

have the opportunity to address the Council at those sessions.

Dated: February 28, 2005.

**Patricia M. O'Connor,**

*District Ranger, Yakutat Ranger District,  
Tongass National Forest.*

[FR Doc. 05-4304 Filed 3-4-05; 8:45 am]

**BILLING CODE 3401-11-M**

## DEPARTMENT OF AGRICULTURE

### Rural Business-Cooperative Service

#### Notice of Request for Extension of a Currently Approved Information Collection

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Proposed collection; comments requested.

**SUMMARY:** In accordance with the Paperwork Reduction Act of 1995, this notice announces the Rural Business-Cooperative Service's (RBS) intention to request an extension of a currently approved information collection in support of the program for "Rural Development Loan Servicing."

**DATES:** Comments on this notice must be received by May 6, 2005 to be assured of consideration.

**FOR FURTHER INFORMATION CONTACT:** Mel Padgett, Rural Business-Cooperative Service, USDA, Stop 3225, 1400 Independence Ave., SW., Washington, DC 20250-3225, Telephone: (202) 720-1495.

#### SUPPLEMENTARY INFORMATION:

*Title:* Rural Development Loan Servicing.

*OMB Number:* 0570-0015.

*Expiration Date of Approval:* June 30, 2005.

*Type of Request:* Extension of a currently approved information collection.

*Abstract:* This regulation is for servicing and liquidating loans made by the RBS, under the Intermediary Relending Program (IRP) to eligible IRP intermediaries and applies to ultimate recipients and other involved parties. This regulation is also for servicing the existing Rural Development Loan Fund (RDLF) loans previously approved and administered by the U.S. Department of Health and Human Services (HHS) under 45 CFR part 1076. The objective of the IRP is to improve community facilities and employment opportunities and increase economic activity in rural areas by financing business facilities and community development. This purpose is achieved through loans made by RBS to intermediaries that establish programs for the purpose of providing

loans to ultimate recipients for business facilities and community development. The regulations contain various requirements for information from the intermediaries and some requirements may cause the intermediary to require information from ultimate recipients. The information requested is vital to RBS for prudent loan servicing, credit decisions and reasonable program monitoring. The provisions of this subpart supersede conflicting provisions of any other subpart.

*Estimate of Burden:* Public reporting burden for this collection of information is estimated to average 3 hours per response.

*Respondents:* Non-profit corporations, public agencies, and cooperatives.

*Estimated number of Respondents:* 420.

*Estimated number of responses per respondent:* 10.

*Estimated total annual burden on respondents:* 11,235 hours.

Copies of this information collection can be obtained from Renita Bolden, Regulations and Paperwork Management Branch, at (202) 692-0035.

#### Comments

*Comments are invited on:* (a) Whether the proposed collection of information is necessary for the proper performance of the functions of RBS, including whether the information will have practical utility; (b) the accuracy of RBS estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Comments may be sent to Renita Bolden, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, Rural Development, STOP 0742, 1400 Independence Ave., SW., Washington, DC 20250-0742. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Dated: February 23, 2005.

**Peter J. Thomas,**

*Administrator, Rural Business-Cooperative Service.*

[FR Doc. 05-4309 Filed 3-4-05; 8:45 am]

**BILLING CODE 3410-XY-P**

## DEPARTMENT OF AGRICULTURE

### Rural Business-Cooperative Service

#### Announcement of Value-Added Producer Grant Application Deadlines and Funding Levels

**AGENCY:** Rural Business-Cooperative Service, USDA.

**ACTION:** Notice of solicitation of applications.

**SUMMARY:** The Rural Business-Cooperative Service (RBS) announces the availability of approximately \$14.3 million in competitive grant funds for fiscal year (FY) 2005 to help independent agricultural producers enter into value-added activities. RBS hereby requests proposals from eligible independent producers, agricultural producer groups, farmer or rancher cooperatives, and majority-controlled producer-based business ventures interested in a competitively-awarded grant to fund one of the following two activities: (1) Planning activities needed to establish a viable value-added marketing opportunity for an agricultural product (e.g. conduct a feasibility study, develop a business plan, develop a marketing plan); or (2) acquire working capital to operate a value-added business venture that will allow producers to better compete in domestic and international markets. In order to provide program benefits to as many eligible applicants as possible, applications can only be for one or the other of these two activities, but not both. The maximum award per grant is \$100,000 for planning grants and \$150,000 for working capital grants and matching funds are required.

**DATES:** You may submit completed applications for grants on paper or electronically by 4 p.m. Eastern time on May 6, 2005.

**ADDRESSES:** You may obtain application guides and materials for a Value-Added Producer Grant at the following Internet address: <http://www.rurdev.usda.gov/rbs/coops/vadg.htm> or by contacting the Agency Contact for your state listed in Section VII of this notice.

Submit final paper applications via the postal service for a grant to Cooperative Services, Attn: VAPG Program, Mail Stop 3250, 1400 Independence Ave., SW., Washington, DC 20250-3250. Submit final paper applications via UPS or Federal Express for a grant to Cooperative Services, Attn: VAPG Program, Room 4016, 1400 Independence Ave., SW., Washington, DC 20250. The phone number that should be used for FedEx packages is (202) 720-7558.

Submit electronic grant applications using <http://www.grants.gov>.

**FOR FURTHER INFORMATION CONTACT:** The Agency Contact for your state is listed in Section VII of this notice or visit the program Web site at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. The program Web site contains application guidance, including a Frequently Asked Questions section and an application outline.

**SUPPLEMENTARY INFORMATION:**

**Overview**

*Federal Agency:* Rural Business-Cooperative Service (RBS).

*Funding Opportunity Title:* Value-Added Producer Grants.

*Announcement Type:* Initial announcement.

*Catalog of Federal Domestic Assistance Number:* 10.352.

*Dates: Application Deadline:* Final applications must be received on or before 4 p.m. Eastern time on May 6, 2005. Draft applications must be received by 4 p.m. local time on April 22, 2005.

**I. Funding Opportunity Description**

This solicitation is issued pursuant to section 231 of the Agriculture Risk Protection Act of 2000 (Pub. L. 106–224) as amended by section 6401 of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107–171) authorizing the establishment of the Value-Added Agricultural Product Market Development grants, also known as Value-Added Producer Grants (VAPG). The Secretary of Agriculture has delegated the program's administration to USDA's Rural Business-Cooperative Service.

The primary objective of this grant program is to help eligible independent producers of agricultural commodities, agricultural producer groups, farmer and rancher cooperatives, and majority-controlled producer-based business ventures develop strategies to create marketing opportunities and to help develop business plans for viable marketing opportunities. Eligible agricultural producer groups, farmer and rancher cooperatives, and majority-controlled producer-based business ventures must limit their proposals to emerging markets. These grants will facilitate greater participation in emerging markets and new markets for value-added products. Grants will only be awarded if projects or ventures are determined to be economically viable and sustainable. No more than 10 percent of program funds can go to applicants that are majority-controlled producer-based business ventures.

*Definitions*

*Agency*—Rural Business-Cooperative Service (RBS), an agency of the United States Department of Agriculture (USDA), or a successor agency.

*Agricultural Producer*—Persons or entities, including farmers, ranchers, loggers, agricultural harvesters and fishermen, that engage in the production or harvesting of an agricultural product. Producers may or may not own the land or other production resources, but must have majority ownership interest in the agricultural product to which Value-Added is to accrue as a result of the project. Examples of agricultural producers include: A logger who has a majority interest in the logs harvested that are then converted to boards, a fisherman that has a majority interest in the fish caught that are then smoked, a wild herb gatherer that has a majority interest in the gathered herbs that are then converted into essential oils, a cattle feeder that has a majority interest in the cattle that are fed, slaughtered and sold as boxed beef, and a corn grower that has a majority interest in the corn produced that is then converted into corn meal.

*Agriculture Producer Group*—An organization that represents Independent Producers, whose mission includes working on behalf of Independent Producers and the majority of whose membership and board of directors is comprised of Independent Producers.

*Agricultural Product*—Plant and animal products and their by-products to include forestry products, fish and other seafood products.

*Applicant*—An entity or individual applying for a VAPG that has a unique Employer Identification Number (EIN).

*Cooperative Services*—The office within RBS, and its successor organization, that administers programs authorized by the Cooperative Marketing Act of 1926 (7 U.S.C. 451 *et seq.*) and such other programs so identified in USDA regulations.

*Economic development*—The economic growth of an area as evidenced by increase in total income, employment opportunities, decreased out-migration of population, increased value of production, increased diversification of industry, higher labor force participation rates, increased duration of employment, higher wage levels, or gains in other measurements of economic activity, such as land values.

*Emerging Market*—A new or developing market for the applicant, which the applicant has not traditionally supplied.

*Farm*—Any place from which \$1,000 or more of agricultural products (crops and livestock) were sold or normally would have been sold during the year under consideration.

*Farmer or Rancher Cooperative*—A farmer or rancher-owned and controlled business from which benefits are derived and distributed equitably on the basis of use by each of the farmer or rancher owners.

*Fixed equipment*—Tangible personal property used in trade or business that would ordinarily be subject to depreciation under the Internal Revenue Code, including processing equipment, but not including property for equipping and furnishing offices such as computers, office equipment, desks or file cabinets.

*Independent Producers*—Agricultural producers, individuals or entities (including for profit and not for profit corporations (excluding Farmer or Rancher Cooperatives), LLCs, partnerships or LLPs), where the entities are solely owned or controlled by Agricultural Producers who own a majority ownership interest in the agricultural product that is produced. An independent producer can also be a steering committee composed of independent producers in the process of organizing an association to operate a Value-Added venture that will be owned and controlled by the independent producers supplying the agricultural product to the market. Independent Producers must produce and own the agricultural product to which value is being added. Producers who produce the agricultural product under contract for another entity but do not own the product produced are not independent producers.

*Majority-Controlled Producer-Based Business Venture*—A venture where more than 50% of the ownership and control is held by Independent Producers, or, partnerships, LLCs, LLPs, corporations or cooperatives that are themselves 100 percent owned and controlled by Independent Producers.

*Matching Funds*—Cash or confirmed funding commitments from non-Federal sources unless otherwise provided by law. Matching funds must be at least equal to the grant amount. In-kind contributions that conform to the provisions of 7 CFR 3015.50 and 7 CFR 3019.23, as applicable, can be used as matching funds. Examples of in-kind contributions include volunteer services furnished by professional and technical personnel, donated supplies and equipment, and donated office space. Matching funds must be provided in advance of grant funding, such that for every dollar of grant that is advanced,

not less than an equal amount of matching funds shall have been funded prior to submitting the request for reimbursement. Matching funds are subject to the same use restrictions as grant funds. Funds used for an ineligible purpose will not be considered matching funds.

*National Office*—USDA RBS headquarters in Washington, DC.

*Nonprofit institution*—Any organization or institution, including an accredited institution of higher education, where no part of the net earnings of which may inure, to the benefit of any private shareholder or individual.

*Planning Grants*—Grants to facilitate the development of a defined program of economic activities to determine the viability of a potential Value-Added venture, including feasibility studies, marketing strategies, business plans and legal evaluations.

*Product segregation*—Physical separation of a product or commodity from similar products. Physical separation requires a barrier to prevent mixing with the similar product.

*Public body*—Any state, county, city, township, incorporated town or village, borough, authority, district, economic development authority, or Indian tribe on federal or state reservations or other federally recognized Indian tribe in rural areas.

*Rural and rural area*—Includes all the territory of a state that is not within the outer boundary of any city or town having a population of 50,000 or more and the urbanized area contiguous and adjacent to such city or town, as defined by the U.S. Bureau of the Census using the latest decennial census of the United States.

*Rural Development*—A mission area within the USDA consisting of the Office of Under Secretary for Rural Development, Office of Community Development, Rural Business-Cooperative Service, Rural Housing Service and Rural Utilities Service and their successors.

*State*—Includes each of the several States, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and, as may be determined by the Secretary to be feasible, appropriate and lawful, the Freely Associated States and the Federated States of Micronesia.

*State Office*—USDA Rural Development offices located in most states.

*Total Project Cost*—The sum of the amount of requested VAPG funds and the proposed matching funds.

*Value-Added*—The incremental value that is realized by the producer from an agricultural commodity or product as the result of:

- (1) A change in its physical state,
- (2) Differentiated production or marketing, as demonstrated in a business plan, or
- (3) Product segregation. Also,
- (4) The economic benefit realized from the production of farm or ranch-based renewable energy.

Incremental value may be realized by the producer as a result of either an increase in value to buyers or the expansion of the overall market for the product. Examples include milling wheat into flour, slaughtering livestock or poultry, making strawberries into jam, the marketing of organic products, an identity-preserved marketing system, wind or hydro power produced on land that is farmed and collecting and converting methane from animal waste to generate energy. Identity-preserved marketing systems include labeling that identifies how the product was produced and by whom.

*Working Capital Grants*—Grants to provide funds to operate ventures and pay the normal expenses of the venture that are eligible uses of grant funds.

## II. Award Information

*Type of Award:* Grant.

*Fiscal Year Funds:* FY 2005.

*Approximate Total Funding:* \$14.3 million.

*Approximate Number of Awards:* 117.

*Approximate Average Award:* \$125,000.

*Floor of Award Range:* None.

*Ceiling of Award Range:* \$100,000 for planning grants and \$150,000 for working capital grants.

*Anticipated Award Date:* September 30, 2005.

*Budget Period Length:* 12 months.

*Project Period Length:* 12 months.

## III. Eligibility Information

### A. Eligible Applicants

Applicants must be an independent producer, agricultural producer group, farmer or rancher cooperative, or majority-controlled producer-based business venture as defined in the "Definitions" section of this notice. If the applicant is an unincorporated group (steering committee), it must form a legal entity before the grant period can begin.

### B. Cost Sharing or Matching

Matching funds are required. Applicants must verify in their applications that matching funds are available for the time period of the

grant. Matching funds must be at least equal to the amount of grant funds requested. Unless provided by other authorizing legislation, other Federal grant funds cannot be used as matching funds. Matching funds must be spent at a rate equal to or greater than the rate at which grant funds are expended. Matching funds must be provided by either the applicant or by a third party in the form of cash or in-kind contributions. Matching funds must be spent on eligible expenses and must be from eligible sources if they are in-kind contributions.

### C. Other Eligibility Requirements

- **Product Eligibility:** The project proposed must involve a Value-Added product as defined in the "Definitions" section of this notice. Applicants should note that a project falling under the second definition of Value-Added must already have a business plan in place at the time of application. The applicant must reference this business plan in the application. Because of this requirement, it is unlikely that projects falling under the second definition of Value-Added will be eligible to apply for a planning grant. In order to be eligible under the farm or ranch-based renewable energy category, the project must include energy generated on-farm through the use of agricultural commodities, wind power, water power or solar power.

- **Activity Eligibility:** The project proposed must specify whether grant funds are requested for planning activities or for working capital. Applicants may not request funds for both types of activities in one application. Applications requesting funds for both planning activities and for working capital will not be considered for funding. Applicants other than independent producers applying for a working capital grant must demonstrate that the venture has not been in operation more than two years at the time of application.

- **Grant Period Eligibility:** Applications that have a timeframe of more than 365 days will be considered ineligible and will not be considered for funding. Applications that request funds for a time period ending after December 31, 2006, will not be considered for funding.

- Applications without sufficient information to determine eligibility will not be considered for funding.

- Applications that are non-responsive to the submission requirements detailed in Section IV of this notice will not be considered for funding.

- Applications that are missing any required elements (in whole or in part) will not be considered for funding.
- Applicants may submit more than one application, but in the event that more than one application for any applicant scores high enough to be funded, only the highest ranking application will be funded.
- Applicants who have already received a planning grant for the proposed project shall not receive another planning grant for the same project. Applicants who have already received a working capital grant for a project shall not receive any additional grants for that project. Applicants may receive a planning grant for a project in one funding cycle and receive a working capital grant for the same project in a subsequent funding cycle. Please note that the Agency penalizes an applicant who is applying for a planning grant when it has already received a planning grant or who is applying for a working capital grant when it has already received a working capital grant by deducting ten points from the applicant's score under criterion 10.
- Applicants may also receive one grant in any given funding year and be eligible to receive another grant in a subsequent funding year, subject to the above restrictions.
- If an applicant currently has a VAPG, the grant period for that grant must be scheduled to expire by December 31, 2005.

#### IV. Application and Submission Information

A. Address to Request Application Package: If you plan to apply using a paper application, you can obtain the application package for this funding opportunity at the following Internet address: <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. If you do not have access to the Internet, or if you have difficulty accessing the forms online, you may contact the representative listed for your state from the list in the "Agency Contacts" in Section VII. Application forms can be mailed to you. If you plan to apply electronically, you must visit <http://www.grants.gov> to obtain the correct forms.

B. Content and Form of Submission: You may submit your application in paper or in an electronic format. To view an application outline, please visit the program Web site at: <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. If you submit your application in paper form, you must submit a signed original and one copy of your complete application. The application must be in the following format:

- Font size: 12 point un-reduced.
- Paper size: 8.5 by 11 inches.
- Page margin size: 1 inch on the top, bottom, left, and right.
- Printed on only one side of each page.
- Held together only by rubber bands or metal or plastic clips; not bound in any other way.
- Language: English, avoid jargon.
- The submission must include all pages of the application.
- It is recommended that the application is in black and white, and not color. All paper applications will be scanned electronically for further review upon receipt by the Agency and the scanned images will all be in black and white. Those evaluating the application will only receive black and white images.

If you submit your application electronically, you must follow the instructions given at the Internet address: <http://www.grants.gov>. Applicants are advised to visit the site well in advance of the application deadline if they plan to apply electronically to insure that they have obtained the proper authentication and have sufficient computer resources to complete the application.

An application must contain all of the following elements. Any application that is missing any element or contains an incomplete element will not be considered for funding:

1. Form SF-424, "Application for Federal Assistance." In order for this form to be considered complete, it must contain the legal name of the applicant, the applicant's DUNS number, the applicant's complete mailing address, the name and telephone number of a contact person, the employer identification number, the start and end dates of the project, the federal funds requested, other funds that will be used as matching funds, an answer to the question, "Is applicant delinquent on any federal debt?", the name and signature of an authorized representative (if the signature is of anyone other than a stated owner of the proposed venture, the application should include a signed statement by either the owner(s) of the entity or the governing board stating that the signature is made by an authorized person), the telephone number of the authorized representative, and the date the form was signed. Other information requested on the form may be applicable, but the above-listed information is required for an application to be considered complete.

You are required to have a Dun and Bradstreet Data Universal Numbering System (DUNS) number to apply for a

grant from RBS. The DUNS number is a nine-digit identification number, which uniquely identifies business entities. Obtaining a DUNS number is easy and there is no charge. To obtain a DUNS number, access <http://www.dnb.com/us/> or call (866) 705-5711. For more information, see the VAPG Web site at: <http://www.rurdev.usda.gov/rbs/coops/vadg.htm> or contact the program representative in your state from the list in Section VII.

2. Form SF-424A, "Budget Information—Non-Construction Programs." In order for this form to be considered complete, the applicant must fill out Sections A, B, C, and D. The applicant must include both federal and matching funds.

3. Form SF-424B, "Assurances—Non-Construction Programs." In order for this form to be considered complete, the form must be signed by an authorized official (if the signature is of anyone other than a stated owner of the proposed venture, the application should include a signed statement by either the owner(s) of the entity or the governing body stating that the signature is made by an authorized person) and include the title, name of applicant, and date submitted.

4. Survey on Ensuring Equal Opportunity for Applicants. Submission of this form is voluntary for non-profit applicants only. For-profit applicants should not submit this form.

5. Title Page. The Title Page should include the title of the project as well as any other relevant identifying information. The length should not exceed one page.

6. Table of Contents. For ease of locating information, each proposal must contain a detailed Table of Contents (TOC) immediately following the Title Page. The TOC should include page numbers for each component of the proposal. Pagination should begin immediately following the TOC. In order for this element to be considered complete, the TOC should include page numbers for the Executive Summary, an Eligibility Discussion, the Proposal Narrative and its subcomponents (Project Title, Information Sheet, Goals of the Project, Work Plan, Performance Evaluation Criteria and Proposal Evaluation Criteria), Verification of Matching Funds and Certification of Matching Funds.

7. Executive Summary. A summary of the proposal, not to exceed one page, should briefly describe the project, including goals, tasks to be completed and other relevant information that provides a general overview of the project. In this section the applicant

must clearly state whether the proposal is for a planning grant or a working capital grant and the amount requested. In the event an applicant submits more than one page for this element, only the first page submitted will be considered.

8. Eligibility Discussion. A detailed discussion, not to exceed four (4) pages, describing how the applicant, project, and purpose meet the eligibility requirements. In the event that more than 4 pages are submitted, only the first 4 pages will be considered.

The applicant must first describe how it meets the definition of an independent producer, agricultural producer group, farmer or rancher cooperative, or a majority-controlled producer-based business venture as defined in the "Definitions" section of this funding announcement. The applicant must apply as only one type of applicant.

If the applicant is an independent producer, the proposal must demonstrate that the owners of the business applying own and produce more than 50 percent of the raw commodity that will be used for the value-added product. The applicant must also demonstrate that the product is owned by the producers from its raw commodity state through the production of the value-added product.

If the applicant is an agricultural producer group, it must identify the independent producers on whose behalf the work will be done. These producers must own and produce the commodity to which value will be added. Note that applicants tentatively selected for a grant award must verify that the work will be done on behalf of the Independent Producers identified in the application.

If the applicant is a farmer or rancher cooperative, the applicant must reference the business' standing as a cooperative in its state of incorporation. The applicant must also explain how the cooperative is 100 percent owned and controlled by Independent Producers. If a cooperative is not 100 percent owned and controlled by Independent Producers, it may still be eligible to apply as a Majority-Controlled Producer-Based Business Venture, provided it meets the definition in Section I. If the applicant is applying on behalf of only a portion of its membership, that portion must be identified. Note that applicants tentatively selected for a grant award must verify that the work will be done on behalf of the Independent Producers identified in the application.

If the applicant is a majority-controlled producer-based business venture, the proposal must state the

percentage of the venture owned by independent producers, or partnerships, LLCs, LLPs, corporations or cooperatives that are themselves 100 percent owned and controlled by Independent Producers (eligible producers). The percentage must be calculated by dividing the ownership interest of the eligible producers by the ownership interest of all owners. These eligible producers must own and produce the commodity to which value will be added. The applicant must also demonstrate that eligible producers have majority control over the business. Majority control must be demonstrated through voting rights on the governing body of the business venture. The majority of voting rights must belong to eligible producers who own and produce the commodity to which value will be added.

In addition, the applicant must describe all organizations that are involved in the project.

The applicant must next describe how the value-added product to be produced meets the definition of "Value-Added" as defined in the "Definitions" section of this funding announcement.

If the product meets the first definition, the application must explain the change in physical state or form of the product.

If the product meets the second definition, the proposal must explain how the production or marketing of the commodity enhances the value-added product's value. The enhancement of value should be quantified by using a comparison with value-added products produced or marketed in the standard manner. Also, a business plan that has been developed for the applicant for the project must be referenced.

If the product meets the third definition, the proposal must explain how the physical segregation of a commodity or product enhances its value. The enhancement of value should be quantified, if possible, by using a comparison with commodities marketed without segregation.

If the product meets the fourth definition, the proposal must explain how the renewable energy will be generated on a farm or ranch.

Finally, the applicant must describe how the project purpose is eligible for funding. The project purpose is comprised of two components. First, the project activities must be planning activities or working capital activities, but not both. Second, the activities must be directly related to the processing and/or marketing of a value-added product. Agricultural production activities are not eligible for funding.

If the grant request is for planning activities, working capital expenses are not eligible for funding. If more than 20 percent of the total project cost (both grant and matching funds) for a planning activities application is for working capital expenses, the entire application will be determined to be ineligible and will not be considered for funding. If 20 percent or less of the total project cost for a planning activities application is for working capital expenses, the application may still be considered for funding, but any subsequent award will only be for eligible project expenses.

If the grant request is for working capital, planning activities are not eligible for funding. If more than 20 percent of the total project cost (both grant and matching funds) for a working capital application is for planning activities, the entire application will be determined to be ineligible and will not be considered for funding. If 20 percent or less of the total project cost for a working capital application is for planning activities, the application may still be considered for funding, but any subsequent award will only be for eligible project expenses.

If the applicant has already received a planning grant for a project, it is only eligible to apply for a working capital grant. If an applicant has already received a working capital grant for a project, it is not eligible to apply for any further grants for that project.

An applicant may not receive more than one grant in any one funding cycle. An applicant may submit multiple applications, but if more than one application scores high enough to be funded, only the highest ranked application will be funded.

9. Proposal Narrative. The narrative, not to exceed 35 pages (Times New Roman, 12 point font, 1 inch margins) must include the following information. In the event that more than 35 pages are submitted, only the first 35 pages submitted will be considered.

i. Project Title. The title of the proposed project must be brief, not to exceed 75 characters, yet describe the essentials of the project. It should match the project title submitted on the SF-424. The Project Title does not need to appear on a separate page. It can be included on the Title Page and/or on the Information Sheet.

ii. Information Sheet. A separate one page information sheet listing each of the evaluation criteria referenced in this funding announcement followed by the page numbers of all relevant material contained in the proposal that address or support each criterion.

iii. Goals of the Project. A clear statement of the ultimate goals of the project. There must be an explanation of how a market will be expanded and the degree to which incremental revenue will accrue to the benefit of the agricultural producer(s).

iv. Work Plan. The narrative must contain a description of the project and set forth the tasks involved in reasonable detail. The description should specify the activity, who will perform the activity, during what time frame the activity will take place, and the cost of the activity. Please note that one of the Proposal Evaluation Criteria evaluates the Work Plan and Budget. Applicants should only submit the Work Plan and Budget once, either as Section IV.B.9. or as part of the Work Plan/Budget evaluation criterion discussion.

v. Working capital applications must also include three (3) years of pro forma financial statements, including an explanation of all assumptions, such as input prices, finished product prices, and other economic factors used to generate the financial statements. The financial statements must include cash flow statements, income statements, and balance sheets. Income statements and cash flow statements must be monthly for the first year, then annual for the next two years. The balance sheet should be annual for all three years. The financial statements will not count as part of the 35 page limit for the narrative section of the proposal.

vi. Performance Evaluation Criteria. The applicant must suggest criteria by which the project should be evaluated in the event that a grant is awarded. These suggested criteria are not binding on USDA. Please note that these criteria are different from the Proposal Evaluation Criteria and are a separate requirement. Failure to submit at least one performance criterion by the application deadline will result in a determination of incomplete and the proposal will not be considered for funding.

vii. Proposal Evaluation Criteria. Each of the proposal evaluation criteria referenced in this funding announcement must be addressed, specifically and individually, in narrative form. Failure to address the appropriate evaluation criteria (planning grant proposals must address planning grant evaluation criteria and working capital grant proposals must address working capital grant evaluation criteria) by the application deadline will result in a determination of incomplete and the proposal will not be considered for funding.

10. Conflict of Interest Disclosure. If the applicant plans to conduct business with any family members, company owners, or other identities of interest using grant or matching funds, the nature of the business to be conducted and the nature of the relationship between the applicant and the identity of interest must be disclosed. Examples include in-kind matching funds donated by the applicant's immediate family and contracting with someone who has a financial interest in the venture for services paid by grant or matching funds.

11. Certification of Judgment or Debt Owed to the United States. Applicants must certify that they are not delinquent on a debt owned to the United States and that the United States has not obtained a judgment against them. No grant funds shall be used to pay a judgment or delinquent debt owed to the United States.

12. Verification of Matching Funds. Applicants must provide a budget to support the work plan showing all sources and uses of funds during the project period. Applicants will be required to verify matching funds, both cash and in-kind. All proposed matching funds must be specifically documented in the application. If matching funds are to be provided by the applicant in cash, a copy of a bank statement with an ending date within 30 days of the application deadline is required. The bank statement must show an ending balance equal to or greater than the amount of cash matching funds proposed. If the matching funds will be provided through a loan or line of credit, the applicant must include a statement from the lending institution verifying the amount available, the time period of availability of the funds, and the purposes for which funds may be used. If the matching funds are to be provided by an in-kind contribution from the applicant, the application must include a signed letter from an authorized representative of the applicant verifying the goods or services to be donated, when the goods and services will be donated, and the value of the goods or services. Applicants should note that only goods or services for which no expenditure is made can be considered in-kind. If the applicant is paying for goods and services as part of the matching funds contribution, the expenditure is considered a cash match, and should be verified as such. If the matching funds are to be provided by a third party in cash, the application must include a signed letter from that third party verifying how much cash will be donated and when it will be donated.

Verification for funds donated outside the proposed time period of the grant will not be accepted. If the matching funds are to be provided by a third party in-kind donation, the application must include a signed letter from the third party verifying the goods or services to be donated, when the goods and services will be donated, and the value of the goods or services. Verification for in-kind contributions donated outside the proposed time period of the grant will not be accepted. Verification for in-kind contributions that are over-valued will not be accepted. The valuation process for the in-kind funds does not need to be included in the application, especially if it is lengthy, but the applicant must be able to demonstrate how the valuation was achieved at the time of notification of tentative selection for the grant award. If the applicant cannot satisfactorily demonstrate how the valuation was determined, the grant award may be withdrawn or the amount of the grant may be reduced.

If matching funds are in cash, they must be spent on goods and services that are eligible expenditures for this grant program. If matching funds are in-kind contributions, the donated goods or services must be considered eligible expenditures for this grant program. The matching funds must be spent or donated during the grant period and the funds must be expended at a rate equal to or greater than the rate grant funds are expended. Some examples of acceptable uses for matching funds are: skilled labor performing work required for the proposed project, office supplies, and purchasing inventory. Some examples of unacceptable uses of matching funds are: land, fixed equipment, buildings, and vehicles.

Expected program income may not be used to fulfill the matching funds requirement at the time of application. If program income is earned during the time period of the grant, it may be used to replace other sources of matching funds if prior approval is received from the Agency. Any program income earned during the grant period is subject to the requirements of 7 CFR 3019.24.

If acceptable verification for all proposed matching funds is missing from the application by the application deadline, the application will be determined to be incomplete and will not be considered for funding.

13. Certification of Matching Funds. Applicants must certify that matching funds will be available at the same time grant funds are anticipated to be spent and that matching funds will be spent in advance of grant funding, such that for every dollar of grant funds advanced, not less than an equal amount of

matching funds will have been expended prior to submitting the request for reimbursement. Please note that this certification is a separate requirement from the Verification of Matching Funds requirement. Applicants should include a statement for this section that reads as follows: “[INSERT NAME OF APPLICANT] certifies that matching funds will be available at the same time grant funds are anticipated to be spent and that matching funds will be spent in advance of grant funding, such that for every dollar of grant funds advanced, not less than an equal amount of matching funds will have been expended prior to submitting the request for reimbursement.” A separate signature is not required.

#### C. Submission Dates and Times

*Application Deadline Date:* May 6, 2005. Drafts must be received by April 22, 2005.

*Explanation of Deadlines:* Final applications must be received by 4 p.m. Eastern Time on the deadline date (see Section IV.F. for the address). If you send your application by the United States Postal Service or commercial delivery service, you must ensure that the carrier will be able to guarantee delivery of the application by the closing date and time. If your application does not meet the deadline above, it will not be considered for funding. You will be notified that your application did not meet the submission deadline. You will also be notified by mail or by e-mail if your application is received on time.

Draft applications may be submitted to an applicant’s respective state office (Section VII) by 4 p.m. local time on April 22, 2005. Draft applications may be submitted in paper form or electronically. They may be hand-delivered or faxed at the discretion of the state office. Applicants are not required to submit a draft application, but may choose to do so. Draft applications will be reviewed by the state office for completeness only, and the Agency’s official determination will not be made until the official application is received. Drafts submitted after April 22, 2005 may be reviewed for completeness at the discretion of the state office. More information regarding this process can be viewed in Section V.

#### D. Intergovernmental Review of Applications

Executive Order 12372 does apply to this program.

#### E. Funding Restrictions

Funding restrictions apply to both grant funds and matching funds. They include, but are not limited to, the following:

1. Funds may only be used for planning activities or working capital for projects focusing on processing and marketing a value-added product.

Examples of acceptable planning activities include to:

- i. Obtain legal advice and assistance related to the proposed venture;
- ii. Conduct a feasibility analysis of a proposed value-added venture to help determine the potential marketing success of the venture;
- iii. Develop a business plan that provides comprehensive details on the management, planning, and other operational aspects of a proposed venture; and

iv. Develop a marketing plan for the proposed value-added product, including the identification of a market window, the identification of potential buyers, a description of the distribution system, and possible promotional campaigns.

Examples of acceptable working capital uses include to:

- v. Design or purchase an accounting system for the proposed venture;
- vi. Pay for salaries, utilities, and rental of office space;
- vii. Purchase inventory, office equipment (e.g. computers, printers, copiers, scanners), and office supplies (e.g. paper, pens, file folders); and
- viii. Conduct a marketing campaign for the proposed value-added product.

2. No funds made available under this solicitation shall be used to:

- i. Plan, repair, rehabilitate, acquire, or construct a building or facility, including a processing facility;
- ii. Purchase, rent, or install fixed equipment, including processing equipment;
- iii. Purchase vehicles, including boats;
- iv. Pay for the preparation of the grant application;
- v. Pay expenses not directly related to the funded venture;
- vi. Fund political or lobbying activities;
- vii. Fund any activities prohibited by 7 CFR parts 3015 and 3019;
- viii. Fund architectural or engineering design work for a specific physical facility;

ix. Fund any expenses related to the production of any commodity or product to which value will be added, including seed, rootstock, labor for harvesting the crop, and delivery of the commodity to a processing facility; or

- x. Fund research and development.
- xi. Purchase land.

#### F. Other Submission Requirements

You may submit your final application via the postal service for a grant to Cooperative Services, Attn: VAPG Program, Mail Stop 3250, 1400 Independence Ave., SW., Washington, DC 20250–3250. Submit final paper applications via UPS or Federal Express for a grant to Cooperative Services, Attn: VAPG Program, Room 4016, 1400 Independence Ave., SW., Washington, DC 20250. The phone number that should be used for FedEx packages is (202) 720–7558. You may also choose to submit your final application electronically using the following internet address: <http://www.grants.gov>. Final applications may not be submitted by facsimile or by hand-delivery. Each final application submission must contain all required documents in one envelope, if by mail or express delivery service.

#### V. Application Review Information

A. Criteria: All eligible and complete applications will be evaluated based on the following criteria. Failure to address any one of the following criteria by the application deadline will result in a determination of incomplete and the application will not be considered for funding. If you believe a criterion is not applicable, you must state that in your application. Applications for planning grants have different criteria to address than applications for working capital grants. Addressing the incorrect set of criteria will result in a determination of incomplete and the application will not be considered for funding. The total points available for each set of criteria is 98.

1. Criteria for applications for Planning Grants are:

- i. Nature of the proposed venture (0–25 points). Projects will be evaluated for technological feasibility, operational efficiency, profitability, sustainability and the likely improvement to the local rural economy. The discussion for this criterion must include the agricultural commodity to which value will be added, the process by which value will be added, and a description of the value-added product produced. If the applicant has the information available, the discussion for this criterion should include references to independent, third-party information that the applicant has reviewed, a discussion of similar projects, cost and availability of inputs, the type of market where the value-added product will be marketed (e.g. local, regional, national, international) and the potential number

of customers, the cost of processing the commodity, how much value will be added to the raw commodity through the production of the value-added product, how the added value will be distributed among the producers, processors, and any other intermediaries, and any additional non-monetary value that could be obtained by end-users of the product. Points will be awarded based on the greatest expansion of markets and increased returns to producers. Applications that do not discuss a specific commodity, process, and value-added product will receive the minimum points allowed. Two teams of technical experts will be appointed to evaluate this criterion: a team of three independent reviewers and the servicing state office (see Section V.A.1.ii. for more details). The independent reviewers will evaluate this criterion from a national and/or regional perspective, and the servicing state office will evaluate this criterion from a state perspective.

ii. Qualifications of those doing work (0–10 points). Proposals will be reviewed for whether the personnel who are responsible for doing proposed tasks, including those hired to do the studies, have the necessary qualifications. If a consultant or others are to be hired, more points may be awarded if the proposal includes evidence of their availability and commitment as well. If staff or consultants have not been selected at the time of application, the application should include specific descriptions of the qualifications required for the positions to be filled. Also, rather than attaching resumes at the end of the application, it is preferred that the qualifications of the personnel and consultants are discussed directly within the response to this criterion. If resumes are included, they should be contained within the narrative section of the application within the response to this criterion. If resumes are attached at the end of the application, those pages will be counted toward the page limit for the narrative.

iii. Project leadership (0–10 points). The leadership abilities of individuals who are proposing the venture will be evaluated as to whether they are sufficient to support a conclusion of likely project success. Credit may be given for leadership evidenced in community or volunteer efforts. Also, rather than attaching resumes at the end of the application, it is preferred that the leadership abilities are discussed directly within the response to this criterion. If resumes are included, they should be contained within the narrative section of the application

within the response to this criterion. If resumes are attached at the end of the application, those pages will be counted toward the page limit for the narrative.

iv. Commitments and support (0–10 points). Producer commitments will be evaluated on the basis of the number of Independent Producers currently involved as well as how many may potentially be involved, and the nature, level and quality of their contributions. End user commitments will be evaluated on the basis of potential markets and the potential amount of output to be purchased. Proposals will be reviewed for evidence that the project enjoys third party support and endorsement, with emphasis placed on financial and in kind support as well as technical assistance. Letters of support should not be included with the application. If they are submitted, they will not be considered for the purpose of evaluating this criterion. Also, letters demonstrating end-user commitments should not be submitted. If they are submitted, they will not be considered for the purpose of evaluating this criterion. The applicant should reference all support groups and commitments in the discussion of this criterion, and have the support letters and commitment letters available upon request. These support and commitment letters are not the same as the documentation required as part of the verification of matching funds requirement. All documentation needed to properly verify matching funds must be submitted with the application in a separate section.

v. Work plan/Budget (0–10 points). The work plan will be reviewed to determine whether it provides specific and detailed planning task descriptions that will accomplish the project's goals and the budget will be reviewed for a detailed breakdown of estimated costs associated with the planning activities. The budget must present a detailed breakdown of all estimated costs associated with the planning activities and allocate these costs among the listed tasks. Points may not be awarded unless sufficient detail is provided to determine whether or not funds are being used for qualified purposes. Matching funds as well as grant funds must be accounted for in the budget to receive points. Budgets that include more than 10% of total project costs that are ineligible will result in a determination of ineligible and the application will not be considered for funding. However, if an application with ineligible costs is selected for funding, all ineligible costs must be removed from the project and replaced with eligible activities or the amount of

the grant award will be reduced accordingly. Logical, realistic, and economically efficient work plans and budgets will result in higher scores.

vi. Amount requested (0–1 points). One (1) point will be awarded for grant requests of \$50,000 or less. In addressing this criterion, the applicant should simply state the amount requested.

vii. Project cost per owner-producer (0–2 points). This is calculated by dividing the amount of Federal funds requested by the total number of producers that are owners of the venture. The allocation of points for this criterion shall be as follows: \$1–\$25,000 equals 2 points, \$25,001–\$50,000 equals 1 point, \$50,001–\$100,000 equals 0 points. The applicant must state the number of owner-producers that are part of the venture. For independent producers, farmer- and rancher-cooperatives, and majority-controlled producer-based business ventures, the applicant must state the number of owners of the venture that are independent producers and are also owners of the venture. An owner cannot be considered an independent producer unless he/she is a producer of the agricultural commodity to which value will be added as part of this project. For agricultural producer groups, the number used should be the number of producers represented who produce the commodity to which value will be added. In cases where family members (including husband and wife) are owners and producers in a venture, each family member shall count as one owner-producer.

Applications without enough information to determine the number of producer-owners will be determined to be incomplete and will not be considered for funding. Applicants must be prepared to prove that the numbers and individuals identified meet the requirements specified upon notification of a grant award. Failure to do so shall result in withdrawal of the grant award.

viii. Community and industry support (0–10 points). Applicants must submit a description of the local business associations, industry associations, and any political institutions that support their projects. Letters of support should not be submitted, but a description of each letter of support should be included. The description must include the following: the name of the supporting organization, the date of the letter of support, and the name of the person signing the letter. The applicant should also include a brief description of why the support of each group is valuable to the project. National

Congressional support will not be considered for the purpose of evaluating this criterion. Applicants must be able to present a letter of support for each group listed at the time of award.

Failure to demonstrate the support claimed in the application shall result in withdrawal of the grant award.

Ventures that only demonstrate one type of support will not score as high for this criterion as ventures that demonstrate multiple types of support.

ix. Business size (10 points if the application meets the criterion or 0 points if the application does not meet the criterion). Applicants must demonstrate their amount of gross sales for their most recent complete fiscal year. Applicants that have less than \$100 million in gross sales will receive 10 points. Applicants that have \$100 million or more in gross sales will receive 0 points. For this criterion, applicants should simply state the amount of gross sales for their most recent fiscal year. If an applicant is tentatively selected for funding, the applicant will need to verify the gross sales amount at the time of award. Applicants that do not have a complete fiscal year should so state in their applications. Failure to verify the amount stated in the application will be grounds for withdrawing the award.

x. Number of grants (0 points if the application meets the criterion or -10 points if the application does not meet the criterion). Applicants must indicate whether they have received any previous grants under the VAPG program since its inception in 2001. Applicants who have already received a planning grant will receive -10 points. Applicants who have not received a planning grant will receive 0 points.

xi. Presidential initiative of bio-energy (0 points if application does not meet the criterion or 5 points if application does meet the criterion). Applicants must indicate whether they believe their project has a bio-energy component. Those applications that have at least 51% of project costs dedicated to planning activities for a bio-energy project will receive 5 points. Partial credit will not be given.

Applicants should note that the energy must be produced primarily (*i.e.* more than 50 percent) for on-farm use, unless the energy produced qualifies as a value-added product in its own right (*e.g.* ethanol, bio-diesel). Also, the energy must be produced from a bio-based source. Examples of qualifying bio-energy projects include ethanol, bio-diesel, and energy produced from a manure digester. On-farm wind energy, on-farm solar energy, and on-farm hydro energy do not qualify for points under

this criterion, even though they are eligible projects for this program. Bio-mass projects such as producing compost from manure and producing mulch from trees also do not qualify for points under this criterion, although they are eligible projects for this program.

xii. Administrator points (up to 5 points, but not to exceed 10 percent of the total points awarded for the other 11 criteria). The Administrator of the Rural Business-Cooperative Service may award additional points to recognize innovative technologies, insure geographic distribution of grants, or encourage value-added projects in under-served areas. Applicants may submit an explanation of how the technology proposed is innovative and/or specific information verifying that the project is in an under-served area.

2. Criteria for working capital applications are:

i. Business viability (0-25 points). Proposals will be evaluated on the basis of the technical and economic feasibility and sustainability of the venture and the efficiency of operations. The discussion for this criterion must include the agricultural commodity to which value will be added, the process by which value will be added, and a description of the value-added product produced. The application should also include references to independent, third-party information that the applicant has reviewed, a discussion of similar projects, cost and availability of inputs, the type of market where the value-added product will be marketed (*e.g.* local, regional, national, international) and the potential number of customers, the cost of processing the commodity, how much value will be added to the raw commodity through the production of the value-added product, how the added value will be distributed among the producers, processors, and any other intermediaries, and any additional non-monetary value that could be obtained by end-users of the product. The application must also reference the feasibility study and business plan that has been developed for the project. The feasibility study must have been completed by an independent third party. The business plan may have been completed by the applicant, but should have included third party consultation in its development. The applicant should also discuss the financial statements submitted to assist in the demonstration of economic feasibility and sustainability. Points will be awarded based on how well the project is described, the feasibility of the project, the greatest expansion of markets, and increased returns to

producers. Applications that do not discuss a specific commodity, process, and value-added product will receive the minimum points allowed. Failure to reference both a third-party feasibility study and a business plan by the application deadline will result in a determination that the application is incomplete and it will not be considered for funding. Applicants are reminded that they must produce the feasibility study and business plan referenced at the time of notification of grant award. Failure to produce both documents will result in withdrawal of the grant award. Also, the feasibility study and business plan are subject to Agency approval. If the feasibility study and business plan do not meet the Agency's approval, the grant award will be withdrawn. Two teams of technical experts will be appointed to evaluate this criterion: a team of three independent reviewers and the servicing state office (see Section V.A.1.ii. for more details). The independent reviewers will evaluate this criterion from a national and/or regional perspective, and the servicing state office will evaluate this criterion from a state perspective.

ii. Customer base/increased returns (0-10 points). Proposals that demonstrate strong growth in a market or customer base and greater Value-Added revenue accruing to producer-owners will receive more points than those that demonstrate less growth in markets and realized Value-Added returns. Describe in detail how the customer base for the product being produced will expand because of the value-added venture. Provide documented estimates of this expansion. Describe in detail how a greater portion of the revenue derived from the venture will be returned to the producers that are owners of the venture. Applicants should also reference the financial statements submitted. More points will be awarded to those applications that demonstrate the greatest expansion of the customer base and increased returns to producers.

iii. Commitments and support (0-10 points). Producer commitments will be evaluated on the basis of the number of Independent Producers currently involved as well as how many may potentially be involved, and the nature and level and quality of their contributions. End user commitments will be evaluated on the basis of identified markets, letters of intent or contracts from potential buyers and the amount of output to be purchased. Proposals will be reviewed for evidence that the project enjoys third party support and endorsement, with emphasis placed on financial and in-

kind support as well as technical assistance. Do not submit specific contracts, letters of intent, or other supporting documents at this time. However, be sure to cite their existence when addressing this criterion. These documents will be requested at the time of grant award. Failure to produce them shall result in the withdrawal of the grant award. Points will be awarded based on the greatest level of documented commitment.

iv. Management team/work force (0–10 points). The education and capabilities of project managers and those who will operate the venture must reflect the skills and experience necessary to effect project success. The availability and quality of the labor force needed to operate the venture will also be evaluated. Applicants must provide the information necessary to make these determinations. Proposals that reflect successful track records managing similar projects will receive higher points for this criterion than those that do not reflect successful track records.

v. Work plan/Budget (0–10 points). The work plan will be reviewed to determine whether it provides specific and detailed task descriptions that will accomplish the project's goals and the budget will be reviewed for a detailed breakdown of estimated costs associated with the proposed activities. The budget must present a detailed breakdown of all estimated costs associated with the venture's operations and allocate these costs among the listed tasks. Points may not be awarded unless sufficient detail is provided to determine whether or not funds are being used for qualified purposes. Matching funds as well as grant funds must be accounted for in the budget to receive points. Budgets that include more than 10% of total project costs that are ineligible will result in a determination of ineligible and the application will not be considered for funding. However, if an application with ineligible costs is selected for funding, all ineligible costs must be removed from the project and replaced with eligible activities or the amount of the grant award will be reduced accordingly. Applications without a work plan and detailed budget submitted by the application deadline will be determined to be incomplete and will not be considered for funding. Logical, realistic, and economically efficient work plans and budgets will result in higher scores.

vi. Amount requested (0–1 points). One (1) point will be awarded for grant requests of \$75,000 or less. In addressing this criterion, the applicant

should simply state the amount requested.

vii. Project cost per owner-producer (0–2 points). This ratio is calculated by dividing the amount of VAPG funds requested by the total number of producers that are owners of the venture. The allocation of points for this criterion shall be as follows: \$1–\$50,000 equals 2 points, \$50,001–\$100,000 equals 1 point, and \$100,001–\$150,000 equals 0 points. The applicant must state the number of owner-producers that are part of the venture. For independent producers, farmer- and rancher-cooperatives, and majority-controlled producer-based business ventures, the applicant must state the number of owners of the venture that are independent producers and are also owners of the venture. An owner cannot be considered an independent producer unless he/she is a producer of the agricultural commodity to which value will be added as part of this project. For agricultural producer groups, the number used should be the number of producers represented who produce the commodity to which value will be added. In cases where family members (including husband and wife) are owners and producers in a venture, each family member shall count as one owner-producer. Applications without enough information to determine the number of producer-owners will be determined to be incomplete and will not be considered for funding. Applicants must be prepared to prove that the numbers and individuals identified meet the requirements specified upon notification of a grant award. Failure to do so shall result in withdrawal of the grant award.

viii. Community and industry support (0–10 points). Applicants must submit a description of the local business associations, industry associations, and any political institutions that support their projects. Letters of support should not be submitted, but a description of each letter of support should be included. The description must include the following: the name of the supporting organization, the date of the letter of support, and the name of the person signing the letter. The applicant should also include a brief description of why the support of each group is valuable to the project. National Congressional support will not be considered for the purpose of evaluating this criterion. Applicants must be able to present a letter of support for each group listed at the time of award. Failure to demonstrate the support claimed in the application shall result in withdrawal of the grant award. Ventures that only demonstrate one type

of support will not score as high for this criterion as ventures that demonstrate multiple types of support.

ix. Business size (10 points if the application meets the criterion or 0 points if the application does not meet the criterion). Applicants must demonstrate their amount of gross sales for their most recent complete fiscal year. Applicants that have less than \$100 million in gross sales will receive 10 points. Applicants that have \$100 million or more in gross sales will receive 0 points. For this criterion, applicants should simply state the amount of gross sales for their most recent fiscal year. If an applicant is tentatively selected for funding, the applicant will need to verify the gross sales amount at the time of award. Applicants that do not have a complete fiscal year should state so in their applications. Failure to verify the amount stated in the application will be grounds for withdrawing the award.

x. Number of grants (0 points if the application meets the criterion or –10 points if the application does not meet the criterion). Applicants must indicate whether they have received any previous grants under the VAPG program since its inception in 2001. Applicants who have already received a working capital grant will receive –10 points. Applicants who have not received a working capital grant will receive 0 points.

xi. Presidential initiative of bio-energy (0 points if application does not meet the criterion or 5 points if application does meet the criterion). Applicants must indicate whether they believe their project has a bio-energy component. Those applications that have at least 51% of project costs dedicated to working capital for a bio-energy project will receive 5 points. Partial credit will not be given. Applicants should note that the energy must be produced primarily (*i.e.* more than 50 percent) for on-farm use, unless the energy produced qualifies as a value-added product in its own right (*e.g.* ethanol, bio-diesel). Also, the energy must be produced from a bio-based source. Examples of qualifying bio-energy projects include ethanol, bio-diesel, and energy produced from a manure digester. On-farm wind energy, on-farm solar energy, and on-farm hydro energy do not qualify for points under this criterion, even though they are eligible projects for this program. Bio-mass projects such as producing compost from manure and producing mulch from trees also do not qualify for points under this criterion, although they are eligible projects for this program.

xii. Administrator points (up to 5 points, but not to exceed 10 percent of the total points awarded for the other 11 criteria). The Administrator of RBS may award additional points to recognize innovative technologies, insure geographic distribution of grants, or encourage value-added projects in under-served areas. Applicants may submit an explanation of how the technology proposed is innovative and/or specific information verifying that the project is in an under-served area.

**B. Review and Selection Process:** Applicants may choose to submit a draft application to their respective state offices (contact information is listed at the end of this notice). This draft will be reviewed by the state office for completeness only, in accordance with a standardized checklist. Applicants submitting a draft application that is received by April 22, 2005 will have a completed checklist for their draft returned to them by 4 p.m. local time on May 2, 2005. Applicants may submit draft applications after the April 22, 2005 deadline at the discretion of their state office; however, no guarantee is made regarding whether the state office will complete its completeness review of the draft and return the checklist to the applicant in sufficient time for the applicant to use the information to revise its application and submit it on time. Final applications still need to be sent to the Washington, DC (Section IV.F.) address by the application deadline or submitted electronically through the Internet address: <http://www.grants.gov>. Draft applications will not be accepted in lieu of a final application. Applicants who choose not to submit a draft application will not be penalized during the application review and selection process.

Each final application will be assigned to a particular Rural Development State Office, based on the address of the applicant or the location of the project. This state will be known as the servicing State Office. For example, if an applicant has an address in Kansas, the application will be assigned to the Rural Development State Office in Kansas and the Kansas State Office will be the servicing State Office. Applications will then be initially reviewed by Rural Development field office personnel from the servicing State Office for completeness and eligibility. Ineligible and incomplete applications will not be further evaluated and will not be considered for funding.

All eligible and complete proposals will be evaluated by three reviewers based on criteria one through five described in section V.1. (with criteria one receiving 0–10 points for this

portion of the review process). One of these reviewers will be a Rural Development employee not from the servicing State Office and the other two reviewers will be non-Federal persons. All reviewers must meet the following qualifications. Reviewers must have obtained at least a bachelors degree in one or more of the following fields: agribusiness, business, economics, finance, or marketing. They must also have a minimum of three years of experience in an agriculture-related field (e.g. farming, marketing, consulting, university professor, research, officer for trade association, government employee for an agricultural program). If the reviewer does not have a degree in one of those fields, he/she must possess at least five years of working experience in an agriculture-related field.

Once the scores for criteria one through five have been completed by the three reviewers, the scores will be normalized, using an accepted statistical procedure. This procedure corrects for any reviewer tendencies to score applications “high” or “low.” After the normalization is complete, the three scores will be averaged to obtain an initial ranking. Then, the high and low scores for each application will be analyzed for statistically significant deviation. For those applications with significant deviation, the ranking of that application with respect to all other scored applications will be considered. In cases where the ranking indicates that the application could either move out of funding range or into funding range, two supplemental reviews will be conducted by Rural Development employees not from the state where the application was assigned. These reviews will be normalized and compared with the initial three scores. The high and low scores from all five reviews will then be discarded. Each application will then be assigned a score that is the normalized average of three scores based on criteria one through five. The score will be converted to a value that can be added to the servicing State Office score (see below).

Concurrent to the evaluation based on criteria one through five, the application will also receive one score from the Rural Development servicing State Office based on criteria one and six through eleven (with criteria one receiving 0–15 points for this portion of the review process). The State Office may enlist the support of qualified technical experts, approved by the State Director, to assist the State Office scoring process. The score will be added to the average normalized converted score obtained from criteria one through five.

Finally, the Administrator of RBS will award any Administrator points based on criteria twelve. These points will be added to the cumulative score for criteria one through eleven. A final ranking will be obtained based solely on the scores received for criteria one through twelve. Applications will be funded in rank order until appropriated funds are expended. After the award selections are made, all applicants will be notified of the status of their applications by mail. No information regarding the status of an application will be released until after the award selections are made. Awardees must meet all statutory and regulatory program requirements in order to receive their award. Applicants for working capital grants must submit complete, independent third-party feasibility studies and business plans before the grant award can be finalized. In the event that an awardee cannot meet the requirements, the award will be withdrawn.

#### *C. Anticipated Announcement and Award Dates*

*Award Date:* The announcement of award selections is expected to occur on or about September 30, 2005.

### **VI. Award Administration Information**

#### *A. Award Notices*

Successful applicants will receive a notification of tentative selection for funding from Rural Development. Applicants must comply with all applicable statutes, regulations, and this notice before the grant award will receive final approval.

Unsuccessful applicants will receive notification, including mediation procedures and appeal rights, by mail.

#### *B. Administrative and National Policy Requirements*

7 CFR parts 3015, 3019, and 4284.

To view these regulations, please see the following Internet address: <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html#page1>.

The following additional requirements apply to grantees selected for this program:

- Grant Agreement.
- Letter of Conditions.
- Form RD 1940–1, “Request for Obligation of Funds.”
- Form RD 1942–46, “Letter of Intent to Meet Conditions.”
- Form AD–1047, “Certification Regarding Debarment, Suspension, and Other Responsibility Matters-Primary Covered Transactions.”
- Form AD–1048, “Certification Regarding Debarment, Suspension,

Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions.”

- Form AD-1049, “Certification Regarding a Drug-Free Workplace Requirements (Grants).”
- Form RD 400-1, “Equal Opportunity Agreement.”
- Form RD 400-4, “Assurance Agreement.”
- RD Instruction 1940-Q, Exhibit A-1, “Certification for Contracts, Grants and Loans.”

Additional information on these requirements can be found on the RBS Web site at the following Internet address: <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>.

**Reporting Requirements:** You must provide Rural Development with a hard copy original or an electronic copy that includes all required signatures of the following reports. The reports should be submitted to the Agency contact listed for your assigned state in Section VII. Failure to submit satisfactory reports on time may result in suspension or termination of your grant. RBS is currently developing an online reporting system. Once the system is developed, you may be required to submit some or all of your reports online instead of in hard copy.

1. Form SF-269 or SF-269A. A “Financial Status Report,” listing expenditures according to agreed upon budget categories, on a semi-annual basis. Reporting periods end each March 31 and September 30. Reports are due 30 days after the reporting period ends.

2. Semi-annual performance reports that compare accomplishments to the objectives stated in the proposal. Identify all tasks completed to date and provide documentation supporting the reported results. If the original schedule provided in the work plan is not being met, the report should discuss the problems or delays that may affect completion of the project. Objectives for the next reporting period should be listed. Compliance with any special condition on the use of award funds should be discussed. Reports are due as provided in paragraph (1) of this section. The supporting documentation for completed tasks include, but are not limited to, feasibility studies, marketing plans, business plans, articles of incorporation and bylaws and an accounting of how working capital funds were spent. Planning grant projects must also report the estimated increase in revenue, increase in customer base, number of jobs created, and any other relevant economic indicators generated by continuing the project into its operational phase. Working capital grants must report the increase in revenue, increase in

customer base, number of jobs created, and any other relevant economic indicators generated by the project during the grant period. Projects with significant energy components must also report expected or actual capacity (e.g. gallons of ethanol produced annually, megawatt hours produced annually) and any emissions reductions incurred during the project.

3. Final project performance reports, inclusive of supporting documentation. The final performance report is due within 90 days of the completion of the project.

## VII. Agency Contacts

For general questions about this announcement and for program technical assistance, please contact the Representative listed for the state in which the applicant is based. If you are unable to contact the Representative for your state, please contact a Representative from a nearby state or you may contact the RBS National Office at Mail Stop 3250, 1400 Independence Avenue SW., Washington, DC 20250-3250, Telephone: (202) 720-7558, e-mail: [cpgrants@usda.gov](mailto:cpgrants@usda.gov).

### Alabama

Mary Ann Clayton, USDA Rural Development, Sterling Center, Ste. 601, 4121 Carmichael Rd., Montgomery, AL 36106-3683, (334) 279-3624, [mary.clayton@al.usda.gov](mailto:mary.clayton@al.usda.gov).

### Alaska

Dean Stewart, USDA Rural Development, 800 West Evergreen, Ste. 201, Palmer, AK 99645, (907) 761-7722, [dean.stewart@ak.usda.gov](mailto:dean.stewart@ak.usda.gov).

### Arizona

Hanna Schwartz, USDA Rural Development, 2585 N. Grand Ave., Ste. 5, Nogales, AZ 85621, (520) 281-0221, ext. 101, [hanna.schwartz@az.usda.gov](mailto:hanna.schwartz@az.usda.gov).

### Arkansas

Tim Smith, USDA Rural Development, 700 West Capitol Ave., Rm. 3416, Little Rock, AR 72201-3225, (501) 301-3280, [tim.smith@ar.usda.gov](mailto:tim.smith@ar.usda.gov).

### California

Karen Spatz, USDA Rural Development, 430 G St., Agency 4169, Davis, CA 95616, (530) 792-5829, [karen.spatz@ca.usda.gov](mailto:karen.spatz@ca.usda.gov).

### Colorado

Dolores Sanchez-Maes, USDA Rural Development, 655 Parfet St., Rm. E-100, Lakewood, CO 80215, (720) 544-2927, [dolores.sanchez-maes@co.usda.gov](mailto:dolores.sanchez-maes@co.usda.gov).

### Connecticut

Richard J. Burke, USDA Rural Development, 451 West St., Ste. 2, Amherst, MA 01002, (413) 253-4319, [dick.burke@ma.usda.gov](mailto:dick.burke@ma.usda.gov).

### Delaware

Signe Hippert, USDA Rural Development, 4607 S. DuPont Hwy., Camden, DE 19934, (302) 697-4327, [signe.hippert@de.usda.gov](mailto:signe.hippert@de.usda.gov).

### Florida

Joe Mueller, USDA Rural Development, 4440 NW. 25th Pl., Gainesville, FL 32606, (352) 338-3482, [joe.mueller@fl.usda.gov](mailto:joe.mueller@fl.usda.gov).

### Georgia

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### Hawaii

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### Idaho

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### Illinois

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### Indiana

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### Iowa

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### Kansas

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### Kentucky

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### Louisiana

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Alexandria, LA 71302, (318) 473-7960,  
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#### Maine

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#### Maryland

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#### Massachusetts

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*dick.burke@ma.usda.gov*.

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#### Mississippi

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*charlie.joiner@ms.usda.gov*.

#### Missouri

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*nathan.chitwood@mo.usda.gov*.

#### Montana

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*bill.barr@mt.usda.gov*.

#### Nebraska

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*debra.yocum@ne.usda.gov*.

#### Nevada

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*dan.johnson@nv.usda.gov*.

#### New Hampshire

Lyn Millhiser, USDA Rural Development, Third Floor City Center, 89 Main St., Montpelier, VT 05602,

(802) 828-6069,  
*lyn.milhiser@vt.usda.gov*.

#### New Jersey

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#### New York

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*scott.collins@ny.usda.gov*.

#### North Carolina

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*bruce.pleasant@nc.usda.gov*.

#### North Dakota

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*dennis.rodin@nd.usda.gov*.

#### Ohio

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*deborah.rausch@oh.usda.gov*.

#### Oklahoma

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*micheal.schrammel@ok.usda.gov*.

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*dan.streng@or.usda.gov*.

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*gerald.ely@pa.usda.gov*.

#### Puerto Rico

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*debbie.turbeville@sc.usda.gov*.

#### South Dakota

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*gary.korzan@sd.usda.gov*.

#### Tennessee

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#### Texas

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#### Vermont

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*lyn.milhiser@vt.usda.gov*.

#### Virgin Islands

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#### Virginia

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#### Washington

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#### West Virginia

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#### Wisconsin

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Casper, WY 82601, (307) 233-6710,  
janice.stroud@wy.usda.gov.

#### VIII. Other Information

It is suggested that applicants visit the Agricultural Marketing Resource Center (AgMRC) Web site (<http://www.agmrc.org>) for additional information on value-added agriculture. AgMRC brings together experts from three of the nation's leading agricultural universities—Iowa State University, Kansas State University and the University of California—into a dynamic, electronically based center to create and present information about value-added agriculture. The center draws on the abilities, skills and knowledge of leading economists, business strategists and outreach specialists to provide reliable information needed by independent producers to achieve success and profitability in value-added agriculture. Partial support for the center is derived from a grant administered by RBS.

Dated: February 25, 2005.

#### Peter Thomas,

Administrator, Rural Business-Cooperative  
Service.

[FR Doc. 05-4310 Filed 3-4-05; 8:45 am]

BILLING CODE 3410-XY-P

#### BROADCASTING BOARD OF GOVERNORS

##### Sunshine Act Meeting

**DATE AND TIME:** March 9, 2005, 1 p.m.–  
3 p.m.

**PLACE:** Cohen Building, Room 3321, 330  
Independence Ave., SW., Washington,  
DC 20237.

**CLOSED MEETING:** The members of the Broadcasting Board of Governors (BBG) will meet in closed session to review and discuss a number of issues relating to U.S. Government-funded non-military international broadcasting. They will address internal procedural, budgetary, and personnel issues, as well as sensitive foreign policy issues relating to potential options in the U.S. international broadcasting field. This meeting is closed because if open it

likely would either disclose matters that would be properly classified to be kept secret in the interest of foreign policy under the appropriate executive order (5 U.S.C. 552b.(c)(1)) or would disclose information the premature disclosure of which would be likely to significantly frustrate implementation of a proposed agency action. (5 U.S.C. 552b.(c)(9)(B)). In addition, part of the discussion will relate solely to the internal personnel and organizational issues of the BBG or the International Broadcasting Bureau. (5 U.S.C. 552b.(c)(2) and (6)).

#### FOR FURTHER INFORMATION CONTACT:

Persons interested in obtaining more information should contact either Brenda Hardnett or Carol Booker at (202) 203-4545.

Dated: March 2, 2005.

#### Carol Booker,

Legal Counsel.

[FR Doc. 05-4482 Filed 3-3-05; 1:27 pm]

BILLING CODE 8230-01-M

#### DEPARTMENT OF COMMERCE

##### Foreign-Trade Zones Board

[Order No. 1377]

##### Termination of Foreign-Trade Subzone 49A Edison, NJ

Pursuant to the authority granted in the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a-81u), and the Foreign-Trade Zones Board Regulations (15 CFR part 400), the Foreign-Trade Zones Board has adopted the following order:

*Whereas*, on February 6, 1984, the Foreign-Trade Zones Board issued a grant of authority to the Port Authority of New York & New Jersey (the Port), authorizing the establishment of Foreign-Trade Subzone 49A at the Ford Motor Company plant in Edison, New Jersey (Board Order 243, 49 FR 5981, 2/16/84);

*Whereas*, the Port advised the Board on July 28, 2004 (FTZ Docket 50-2004), that zone procedures were no longer needed at the facility and requested voluntary termination of Subzone 49A;

*Whereas*, the request has been reviewed by the FTZ Staff and Customs officials, and approval has been recommended;

*Now, therefore*, the Foreign-Trade Zones Board terminates the subzone status of Subzone 49A, effective this date.

Signed at Washington, DC, this 23rd day of February, 2005.

#### Joseph A. Spetrini,

Acting Assistant Secretary of Commerce for  
Import Administration, Alternate Chairman,  
Foreign-Trade Zones Board.

Attest:

#### Dennis Puccinelli,

Executive Secretary.

[FR Doc. E5-929 Filed 3-4-05; 8:45 am]

BILLING CODE 3510-DS-P

#### DEPARTMENT OF COMMERCE

##### Foreign-Trade Zones Board

[Docket 10-2005]

##### Proposed Foreign-Trade Zone— Conroe (Montgomery County), TX; Application for Subzone, WLS Drilling Products, Inc. (Mining Drill Bits); Montgomery, TX

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the City of Conroe, Texas, which has an application pending before the Board for FTZ status, requesting special-purpose subzone status for the warehousing facility (mining drill bits) of WLS Drilling Products, Inc., (WLS Drilling) in Montgomery, Texas. The application was submitted pursuant to the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on February 25, 2005.

The WLS Drilling facility is located at 18904 Freeport Drive in Montgomery, Texas. The facility (8 employees; 7,000 sq. ft. warehouse with adjacent 2,500 sq. ft. office on 5.2 acres) warehouses and distributes finished rotary rock drill bits used in the mining, construction, and oil and gas industries. WLS Drilling's imported drill bits currently enter the U.S. duty free. However, the application states that the imported products may become subject to duties in the future. WLS Drilling also indicates that, although no manufacturing authority is currently requested, there is the potential for manufacturing at the site in the future. Finally, the application states that the company will benefit from an FTZ-related exemption from local property tax.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at one of the following addresses: