms, as well as any other terms determined reasonable or necessary by the Authority:

1. The Applicant will use the grant only for the purposes for which it was awarded.
2. The Applicant will repay the full amount of the grant to the Authority in the event of a material misrepresentation in the Grant Application, or in the event the grant is not used for the purposes for which it was awarded, or there is other material breach of Grant Agreement.
3. The Applicant will provide periodic updates required by the Authority for monitoring purposes, which updates may include verification that grants have had the intended results.

The Authority may require disbursement of the grant to be in parts over time upon completion of certain benchmarks.

**SECTION 4. PROGRAM ADMINISTRATION**

A. Operating expenses of the Authority for administration of the Program must be charged to the Program and all repayments of financial assistance must be credited to the Program. Expenses of the Authority that arise out of financial assistance to Municipalities and Applicants under the Program may be charged to the Fund.

B. In order to protect the integrity of the Program, the Authority may charge Applicants such administration, servicing and document preparation fees as the Authority deems reasonable.

1. The Authority may contract with a service provider to assist with certain aspects of Program Administration, the cost of which shall be considered operating expenses as referenced in subparagraph A above.

**SECTION 5. GRANT POWERS AND AGGREGATE LIMITS**

The Authority may not, pursuant to the Program, make any commitment to a grant with respect to a Project prior to the effective date of an act permitting the Authority to do so. In no event shall the Authority make aggregate grants under the Program for more than $600,000 for projects other than Eligible Forest Community Projects, or more than an amount equal to $650,000, less any service provider expenses for Program Administration related to Eligible Forest Community Projects, for grants for projects that are Eligible Forest Community Projects, but the Trustees may set whatever lower aggregate limits that they determine to be prudent, and nothing herein shall compel the Authority to provide any grants.

**SECTION 6. WAIVER OF RULE**

The Authority may waive any requirement of this rule, except to the extent that the requirement is mandated by the Act, or required by state, federal or municipal laws or in cases where deviation from the rule is insubstantial. Waiver of any requirement of the rule must be made prior to the execution of a financial assistance commitment.

STATUTORY AUTHORITY:

5 M.R.S. §§ 13120-L, 13120-R

EFFECTIVE DATE:

May 9, 2018 - filing 2018-078

June 7, 2020 – Amendment 1, filing 2020-132