

***Commonwealth of Virginia
Tobacco Region Revitalization Commission***

FY2023 Southwest Virginia Program

Special Round – Meat Processing

GUIDELINES & REQUEST FOR PROPOSALS

Application Due Date:
Thursday, June 1, 2023



Tobacco Region Revitalization Commission
FY2023 Southwest Virginia Program
Second Round

GUIDELINES & REQUEST FOR PROPOSALS

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I. GENERAL PROGRAM INFORMATION

A. Purpose & Background

The Tobacco Region Revitalization Commission (“TRRC” or “Commission”) was established by the Virginia General Assembly in 1999, as a political subdivision of the Commonwealth. The Commission makes investments to revitalize and diversify the economy of the region it supports. Projects selected for funding include initiatives that will measurably advance the Commission’s priorities as a direct result of project success.

The Southwest Virginia Program’s Guidelines and Request for Proposals (together, “RFP”) are issued to solicit applications through a competitive process in order to establish grant and loan agreements for projects which result in the establishment of USDA certified, commercial meat processing facilities in the region. Funding will be considered for projects located within the Southwest Virginia area of Virginia’s Tobacco Region. Refer to *Attachment B - Eligible Counties & Cities for Tobacco Commission Funding* on page 23 of this RFP.

Approximately \$2.5 million is available for awards from the Southwest Virginia Program. The application deadline is **Thursday, June 1, 2023**. Award decisions are expected to be made at the Commission’s meeting in fall 2023.

B. Eligibility – Eligible Applicants, Matching Funds, Uses of Funding

Eligible Applicants

Applications will only be accepted from governmental entities and non-profit organizations located in and/or providing economic revitalization programs, services, or facilities in the Tobacco Region. Eligible applicants including the following:

- Governmental Entities - Governmental entities within the Tobacco Region, including towns, cities, and counties; local or regional industrial or economic development authorities; regional authorities, and other governmental units.
- Non-Profit Organizations - Incorporated non-profit organizations designated as tax-exempt by the federal Internal Revenue Service.

Guidelines for applications submitted by regional partnerships and for projects benefiting for-profit entities, are in Section III of the Commission’s Funding Policies which is referenced below.

Ineligible / Eligible Uses of Funding

The Commission’s [Funding Policies for Grant Awards: Information for Applicants & Grantees \(Revised June 2020\)](#) (“Funding Policies”) contain information on general ineligible uses of funds, specific type of expenses not eligible for reimbursement, acceptable expense documentation for seeking reimbursement, match documentation requirements, and other important details about the Commission’s grant administration policies.

Matching Funds

As required by the Code of Virginia, all requests for grant funds require at least dollar-for-dollar (1:1) matching funds, with no more than 25% of the match requirement from “in-kind” sources. Loan requests do not have a match requirement. *Expenses already included in an annual budget such as personnel and other operating costs will count toward the 25% In-Kind limit.*

Applicants for grant awards must submit details on the nature, source and timing of match contributions necessary for meeting the 1:1 match requirement. Once secured, matching funds must be committed to the project and available as needed, and must not be conditioned or encumbered in any way that may preclude their use for the project during the grant period. Applicants should provide a commitment letter or equivalent document signed by an authorized representative of the organization providing matching funds to document each source of match.

If the Commission awards a grant to an applicant who has not secured acceptable matching funds at the time of award, the applicant will have up to 12 months from the date of the award to secure matching funds or else the Commission may rescind the award and de-obligate its funds.

Coordination with AFID Grant Programs

Applicants are strongly encouraged to explore all appropriate federal and state funding sources in order to meet the match requirement and to ensure project success. Applicants are especially encouraged to seek support from the Governor’s Agriculture and Forestry Industries Development (AFID) Fund, administered by the Virginia Department of Agriculture and Consumer Services (VDACS) operates. Two programs, the AFID Facility and AFID Infrastructure Grants Programs, offer local governments matching funds to support new and expanding meat processing facilities. Information on these AFID programs can found at vdacs.virginia.gov/agribusiness. Please contact VDACS staff for more information.

This special round of TRRC funding is intended to supplement, not replace, AFID’s role in supporting the development of value-added processing facilities. Priority will be given to projects which include support from an AFID program.

C. Application and Submission Information

Proposals must be submitted by midnight on **Thursday, June 1, 2023**, through the Commission’s online application portal: https://vtc.smartsimple.com/s_Login.jsp.

Applicants must select the **Agribusiness** application. In addition to text fields of the application, up to 10 pages of additional project description may be submitted as an attachment.

Applicants must certify they have read this RFP and the Commission’s Funding Policies; that the information in their applications is true and correct; and that documentation for any claims and representations made can be made available upon request from Commission staff. The certification must be made by an authorized representative of the applicant organization.

All information expressly required by this RFP must be included. Proposals which are substantially incomplete, or lack key information, will be considered nonresponsive. These proposals will be declined for review and will not be presented to the committee.

D. Evaluation

The Commission's Southwest Virginia Committee will evaluate applications submitted in response to this RFP. Staff recommendations to the Committee will be based upon requirements in this RFP and the Evaluation Scoring Criteria provided in Attachment A. Approval of funding is at the sole discretion of the Commission. The Commission reserves its right to cancel this RFP, to not proceed with any or all applications, to condition its award on additional terms and conditions, or to award a loan to an applicant who sought a grant.

E. TRRC Staff Contact Information

TRRC staff are available to assist with applications. For technical assistance with logging in or setting up an account with the Commission's online grants portal, please contact:

- Suzette Patterson, Grants System Manager (Richmond, VA)
(804) 894-9662, spatterson@revitalizeva.org

To obtain feedback prior to submitting a full application, eligible organizations are strongly encouraged to complete the pre-application form available on the Commission's website. The pre-application is an optional, non-binding process that is used for providing informal feedback. Contact TRRC's grants staff for assistance with project design or to discuss a pre-application:

- Sara Williams, Southwest Regional Director (Abingdon, VA)
(276) 619-4235, swilliams@revitalizeva.org
- Vicki Humphreys, Grant Programs Director (Richmond, VA)
(804) 894-9658, vhumphreys@revitalizeva.org

II. Program Objectives

The Commission will consider awarding grants for agribusiness projects that create or expand market opportunities for regional producers and that result in a quantifiable increase in net farm income. The special funding round is focused on the establishment of commercial meat processing operations in the SWVA Tobacco region. Operations must be USDA certified.

Priority will be given to regional facilities serving or benefiting multiple producers in more than one locality. Investments will support increasing sales of agricultural meat products from the region. Projects must clearly demonstrate the identified need or opportunity for a new or expanding market that brings economic value to the region.

Applicants will use the ***Agribusiness application*** and select the ***Commercial Agriculture Processing*** investment strategy:

Private Ownership:

- Grants for Capital Projects - Grant requests for up to 25% of the total capital costs to support the establishment of value-added processing facilities operated by a for-profit business whose primary function involves the production, processing, or marketing of agricultural products. ***Applications must be sponsored by an eligible applicant.*** The Commission's funding will require a performance agreement under which the company will be required to repay grant funds if it does not meet certain performance targets.

Applications submitted on behalf of a for profit entity should refer to Section III of the Commission's Funding Policies. [Funding Policies for Grant Awards: Information for Applicants & Grantees \(Revised June 2020\)](#) ("Funding Policies")

Public or Non-Profit Ownership:

- Grants for Capital Projects - Value-added facilities owned by a government entity or a non-profit organization may apply for grants of up to 50% of total capital costs.
- Grants for Start-Up Operations - Governmental entities and non-profit organizations may request grant support for start-up operating costs associated with new or expanding value-added processing and aggregation facilities. Applicants must provide a sound operating plan that shows decreasing reliance on Commission funds.

Loans

Applicants may apply for low-interest financing assistance to support capital costs for start-up or expansion of a value-added processing facilities benefiting Tobacco Region producers regardless of public or private ownership. Please contact TRRC staff for information about loan support.

Requirements

In addition to any required information specified above, all proposals must demonstrate the following:

- Benefit agriculture producers from Tobacco Region localities,
- Have a clearly identified market opportunity,
- Encourage private capital investment in farm operations or agribusiness facilities, and
- Will result in measurable increases to net farm income.

All applications will require the following information (refer to the **Required Documents** section of this RFP):

- Service Area and Project Location Map
- Feasibility Study or similar analysis *(required for publically owned value-added facilities)*
- Business Plan or Operating Plan
- Operating Budget and Pro Forma *(required with Business Plan or Operating Plan)*
- Cost Estimate from Engineer or Construction Contractor
- Detailed Equipment List and Equipment Quote *(required for equipment purchases)*
- Marketing Plan *(if not included in Business Plan)*
- Operating Agreements *(required for public-private partnerships)*

Outputs / Metrics – Agribusiness

Applicants must identify the outputs that are expected to result from the project and explain how the projections were calculated. Following are examples of Agribusiness output metrics:

- Number of agricultural producers benefitting
- Total dollar value of Tobacco Region agricultural products to be used annually
- Increase in annual sales revenue for value-added agriculture products
- Average (per farm), and aggregate annual increase to net farm income
- Sales revenue for value-added agriculture products resulting from the project
- Number of new jobs created by new or expanding agriculture based business
- Increase in taxable private capital investment

These are the typical project metrics for estimating outputs of agribusiness projects. Applicants are expected to identify the project outputs that are most applicable to their project.

III. REQUIRED DOCUMENTS

Depending on the nature of the project, applicants may be required to submit several other documents so the Commission and its staff are fully informed about all pertinent aspects of the project. As these will vary by project type, this list is not exhaustive and applicants should submit any other documents they believe will assist during the review process.

- A. Service Area and Project Location Map** – Maps of the project’s service area should be provided for projects where more than one specific area is served.
- B. Line Item Detailed Budget** - All requests must include a line item detailed budget with supporting details on proposed project costs, including how Commission resources and matching funds will be used. A template available in the online application may be used to provide this information. Other line item detail formats will be accepted provided they contain all pertinent information.
- C. Cost Estimate from Engineer or Construction Contractor** – Requests for construction expenses must provide a current written cost estimate from a licensed architect, engineer or contractor, as appropriate for the project. In addition, applicants must provide additional supporting documents including preliminary engineering reports, other relevant A&E documents, building plans, etc. with the application.
- D. Detailed Equipment List and Equipment Quotes** – Requests for the purchase of equipment, must provide a detailed equipment list and quotes from product vendors.
- E. Business Plan or Operating Plan** - A Business Plan or Operating Plan that describes the operational requirements for the project and how those requirements will be met should be submitted, if applicable.
- F. Operating Budget and Pro Forma** - All requests for projects that will have ongoing operating costs must demonstrate how operation of the new or expanded program or facility is expected to be sustained beyond a start-up period of no more than three years. An operating budget or pro forma with revenues and expenses must be provided showing projections for how the program/facilities will be supported.
- G. Feasibility Study** - A feasibility study or similar analysis that demonstrates that the proposed business concept is technically and economically feasible should be submitted, if applicable. This analysis evaluates the practicality and viability of an idea and should answer the question “should we proceed with the proposed project idea”.
- H. Marketing Plan** - A marketing plan to describe the project’s target market and the plan to capture that market must be described in the application, if applicable.
- I. Performance Agreements** – Provide terms for private sector performance agreements.

- J. **Operating Agreements** - Agreements (Memoranda of Understanding, contracts, or similar documents) between project partners are required whenever there are multiple beneficiaries of the project.
- K. **Letters of Support** - Applicants are encouraged to provide letters from project partners, beneficiaries and others that demonstrate the commitment of resources to the project or document demand for the project. ***Redundant form letters of support are discouraged and do not add value to an application.***

IV. REQUIREMENTS OF FUNDING

A. Award Information

It is anticipated that the Commission will approve multiple award as a result of this RFP. After the Commission makes award decisions, grant agreements will be issued for the amounts and with any conditions as approved by the Commission.

The Commission will typically use its standard restricted or unrestricted grant agreements for selected projects. All grantees are required to follow the Commission's Funding Policies as a condition of the award. The standard grant agreement and the Funding Policies are available on the Commission's webpage. The Commission reserves the right to update its standard grant agreement and Funding Policies at any time.

B. Payment of Grant Funds

Payment of grant funds will be subject to the terms of the grant agreement and will be disbursed on a reimbursement basis. Expenses incurred prior to the award date are not eligible for reimbursement. The standard reimbursement period is quarterly, unless otherwise agreed to by Commission staff. The grantee is required to provide appropriate documentation of the expenditures and use of required matching funds for the project. The Commission's Funding Policies contain additional information that applicants should review closely.

C. Reporting

Grantees must provide annual reports on the financial and quantitative progress made toward completion of the project's milestones and outputs and provide a narrative discussion of progress. A final report including a narrative on the success of the project, attainment of proposed outputs, and a description of the long-term expectations and achievements for the project is required at the close of the project. The Commission will not process the final payment request until all the grantee has satisfied all reporting requirements.

Additionally, grantees must provide any additional or interim reporting information the Commission may request to ensure the provisions of the grant agreement are properly carried out, administered and enforced.

D. Assets

As a condition of awarding a grant, the Commission will have a claim to all property and assets in which Commission grant funds were invested and the Commission must approve any conveyances of such property and assets. This applies to investments in real property, intellectual property, and equipment purchases greater than \$5,000. The details of these requirements are included in the grant agreement and the Commission's Funding Policies.

V. ATTACHMENTS

- Attachment A – Evaluation Criteria
- Attachment B – Tobacco Region Map of Eligible Localities

**TRRC's Southwest and Southern Virginia
Regional Economic Development Program - Evaluation Criteria**

OVERALL PROJECT EVALUATION (70 POINTS)

Projects will be evaluated in each area listed below for a total of 70 points for overall evaluation.

Assessment of Need & Eligibility (15 points)

Problem / Need - Clearly Identified problem or need to be addressed. (5)

Assessment of Need & Planning - Significance and strategic fit of project to the community, as demonstrated by assessment of need or opportunity, and evidence of stakeholder input and support in project design. (5)

TRRC Priority - Fit with the Tobacco Region Revitalization Commission's mission, Strategic Plan, investment categories and funding priorities. (5)

Methodology & Project Feasibility (25 points)

Methodology - Logical and feasible approach to addressing objective and meeting investment metrics/output deliverable objectives that will benefit economic revitalization in the region. (10)

Timeline & Milestones - Project describes how objectives will be achieved under a realistic work plan. Progress steps and estimated dates for completion provided. (5)

Project Team - Experience and demonstrated expertise of project team for accomplishing objectives. (5)

Feasibility - Focus of project planning, and feasibility to accomplish direct outcomes benefiting economic revitalization in the Tobacco Region. (5)

Project Budget and Match (15 points)

Budget Detail - Budget is reasonable, realistic and cost-effective. Planned use of funds supported by a budget narrative, and with quotes and estimates. (5)

Match - Leveraging of non-TRRC resources is evident with appropriate sources and amounts of cash commitments and other funding, and in-kind match contributions identified. (5)

Additional Match - Leveraging of non-TRRC resources exceeds minimum 1:1 requirement. (5)

Sustainability for Long-Term Success (15 points)

Sustainability - Demonstrated financial plans with cash-flow analysis and pro-forma budgets. Clear plan for financial sustainability and ability to maintain effort beyond the term of grant funding. (10)

Long Term Impact on Region & Communities - Regional cooperation and financial collaboration. Likelihood for benefits of the project to accrue regionally and/or serve as a model for other communities. (5)

INVESTMENT OUTCOMES RESULTING FROM OUTPUT METRICS & DELIVERABLES (30 POINTS)

Each project will be scored up to 30 points, under the relevant Investment Category below:

A. AGRIBUSINESS

Ability to create agribusiness opportunities and to increase net farm income, with an emphasis on systemic or collective benefit. Evidence of producer interest and market opportunity.

B. BUSINESS DEVELOPMENT

Ability to recruit or expand business development opportunities, thereby leading to an increase in jobs, incomes, and revenues in the region.

C. INDUSTRIAL SITES & INFRASTRUCTURE

Addresses critical needs to improve economic competitiveness of the region and to result in long-term job creation and private capital investment.

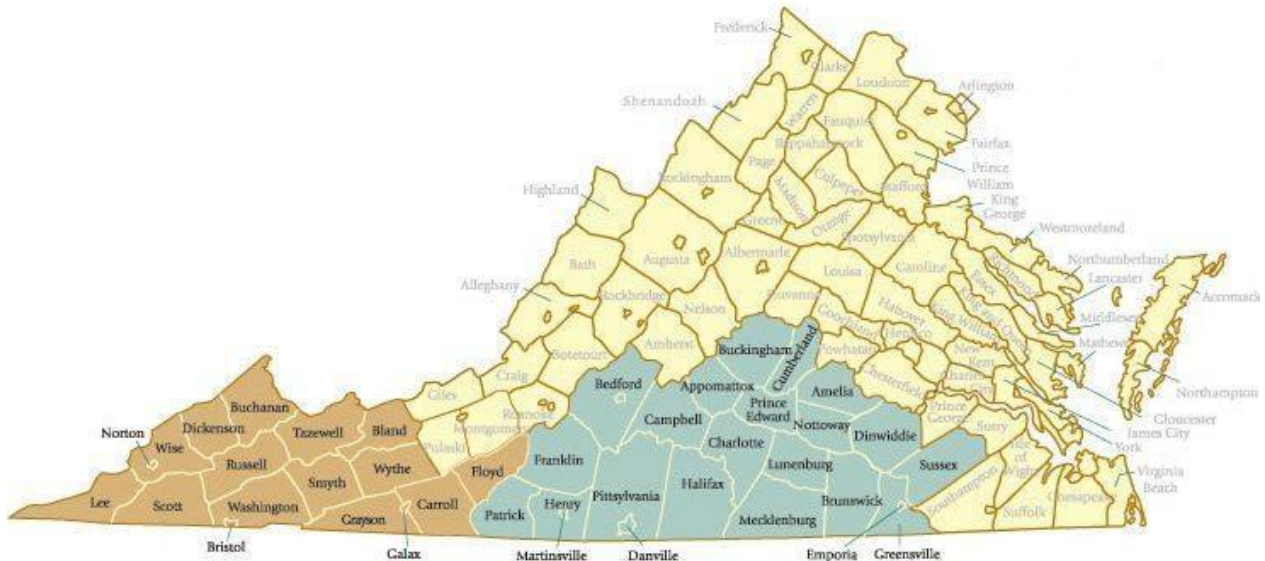
D. TOURISM

Ability to significantly and directly, increase number of visitors from outside the region and beyond the Commonwealth; and with the increase in tourist and visitors to increase visitor spending in the region.

Total Score = Overall Project Evaluation plus Investment Outcomes = ≤ 100 Points

Counties & Cities Eligible for Tobacco Commission Funding

The service area for the Virginia Tobacco Region Revitalization Commission includes 40-tobacco-dependent localities in the Southern and Southwest areas of Virginia. Eligible applicants serving these localities are eligible to apply to the Commission's grant programs for projects that will enhance the economic growth and development of the region.



SOUTHWEST AREA

Counties:

Bland
Buchanan
Carroll
Dickenson
Floyd
Grayson
Lee
Russell
Scott
Smyth
Sussex
Tazewell
Washington
Wise
Wythe

Cities:

Bristol
Galax
Norton

SOUTHERN AREA

Counties:

Amelia
Appomattox
Bedford
Brunswick
Buckingham
Campbell
Charlotte
Cumberland
Dinwiddie
Franklin
Greensville

Halifax
Henry
Lunenburg
Mecklenburg
Nottoway
Patrick
Pittsylvania
Prince Edward

Cities

Danville
Emporia
Martinsville