

public's written comments on committee business at any time.

FOR FURTHER INFORMATION CONTACT:

Direct questions regarding this meeting to Roger Peterson, Public Affairs Specialist, at (360) 891-5007, or write Forest Headquarters Office, Gifford Pinchot National Forest, 10600 NE. 51st Circle, Vancouver, WA 98682.

Dated: April 20, 2009.

Janine Clayton,

Forest Supervisor.

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DEPARTMENT OF AGRICULTURE

Rural Business-Cooperative Service

Announcement of Value-Added Producer Grant Application Deadlines

AGENCY: Rural Business-Cooperative Service, USDA.

ACTION: Notice of solicitation of applications.

SUMMARY: The Rural Business-Cooperative Service (RBS) announces the availability of approximately \$18 million in competitive grant funds for fiscal year (FY) 2009 to help independent agricultural producers enter into value-added activities.

Awards may be made for planning activities or for working capital expenses, but not for both. The maximum grant amount for a planning grant is \$100,000 and the maximum grant amount for a working capital grant is \$300,000.

Ten percent of available funds are reserved to fund applications submitted by Beginning Farmers or Ranchers and Socially Disadvantaged Farmers or Ranchers as defined at 7 U.S.C. 1991(a) and 2003(e). An additional ten percent of available funds are reserved to fund Mid-Tier Value Chain projects, as defined in section I of this notice (both collectively referred to as "reserved funds").

DATES: Applications for grants must be submitted on paper or electronically according to the following deadlines:

Paper applications for unreserved funds must be postmarked and mailed, shipped, or sent overnight no later than July 6, 2009, to be eligible for FY 2009 grant funding. Paper applications for reserved funds must be postmarked and mailed, shipped, or sent overnight no later than June 22, 2009 to be eligible for FY 2009 grant funding. Late applications are not eligible for FY 2009 grant funding.

Electronic applications for unreserved funds must be received by July 6, 2009,

to be eligible for FY 2009 grant funding. Electronic applications for reserved funds must be received no later than June 22, 2009, to be eligible for FY 2009 grant funding. Late applications are not eligible for FY 2009 grant funding.

ADDRESSES: An application guide and other materials may be obtained at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm> or by contacting the applicant's USDA Rural Development State Office. The State Office can be reached by calling 800-670-6553 and pressing "1."

Paper applications must be submitted to the Rural Development State Office for the State in which the Project will primarily take place. Addresses may be found at: http://www.rurdev.usda.gov/recd_map.html.

Electronic applications must be submitted through the Grants.gov Web site at: <http://www.grants.gov>, following the instructions found on this Web site.

FOR FURTHER INFORMATION CONTACT:

Applicants should visit the program Web site at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>, which contains application guidance, Frequently Asked Questions and an Application Guide with templates. Or applicants may contact their USDA Rural Development State Office. The State Office can be reached by calling 800-670-6553 and pressing "1," or by selecting the Contact Information link at the above Web site.

Applicants are encouraged to contact their State Offices well in advance of the deadline to discuss their projects and ask any questions about the application process. Also, applicants may submit drafts of their applications to their State Offices for a preliminary review anytime prior to June 5, 2009. The preliminary review will only assess the eligibility of the application and its completeness. The results of the preliminary review are not binding on the Agency.

SUPPLEMENTARY INFORMATION:

Overview

Federal Agency: USDA Rural Development.

Funding Opportunity Title: Value-Added Producer Grants.

Announcement Type: Initial announcement.

Catalog of Federal Domestic Assistance Number: 10.352.

Dates: Application Deadline: Applications for grants must be submitted on paper or electronically according to the following deadlines:

Paper applications for unreserved funds must be postmarked and mailed, shipped, or sent overnight no later than July 6, 2009 to be eligible for FY 2009 grant funding. Paper applications for

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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 6202 of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246) (see 7 U.S.C. 1621 note)) authorizing the establishment of the Value-Added Agricultural Product Market Development grants, also known as Value-Added Producer Grants. The Secretary of Agriculture has delegated the program's administration to USDA Rural Development Cooperative Programs.

The primary objective of this grant program is to help Independent Producers of Agricultural Commodities, Agriculture 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 regarding production of bio-based products from agricultural commodities. Cooperative Programs will competitively award funds for Planning Grants and Working Capital Grants. In order to provide program benefits to as many eligible applicants as possible, applicants must apply only for a Planning Grant or for a Working Capital Grant, but not both. Grants will only be awarded if Projects are determined to be economically viable and sustainable.

USDA Rural Development is encouraging projects that highlight innovative uses of agricultural products. This may include using existing agricultural products in non-traditional ways and/or merging agricultural products with technology in creative ways. As with all value-added efforts, generating new products, creating expanded marketing opportunities and increasing producer income are the end goal. Applications proposing to develop innovative, sustainable products, businesses, or marketing opportunities that accelerate creation of new economic opportunities and commercialization in the agri-food, agri-science, or agriculture products

integrated or merged with other sciences or technologies are invited. This may include alternative uses of agricultural products as well as, value-added processing of agricultural commodities to produce bio-materials (e.g. plastics, fiberboard), green chemicals, functional foods (e.g. lutin enhanced "power bar" snacks, soy enhanced products), nutraceuticals, on-farm renewable energy, and biofuels (e.g. ethanol, biodiesel).

Please note that businesses of all sizes may apply, but priority will be given to Small and Medium-Sized Farms or Ranches that are structured as Family Farms and there is no restriction on the minimum grant size that will be awarded. In FY 2008, 31 percent of awards were \$50,000 or less.

Definitions

The definitions at 7 CFR 4284.3 and 4284.904 are incorporated by reference, with the exception of the definition of Value-Added, which is superseded by the definition of Value-Added Agricultural Product as published in the 2008 Farm Bill and is included below.

In addition, the Agency uses the following terms in this NOSA: Agricultural Commodity, Beginning Farmer or Rancher, Business Plan, Conflict of Interest, Family Farm, Feasibility Study, Local and Regional Supply Network, Locally-Produced Agricultural Food Product, Marketing Plan, Medium-Sized Farm, Mid-Tier Value Chain, Pro Forma Financial Statements, Project, Small Farm, Socially Disadvantaged Farmer or Rancher, and Venture. It is the Agency's position that those terms are defined as follows.

Agricultural Commodity—An unprocessed product of farms, ranches, nurseries, and forests. Agricultural Commodities include: Livestock, poultry, and fish; fruits and vegetables; grains, such as wheat, barley, oats, rye, triticale, rice, corn, and sorghum; legumes, such as field beans and peas; animal feed and forage crops; seed crops; fiber crops, such as cotton; oil crops, such as safflower, sunflower, corn, and cottonseed; trees grown for lumber and wood products; nursery stock grown commercially; Christmas trees; ornamentals and cut flowers; and turf grown commercially for sod. Agricultural Commodities do not include horses or animals raised as pets, such as cats, dogs, and ferrets.

Beginning Farmer or Rancher—See 7 U.S.C. 1991(a):

Business Plan—A formal statement of a set of business goals, the reasons why they are believed attainable, and the plan for reaching those goals, including

three years of pro forma financial statements. It may also contain background information about the organization or team attempting to reach those goals.

Conflict of Interest—A situation in which a person or entity has competing professional or personal interests that make it difficult for the person or business to act impartially. An example of a Conflict of Interest is a grant recipient or an employee of a recipient that conducts or significantly participates in conducting a Feasibility Study for the recipient.

Family Farm—See 7 CFR 761.2.

Feasibility Study—An independent, third party analysis that shows how the Venture would operate under a set of assumptions—the technology used (the facilities, equipment, production process, etc.), the qualifications of the management team, and the financial aspects (capital needs, volume, cost of goods, wages, etc.). The analysis should answer the following questions about the Venture.

- (1) Where is it now?
- (2) Where do the owners of the Venture want to go?
- (3) Why do the owners of the Venture want to go forward with the Venture?
- (4) How will the owners of the Venture accomplish the Venture?
- (5) What resources are needed?
- (6) Who will provide assistance?
- (7) When will the Venture be completed?
- (8) How much will the Venture cost?
- (9) What are the risks?

Local and Regional Supply Network—An interconnected group of food-related business enterprises through which food products move from production through consumption in a local or regional area of the U.S. Examples of food-related business enterprises are Agricultural Producers, processors, distributors, wholesalers, retailers, and consumers. Entities that are engaged in agricultural production, food processing, distribution, marketing, or consumption on a national or global scale are not considered to be part of a local and regional supply network.

Locally-Produced Agricultural Food Product—Any agricultural food product that is raised, produced, and distributed in—

- (1) the locality or region in which the final product is marketed, so that the total distance that the product is transported is less than 400 miles from the origin of the product; or
- (2) the State in which the product is produced.

Marketing Plan—A plan for the Venture conducted by a qualified consultant that identifies a market

window, potential buyers, a description of the distribution system and possible promotional campaigns.

Medium-Sized Farm—A farm or ranch that has averaged \$500,000 or less in annual gross sales of agricultural products in the last three years.

Mid-Tier Value Chain—Local and regional supply networks that link independent producers with businesses and cooperatives that market Value-Added Agricultural Products in a manner that—

- (1) targets and strengthens the profitability and competitiveness of small and medium-sized farms and ranches that are structured as a family farm; and
- (2) obtains agreement from an eligible Agricultural Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-Based Business Venture that is engaged in the value chain on a marketing strategy.

Pro Forma Financial Statements—Financial statements that identify the future financial position of a company. They are part of the Business Plan and include an explanation of all assumptions, such as input prices, finished product prices, and other economic factors used to generate the financial statements. They 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 future years. The balance sheet should be annual for all years.

Project—Includes all proposed activities to be funded by the VAPG and Matching Funds:

Small Farm—A farm or ranch that has averaged \$250,000 or less in annual gross sales of agricultural products in the last three years.

Socially Disadvantaged Farmer or Rancher—See 7 U.S.C. 2003(e):

Value-Added Agricultural Product—Any agricultural commodity or product that

- (1)(i) has undergone a change in physical state;
- (ii) was produced in a manner that enhances the value of the agricultural commodity or product, as demonstrated through a Business Plan that shows the enhanced value, as determined by the Secretary;
- (iii) is physically segregated in a manner that results in the enhancement of the value of the Agricultural Commodity or product;
- (iv) is a source of farm- or ranch-based renewable energy, including E-85 fuel; or
- (v) is aggregated and marketed as a locally-produced agricultural food product; and

(2) as a result of the change in physical state or the manner in which the Agricultural Commodity or product was produced, marketed, or segregated—

(i) the customer base for the agricultural commodity or product is expanded; and

(ii) a greater portion of the revenue derived from the marketing, processing, or physical segregation of the agricultural commodity or product is available to the producer of the commodity or product.

Venture—Includes the Project and any other activities related to the production, processing, and marketing of the Value-Added product that is the subject of the VAPG grant request. Please note that not all Venture-related expenses will be eligible for this program.

II. Award Information

Type of Award: Grant.

Fiscal Year Funds: FY 2009.

Approximate Total Funding: \$18 million.

Approximate Number of Awards: 80.

Approximate Average Award: \$140,000.

Floor of Award Range: None.

Ceiling of Award Range: \$100,000 for Planning Grants and \$300,000 for Working Capital Grants.

Anticipated Award Date: September 1, 2009.

Budget Period Length: Not to exceed 3 years.

Project Period Length: Not to exceed 3 years.

III. Eligibility Information

A. Eligible Applicants

Applicants must be an Independent Producer, Agriculture Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-Based Business Venture as defined in 7 CFR part 4284, subpart A. Local and Regional Supply Networks, as defined in Section I of this notice are eligible only to apply for funds reserved for Mid-Tier Value Chain Projects.

An applicant applying as an Independent Producer must be 100 percent owned by Independent Producers. The owner(s) must currently own and produce more than 50 percent of the Agricultural Commodity that will be used for the Value-Added Agricultural Product, and that product must be owned by the Independent Producer owners from its raw commodity state through the marketing of the final product. Examples of Independent Producers are steering committees, sole proprietorships, LLCs, LLPs, and other for-profit corporations.

An applicant applying as an Agriculture Producer Group must have a mission that includes working on behalf of Independent Producers. The majority of its membership and board of directors must meet the definition of an Independent Producer. The applicant must identify the Independent Producers on whose behalf the proposed Project will be completed. Note that this type of applicant may not apply on behalf of its entire membership. The Independent Producers on whose behalf the proposed Project will be completed must currently own and produce more than 50 percent of the Agricultural Commodity that will be used for the Value-Added Agricultural Product, and that product must be owned by the Independent Producer owners from its raw commodity state through the marketing of the final product. Examples of Agriculture Producer Groups are trade associations.

An applicant applying as a Farmer or Rancher Cooperative must be in good standing and incorporated as a cooperative in its state of incorporation. The cooperative must be 100 percent owned by farmers and ranchers. These owners must currently own and produce more than 50 percent of the Agricultural Commodity that will be used for the Value-Added Agricultural Product, and that product must be owned by the Independent Producer owners from its raw state through the marketing of the final product.

An applicant applying as a Majority-Controlled Producer-Based Business Venture must have more than 50 percent of its ownership and control held by Independent Producers or partnerships, LLCs, LLPs, corporations, or cooperatives that are themselves 100 percent owned and controlled by Independent Producers. The Independent Producer owners must currently own and produce more than 50 percent of the Agricultural Commodity that will be used for the Value-Added Agricultural Product, and that product must be owned by the Independent Producer owners from its raw commodity state through the marketing of the final product. Examples of Majority-Controlled Producer-Based Business Ventures are LLCs, LLPs, and other for-profit corporations. No more than 10 percent of program funds can go to applicants that are Majority-Controlled Producer-Based Business Ventures.

For the Mid-Tier Value Chain reserved funds only, an applicant applying as a Local and Regional Supply Network must be either one of the organizations that is a member of the network who agrees to be the legal

representative for the network and assume responsibility for the management of grant funds, if selected for funding, or the applicant must be a legal entity that is comprised of the business enterprises that are members of the network. The network must operate on a local and/or regional basis in the United States. And, it must link independent producers with businesses and cooperatives that market Value-Added Agricultural Products in a manner that targets and strengthens the profitability and competitiveness of Small and Medium-Sized Farms and Ranches that are structured as a Family Farm. Finally, the network must obtain an agreement from an eligible Agriculture Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-Based Business Venture that is engaged in the value chain on a marketing strategy. For Planning Grants, examples of agreements include, but are not limited to, letters of intent to partner on marketing, distribution, or processing. For Working Capital Grants, examples of agreements include, but are not limited to, marketing agreements, distribution agreements, and processing agreements.

Applicants other than Independent Producers must limit their Projects to Emerging Markets.

If the applicant is an unincorporated group (steering committee), it must form a legal entity before the Grant Agreement can be approved by the Agency. A steering committee may only apply as an Independent Producer. Therefore, the steering committee must be 100 percent composed of Independent Producers and the business to be formed must meet the definition of Independent Producer, as defined in 7 CFR 4284, subpart A.

Entities that contract out the production of an Agricultural Commodity are not considered Independent Producers.

Farmer or Rancher Cooperatives that are 100 percent owned by farmers and ranchers must apply as Farmer or Rancher Cooperatives. It is the Agency's position that if a cooperative is 100 percent owned and controlled by agricultural harvesters (e.g. fishermen, loggers), it is eligible only as an Independent Producer and not as a Farmer or Rancher Cooperative. If a cooperative is not 100 percent owned and controlled by farmers and ranchers or 100 percent owned and controlled by agricultural harvesters, it may still be eligible to apply as a Majority-Controlled Producer-Based Business Venture, provided it meets the definition in 7 CFR part 4284, subpart A.

Any businesses that are selected for awards must provide documentation that they are in good standing with the state of incorporation.

In addition to the above requirements, applicants may be considered for reserved funds if they meet the definition of a Beginning Farmer or Rancher or a Socially Disadvantaged Farmer or Rancher as defined in Section I of this notice.

B. Cost Sharing or Matching

Matching Funds are required, must be at least equal to the amount of grant funds requested, and are subject to the same use restrictions as grant funds. Applicants must verify in their applications that eligible Matching Funds are available for the time period of the grant. 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. If Matching Funds are provided in an amount exceeding the minimum requirement the applicant must spend their Matching Funds contribution at a proportional rate. For example, if an applicant proposes to provide 75 percent of the total Project cost in Matching Funds and a grant is awarded, the Agency expects that the grantee will expend at least \$0.75 of Matching Funds for every \$0.25 of grant funds expended.

Matching Funds must be provided by either the applicant or by a third party in the form of cash or eligible in-kind contributions. Applicants that are awarded grants may not change the source, type, or amount of Matching Funds proposed in their applications without prior written approval from the Agency. Matching Funds must be spent on eligible expenses and must be from eligible sources.

C. Other Eligibility Requirements

Product Eligibility: The project proposed must involve a Value-Added product as defined in Section I of this notice. There are five methods through which value-added can be demonstrated. Regardless of which method is used an expansion of customer base AND an increase in revenue to the agricultural producers must also be demonstrated.

1. A change in physical state occurs when an Agricultural Commodity cannot be returned to its original state. Examples of value-added products in this category are fish fillets, diced tomatoes, ethanol, bio-diesel, and wool rugs. Common production or harvesting methods are not considered a change in physical state. For example, dehydrated

corn, bottled milk, raw fiber, Christmas trees, and cut flowers are not eligible in this category.

2. Production in a manner that enhances the value of the Agricultural Commodity occurs when a nonstandard production method adds value per unit of production over a standard production method. It is the Agency's position that only Working Capital applications are eligible for this category because the enhanced value must be demonstrated using information from a Feasibility Study and Business Plan developed for the Venture. Examples are organic carrots, eggs produced from free-range chickens, and beef produced from cattle fed a "natural" diet. Branded products or products packaged in a non-standard way are not eligible under this category.

3. Physical segregation that enhances the value of the Agricultural Commodity occurs when a physical barrier (*i.e.* distance or a structure) separates a commodity from other varieties of the same commodity on the same farm during production and that the separation continues through the harvesting, processing, and marketing of the product or commodity. An example is genetically-modified corn and non-genetically modified corn produced on the same farm, but physically separated so that no cross-pollination occurs.

4. A source of farm- or ranch-based renewable energy is an Agricultural Commodity or Product used to generate energy on a farm or ranch. An example is an anaerobic digester. Fuels such as ethanol, bio-diesel, or switchgrass pellets, that are not generated on a farm or ranch owned or leased by the owners of the Venture are not eligible under this category. However, these types of fuel may be considered under the first category.

5. Aggregation and marketing of locally-produced agricultural food products occurs when any food product made from an Agricultural Commodity is raised, produced, and marketed within 400 miles of the farm that produced the commodity or within the same State as that farm. Examples are strawberry ice cream sold at a farmers market that is within 400 miles of the dairy farm that produced the milk from which the ice cream was made, or organic lettuce sold to local restaurants. Please note that organic produce or other types of products that are produced in a manner that enhances their value can apply for planning grants under this category as long as 100 percent of the marketing of the product will occur within 400 miles of the farm that produced the Agricultural Commodity.

In addition to the above requirements, applications may be considered for reserved funds if the proposed project meets the definition of a Mid-Tier Value Chain as defined in Section I of this notice. Mid-Tier Value Chains must involve local and regional supply networks that contain at least two alliances, linkages, or partnerships within the value chain. They must also directly impact the profitability and competitiveness of Small and Medium-Sized Farms and Ranches that are structured as Family Farms. Finally, the project must include an agreement from an Agricultural Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-Based Business Venture that is engaged in the value chain on a marketing strategy.

Purpose Eligibility: The application 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. Working capital expenses are not considered eligible for Planning Grants and planning expenses are not considered eligible for Working Capital Grants. Applications requesting more than the maximum grant amount will be considered ineligible.

It is the Agency's position that 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 in order to show that the applicant is entering an Emerging Market.

Additionally, it is the Agency's position that all Working Capital Grant applicants must be marketing the Value-Added Agricultural Product(s) that is(are) the subject of the grant application at the time of application.

Grant Period Eligibility: Applicants may propose a timeframe for the grant project up to 36 months in length. Projects cannot begin earlier than October 1, 2009 and cannot end later than September 30, 2012. Applications that request funds for a time period beginning prior to October 1, 2009 and/or ending after September 30, 2012, will be considered ineligible. Applicants may propose a start date falling any time during FY 2009 (October 1, 2009 to September 30, 2010). If the project period will be longer than one year, the applicant must identify a separate, unique task(s) for the first year and for any subsequent year of the proposed project. Any applications proposing a project of longer than one year with duplicative or similar activities in each year is ineligible for funding. The Agency will consider requests for an extension on a case-by-case basis if

extenuating circumstances prevent a grantee from completing an award within the approved grant period, but no extensions can be approved to extend the grant period beyond a total of three years.

Multiple Grant Eligibility: An applicant can submit only one application in response to this notice. The application must designate whether the application submitted should be considered for the general fund or for one of the reserved programs.

Applicants who have already received a Planning Grant for the proposed Project cannot receive another Planning Grant for the same Project. Applicants who have already received a Working Capital Grant for a Project cannot receive any additional grants for that Project.

Current Grant Eligibility: If an applicant currently has a VAPG, it must be completed prior to the beginning of the FY 2009 grant period.

Judgment Eligibility: In accordance with 7 CFR 4284.6.

IV. Application and Submission Information

A. Address To Request Application Package

The application package for applying on paper for this funding opportunity can be obtained at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. Alternatively, applicants may contact their USDA Rural Development State Office. The State Office can be reached by calling 800-670-6553 and pressing "1." For electronic applications, applicants must visit <http://www.grants.gov> and follow the instructions.

B. Content and Form of Submission

Applications must be submitted on paper or electronically. An Application Guide may be viewed at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>. It is strongly recommended that applicants use the template provided on the Web site. The template can be filled out electronically and printed out for submission with the required forms for a paper submission or it can be filled out electronically and submitted as an attachment through Grants.gov.

If an application is submitted on paper, one signed original and one copy of the complete application must be submitted.

If the application is submitted electronically, the applicant must follow the instructions given at <http://www.grants.gov>. Applicants are strongly advised to visit the site well in advance

of the application deadline to ensure that they have obtained the proper authentication and have sufficient computer resources to complete the application.

The Agency will conduct an initial screening of all applications for eligibility and to determine whether the application is complete and sufficiently responsive to the requirements set forth in this notice to allow for an informed review. Information submitted as part of the application will be protected from disclosure to the extent permitted by law.

Applicants must complete and submit the elements listed below, except as noted in the next paragraph. Please note that the requirements in the following locations within 7 CFR part 4284 have been combined with other requirements to simplify the application and reduce duplication: 7 CFR 4284.910(c)(5)(i), 4284.910(c)(5)(ii), and 4284.910(c)(5)(iv).

Applicants requesting less than \$50,000 are not required to submit the following items at the time of application. However, if selected for an award, the applicants will be required to submit these items as part of the conditions of the award: Form SF-424A (section IV, B.2), Form SF-424B (section IV, B.3), Title Page (section IV, B.4), Goals of the Project (section IV, B.8.i), and Performance Evaluation Criteria (section IV, B.8.ii).

1. Form SF-424, "Application for Federal Assistance." The form must be completed, signed and submitted as part of the application package. All applicants are also required to have an Employer Identification Number (or a Social Security Number if the applicant is an individual or steering committee) and a DUNS number (including individuals and sole proprietorships). The DUNS number is a nine-digit identification number which uniquely identifies business entities. To obtain a DUNS number, access <http://www.dnb.com/us>, or call (866) 705-5711.

2. Form SF-424A, "Budget Information—Non-Construction Programs." This form must be completed and submitted as part of the application package.

3. Form SF-424B, "Assurances—Non-Construction Programs." This form must be completed, signed, and submitted as part of the application package.

4. Title Page (limited to one page). The title page must include the title of the project and may include other relevant identifying information.

5. Table of Contents. A detailed Table of Contents (TOC) immediately following the title page is required.

6. Executive Summary (limited to one page). The Executive Summary should briefly describe the Project, including goals, tasks to be completed and other relevant information that provides a general overview of the Project. The applicant must clearly state whether the application is for a Planning Grant or a Working Capital Grant and the grant amount requested.

7. Eligibility Discussion (limited to six pages). The applicant must provide the following information so that the Agency can assess the eligibility of the applicant and the proposed Project. Answers of zero or none may not disqualify an applicant, depending on what type of applicant organization is applying.

i. **Applicant Eligibility.** Applicants must provide the following information so that the Agency can determine the eligibility of the applicant organization for assistance.

- Describe the applicant in a brief statement (for example, individual farm or membership organization, etc.) and identify its legal structure (for example sole proprietorship, LLC, LLP, cooperative, non-profit organization, or others described in detail).

- Identify the owners or members who will be contributing the Agricultural Commodity to which value will be added to the Project. Applicants must provide the names of the individuals who are owners or members, as well as the percentage of their ownership in the organization. If the applicant organization is owned by entities other than individuals, it must identify those entities and provide a list of the individuals who own each entity. If the list is longer than a few lines, it should be attached as an appendix to the application and will not be counted toward the page limit of this section.

- A statement that certifies that these owners or members are actively and currently engaged in the production of the Agricultural Commodity.

- Describe how the applicant organization is governed or managed, including a description of who and how many owners/members have voting rights, if applicable.

- The number of individuals on the governing board (e.g. board of directors).

- The number of individuals on the governing board who have voting rights and are currently engaged in the production of the Agricultural Commodity to which value will be added and will be providing that commodity to the Project.

- If the applicant organization is a membership organization, include the organization's mission statement, which must be copied from the organization's

articles of incorporation, bylaws, or other governing documents.

- The amount of the Agricultural Commodity needed for the Project. Planning applications must provide an estimate.

- The amount of the Agricultural Commodity that will be provided by the owners or members of the applicant organization. Planning applications must provide an estimate.

- The amount of the Agricultural Commodity that will be purchased or donated from third-party sources.

- How the owners or members providing the Agricultural Commodity to the Project will maintain ownership of the commodity from its raw state to marketing the Value-Added Agricultural Product.

- In addition to the above information, if applying for Beginning Farmer or Rancher or Socially Disadvantaged Farmer or Rancher reserved funds, provide documentation demonstrating that the applicant organization meets the definition of a Beginning Farmer or Rancher or a Socially Disadvantaged Farmer or Rancher.

- In addition to the above information, if applying for Mid-Tier Value Chain reserved funds, provide a discussion that demonstrates that the applicant meets the definition of a Local or Regional Supply Network. The discussion must include the following: (1) A description of whether the applicant organization is the network itself or the legal representative that is a member organization and business enterprise of the network, (2) a description of the network, its member organizations, and its purpose, and (3) a description of the alliances, linkages, or partnerships within the value chain of which the network is comprised.

ii. *Product Eligibility.* Applicants must provide the following information so that the Agency can determine the eligibility of the Value-Added Agricultural Product to be marketed.

- The Agricultural Commodity to which value will be added.

- Describe the method or process through which value will be added. This must include at least one of the following: a change in physical state, a non-standard production method that enhances the commodity's value, physical segregation, on-farm or on-ranch generation of renewable energy, and/or a locally-produced agricultural food product.

- The dollar amount of value added per production unit to the Agricultural Commodity that is attributed to the value-added process. Applicants for planning grants must estimate this

amount while applicants for working capital grants must use the amount from their Feasibility Study and Business Plan results.

- The Value-Added Agricultural Product that will be produced.

- Describe the expansion of customer base for the Value-Added Agricultural Product. Those applying for a planning grant must provide an estimate for the expansion of customer base. Those applying for a working capital grant must supply the relevant information from the Feasibility Study and Business Plan that was completed for the Venture. If no expansion of customer base exists or is likely to exist, the application is not eligible for funding.

- The amount of the increased portion of revenue derived from marketing the Value-Added Agricultural Product that will be available to the producers of the Agricultural Commodity to which value is added. Applicants for a planning grant must provide an estimate for the increase in revenue. Those applying for a working capital grant must supply the relevant information from the Feasibility Study and Business Plan that was completed for the Venture. If no increase in revenue exists or is likely to exist, the application is not eligible for funding.

- In addition to the above requirements, if applying for Mid-Tier Value Chain reserved funds, provide a discussion that demonstrates the Project incorporates an increase in the profitability and competitiveness of Small and Medium-Sized Farms and Ranches that are structured as Family Farms due to the manner in which the Value-Added Agricultural Product is marketed and a copy of an agreement with an Agricultural Producer Group, Farmer or Rancher Cooperative, or Majority-Controlled Producer-Based Business Venture that is engaged in the value chain on a marketing strategy and that includes the names of the parties and a description of the nature of their collaboration.

iii. *Purpose Eligibility.* Applicants must provide the following information so that the Agency can determine the eligibility of the proposed use of funds. In addition to reviewing the responses to these questions, the Agency will also evaluate the budget and work plan submitted in response to the Proposal Evaluation Criteria to determine the eligibility of the use of funds.

- A statement that an independent, third-party Feasibility Study has been conducted for the proposed Venture. The applicant must provide the name of the party who conducted the Feasibility Study and the date it was completed. The Feasibility Study should not be

submitted with the application, but the Agency may request it at any time in order to facilitate its eligibility review.

- A statement that a Business Plan has been developed for the proposed Venture. The applicant must provide the name of the party who developed the Business Plan and the date it was completed. The Business Plan should not be submitted with the application, but the Agency may request it at any time in order to facilitate its eligibility review.

- Describe how long the applicant organization has been engaged in the Venture that is the subject of the application.

8. Proposal Narrative (limited to 15 pages).

i. *Goals of the Project.* The application must include a clear statement of the ultimate goals of the Project, including 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).

ii. *Performance Evaluation Criteria.* Applicants applying for Planning Grants must suggest at least one criterion by which their performance under a grant could be evaluated. Applicants applying for Working Capital Grants must identify the projected increase in customer base, revenue accruing to Independent Producers, and number of jobs attributed to the Project. Working capital projects with significant energy components must also identify the projected increase in capacity (e.g. gallons of ethanol produced annually, megawatt hours produced annually) attributed to the Project. Please note that these criteria are different from the Proposal Evaluation Criteria and are a separate requirement.

iii. *Proposal Evaluation Criteria.* Each of the proposal evaluation criteria referenced in Section V.A. of this funding announcement must be addressed, specifically and individually, in narrative form. Applications that do not address the appropriate criteria (Planning Grant applications must address Planning Grant evaluation criteria and Working Capital Grant applications must address Working Capital Grant evaluation criteria) will be considered ineligible.

9. *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. This

certification is a separate requirement from the verification of Matching Funds requirement. To fulfill this requirement, applicants must 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.

10. **Verification of Matching Funds.** Applicants must provide documentation of all proposed Matching Funds, both cash and in-kind. The documentation below must be included in the Appendix. Template letters for each type of matching funds are available at <http://www.rurdev.usda.gov/rbs/coops/applicants.htm>.

i. **Matching funds provided by the applicant in cash.** A copy of a bank statement with an ending date within one month of the application submission and showing an ending balance equal to or greater than the amount of cash Matching Funds proposed is required.

ii. **Matching funds provided through a loan or line of credit.** The applicant must include a signed letter from the lending institution verifying the amount available, the purposes for which funds may be used, and the time period of availability of the funds. Specific dates (month/day/year) corresponding to the proposed grant period or to dates within the grant period when matching funds will be made available, must be included.

iii. **Matching funds provided by the applicant through an in-kind contribution.** The application must include a signed letter from the applicant verifying the goods or services to be donated, the value of the goods or services, and when the goods and services will be donated. Specific dates (month/day/year) corresponding to the proposed grant period or to dates within the grant period when matching contributions will be made available, must be included. Note that applicant in-kind match for planning grants should not include values for applicant time spent on feasibility or business planning activities due to a possible conflict of interest. Although applicants may participate with their consultant in the feasibility and business planning activities, they may not include their time as an in-kind match contribution to the project. This represents a possible

conflict of interest and should be avoided in the application. Also note that if the applicant organization is purchasing goods or services for the grant (e.g. salaries, inventory), the contribution is considered a cash contribution and must be verified as described in paragraph i. above. Also, if an owner or employee of the applicant organization is donating goods or services, the contribution is considered a third-party in-kind contribution and must be verified as described in paragraph v. below.

iv. **Matching funds 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. Specific dates (month/day/year) corresponding to the proposed grant period or to dates within the grant period when matching funds will be made available, must be included.

v. **Matching Funds 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, the value of the goods or services, and when the goods and services will be donated. Specific dates (month/day/year) corresponding to the proposed grant period or to dates within the grant period when matching contributions will be made available, must be included.

Verification for cash or 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.

Matching Funds are subject to the same use restrictions as grant funds. 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: real property, 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 is subject to the requirements of 7 CFR part 3015, subpart F and 7 CFR 3019.24 and any provisions in the Grant Agreement.

C. Submission Dates and Times

Application Deadline Date: July 6, 2009 for unreserved funds. June 22, 2009 for reserved funds.

Explanation of Deadlines: Paper applications must be postmarked, mailed, shipped, or sent overnight by the deadline date (see Section IV.F. for the address). Final electronic applications must be received by Grants.gov by the deadline date. If an application does not meet the deadline above, it will not be considered for funding. Applicants will be notified that their applications did not meet the submission deadline.

D. Intergovernmental Review of Applications

Executive Order (EO) 12372, Intergovernmental Review of Federal Programs, applies to this program. This EO requires that Federal agencies provide opportunities for consultation on proposed assistance with State and local governments. Many states have established a Single Point of Contact (SPOC) to facilitate this consultation. A list of states that maintain an SPOC may be obtained at <http://www.whitehouse.gov/omb/grants/spoc.html>. If an applicant's state has an SPOC, the applicant may submit the application directly for review. Any comments obtained through the SPOC must be provided to Rural Development for consideration as part of the application. If the applicant's state has not established an SPOC, or the applicant does not want to submit the application, Rural Development will submit the application to the SPOC or other appropriate agency or agencies.

Applicants are also encouraged to contact their Rural Development State Office for assistance and questions on this process. The Rural Development State Office can be reached by calling 800-670-6553 and selecting option “1” or by viewing the following Web site: <http://www.rurdev.usda.gov/>.

E. Funding Restrictions

Funding restrictions apply to both grant funds and matching funds. Funds may only be used for planning activities or working capital for Projects focusing on processing and marketing a value-added product.

1. Examples of acceptable planning activities include:

i. Obtaining legal advice and assistance related to the proposed Venture;

ii. Conducting a Feasibility Study of a proposed Value-Added Venture to help determine the potential marketing success of the Venture;

iii. Developing a Business Plan that provides comprehensive details on the management, planning, and other operational aspects of a proposed Venture; and

iv. Developing 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.

2. Examples of acceptable working capital uses include:

i. Designing or purchasing an accounting system for the proposed Venture;

ii. Paying for salaries, utilities, and rental of office space;

iii. Purchasing inventory, office equipment (e.g. computers, printers, copiers, scanners), and office supplies (e.g. paper, pens, file folders); and

iv. Conducting a marketing campaign for the proposed Value-Added product.

3. 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. The Agency considers these expenses to be ineligible because the intent of the program is to assist producers with marketing value-added products rather than producing Agricultural Commodities;

x. Fund research and development;

xi. Purchase land;

xii. Duplicate current services or replace or substitute support previously provided;

xiii. Pay costs of the Project incurred prior to the date of grant approval;

xiv. Pay for assistance to any private business enterprise which does not have at least 51 percent ownership by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence; or

xv. Pay any judgment or debt owed to the United States; or

xvi. Conduct activities on behalf of anyone other than a specific Independent Producer or group of Independent Producers. The Agency considers conducting industry-level Feasibility Studies and Business Plans that are also known as feasibility study templates or guides or business plan templates or guides to be ineligible because the assistance is not provided to a specific group of Independent Producers.

xvii. Pay for any goods or services provided by a person or entity who has a Conflict of Interest. Also, note that in-kind Matching Funds may not be provided by a person or entity that has a Conflict of Interest. See Section IV.B.10.iii of this notice for additional information.

F. Other Submission Requirements

Paper applications must be submitted to the Rural Development State Office for the State in which the Project will primarily take place. Addresses can be found online at: http://www.rurdev.usda.gov/recd_map.html or in the **ADDRESSES** section at the beginning of this Notice.

Applications can also be submitted electronically at <http://www.grants.gov>. Applications submitted by electronic mail or facsimile will not be accepted. Each application submission must contain all required documents in one envelope, if by mail or courier delivery service.

V. Application Review Information

A. Criteria

All eligible and complete applications will be evaluated based on the following criteria. Applications for Planning Grants have different criteria to address than applications for Working Capital Grants.

1. Criteria for Planning Grant applications:

i. *Nature of the proposed venture* (0–8 points). Projects will be evaluated for technological feasibility, operational efficiency, profitability, sustainability and the likely improvement to the local rural economy. Evaluators may rely on their own knowledge and examples of similar ventures described in the

proposal to form conclusions regarding this criterion. Points will be awarded based on the greatest expansion of markets and increased returns to producers.

ii. *Qualifications of those doing work* (0–8 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. Qualifications of the personnel and consultants should be discussed directly within the response to this criterion. If resumes are included, those pages will count toward the page limit for the narrative.

iii. *Commitments and support* (0–5 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. Support should be discussed directly within the response to this criterion. If support letters are included, those pages will count toward the page limit for the narrative. Points will be awarded based on the greatest level of documented and referenced commitment.

iv. *Project leadership* (0–8 points). The leadership abilities of individuals (*i.e.* owners, not consultants) 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. Leadership abilities should be discussed directly within the response to this criterion. If resumes are attached at the end of the application, those pages will count toward the page limit for the narrative.

v. *Work plan/budget* (0–8 points). Applicants must submit a work plan and budget. The work plan will be reviewed to determine whether it provides specific and detailed descriptions of tasks that will

accomplish the project's goals. The budget must present a detailed breakdown of all estimated costs associated with the planning activities and allocate these costs among the listed tasks. The source and use of grant and matching funds must be specified. Points may not be awarded unless sufficient detail is provided to determine if funds are being used for qualified purposes. Matching funds as well as grant funds must be accounted for in the budget to receive points. If the project period will be longer than one year, the work plan and budget must identify a separate, unique task(s) for the first year and for any subsequent year of the proposed project. Any applications proposing a project of longer than one year with duplicative or similar activities in each year is ineligible for funding.

vi. *Amount requested* (0 or 2 points). Two points will be awarded for grant requests of \$50,000 or less. To determine the number of points to award, the Agency will use the amount indicated in the work plan and budget.

vii. *Project cost per owner-producer* (0–3 points). The applicant must state the number of Independent Producers that are owners of the Venture. Points will be calculated by dividing the amount of Federal funds requested by the total number of Independent Producers that are owners of the Venture. The allocation of points for this criterion shall be as follows:

- 0 points will be awarded to applications without enough information to determine the number of owner-producers.
- 1 point will be awarded to applications with a project cost per owner-producer of \$70,001–\$100,000.
- 2 points will be awarded to applications with a project cost per owner-producer of \$35,001–\$70,000.
- 3 points will be awarded to applications with a project cost per owner-producer of \$1–\$35,000.

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 Agriculture Producer Groups, the number used must be the number of Independent 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.

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. *Business management capabilities* (0–10 points). Applicants must discuss their financial management system, procurement procedures, personnel policies, property management system, and travel procedures. Up to two points can be awarded for each component of this criterion, based on the appropriateness of the system, procedures or policies to the size and structure of the business applying. Larger, more complex businesses will be expected to have more complex systems, procedures, and policies than smaller, less complex businesses.

ix. *Sustainability and economic impact* (0–15 points). Projects will be evaluated based on the expected sustainability of the Venture and the expected economic impact on the local economy.

x. *Innovation (including renewable energy)* (0 or 10 points). The applicant must describe the innovation that supports the Value-Added Agricultural Product; demonstrate how the project will accelerate adoption of innovation and commercialization; and document how the innovation will enhance the income and opportunity for farming and ranching operations. The applicant must also demonstrate how the proposed Value-Added Agricultural Product or process by which the product is made is forward-thinking, incorporates advanced ideas, or improves efficiency, effectiveness or competitive advantage. Projects that meet category (iv) of the definition of a Value-Added Agricultural Product, as defined in this notice, will receive 10 points.

xi. *Type of applicant* (0 or 8 points). If an application is from an applicant that is a Beginning Farmer or Rancher, a Socially Disadvantaged Farmer or Rancher, or an operator of a Small or Medium-Sized Farm or Ranch that is structured as a Family Farm, 8 points will be awarded. Applicants must provide documentation that they meet one of these definitions to receive points.

xii. *Administrator points* (up to 5 points, but not to exceed 10 percent of the total points awarded for the other 10 criteria). The Administrator of USDA Rural Development Business and Cooperative Programs 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:

i. *Business viability* (0–8 points). Proposals will be evaluated on the basis of the technical and economic feasibility and sustainability of the Venture and the efficiency of operations. When responding to this criterion, applicants should reference critical data and information identified in the venture-specific feasibility study and business plan.

ii. *Customer base/increased returns* (0–8 points). 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 pro forma financial statements developed for the Venture. Applications 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.

iii. *Commitments and support* (0–5 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 identified markets, letters of intent or contracts from potential buyers and the amount of output to be purchased. Applications 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. Support should be discussed directly within the response to this criterion. If support letters are included, those pages will count toward the page limit for the narrative. Points will be awarded based on the greatest level of documented and referenced commitment.

iv. *Management team/work force* (0–8 points). The education and capabilities of project managers and those who will operate the Venture must reflect the skills and experience necessary to affect 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.

Applications 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* (0–8 points). The work plan will be reviewed to determine whether it provides specific and detailed descriptions of tasks 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 and allocation of these costs among the listed tasks. The source and use of grant and matching funds must be specified. Points may not be awarded unless sufficient detail is provided to determine if funds are being used for qualified purposes. Matching Funds as well as grant funds must be accounted for in the budget to receive points. If the project period will be longer than one year, the work plan and budget must identify a separate, unique task(s) for the first year and for any subsequent year of the proposed project. Any applications proposing a project of longer than one year with duplicative or similar activities in each year is ineligible for funding.

vi. *Amount requested* (0 or 2 points). Two points will be awarded for grant requests of \$150,000 or less. To determine the number of points to award, the Agency will use the amount indicated in the work plan and budget.

vii. *Project cost per owner-producer* (0–3 points). The applicant must state the number of Independent Producers that are owners of the Venture. Points will be calculated by dividing the amount of Federal funds requested by the total number of Independent Producers that are owners of the Venture. The allocation of points for this criterion shall be as follows:

- 0 points will be awarded to applications without enough information to determine the number of owner-producers.
- 1 point will be awarded to applications with a project cost per owner-producer of \$200,001–\$300,000.
- 2 points will be awarded to applications with a project cost per owner-producer of \$100,001–\$200,000.
- 3 points will be awarded to applications with a project cost per owner-producer of \$1–\$100,000.

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 Agriculture Producer Groups, the number used must be the number of Independent 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.

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. *Business management capabilities* (0–10 points). Applicants should discuss their financial management system, procurement procedures, personnel policies, property management system, and travel procedures. Up to two points can be awarded for each component of this criterion, based on the appropriateness of the system, procedures or policies to the size and structure of business applying. Larger, more complex businesses will be expected to have more complex systems, procedures, and policies than smaller, less complex businesses.

ix. *Sustainability and economic impact* (0–15 points). Projects will be evaluated based on the expected sustainability of the Venture and the expected economic impact on the local economy.

x. *Innovation (including renewable energy)* (0 or 10 points). The applicant must describe the innovation that supports the Value-Added Agricultural Product; demonstrate how the project will accelerate adoption of innovation and commercialization; and document how the innovation will enhance the income and opportunity for farming and ranching operations. The applicant must also demonstrate how the proposed Value-Added Agricultural Product or process by which the product is made is forward-thinking, incorporates advanced ideas, or improves efficiency, effectiveness or competitive advantage. Projects that meet category (iv) of the definition of a Value-Added Agricultural Product, as defined in this notice, will receive 10 points.

xi. *Type of applicant* (0 or 8 points). If an application is from an applicant that is a Beginning Farmer or Rancher, a Socially Disadvantaged Farmer or Rancher, or an operator of a Small or Medium-Sized Farm or Ranch that is structured as a Family Farm, 8 points will be awarded. Applicants must provide documentation that they meet one of these definitions to receive points.

xii. *Administrator points* (up to 5 points, but not to exceed 10 percent of the total points awarded for the other 10 criteria). The Administrator of USDA Rural Development Business and

Cooperative Programs 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

The Agency will conduct an initial screening of all applications for eligibility and to determine whether the application is complete and sufficiently responsive to the requirements set forth in this notice to allow for an informed review. As part of this review, the Rural Development State Office may require Working Capital applicants to submit their Feasibility Studies and Business Plans after the application deadline, but prior to the selection of grantees to facilitate the eligibility review process.

All eligible and complete proposals will be evaluated by three reviewers based on criteria i through v described in Section V.A.1. or 2. 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 either: (1) Possess at least five years of working experience in an agriculture-related field, or (2) have obtained at least a bachelors degree in one or more of the following fields: Agri-business, business, economics, finance, or marketing and 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). Once the scores for criteria i through v have been completed by the three reviewers, they will be averaged to obtain the independent reviewer score.

The application will also receive one score from the Rural Development servicing State Office based on criteria vi through xi. This score will be added to the independent reviewer score.

Finally, the Administrator of USDA Rural Development Business and Cooperative Programs will award any Administrator points based on Proposal Evaluation Criterion xii. These points will be added to the cumulative score for criteria i through xi. A final ranking will be obtained based solely on the scores received for criteria i through xii. Applications will be funded in rank order until available funds are expended. Any unfunded applications for reserved funds will automatically be considered for unreserved funds, if

eligible, according to rank order. Note that applicants for Mid-Tier Value Chain reserved funds are unlikely to be eligible for unreserved funds.

After the award selections are made, all applicants will be notified of the status of their applications by mail. Grantees must meet all statutory and regulatory program requirements in order to receive their award. In the event that a grantee cannot meet the requirements, the award will be withdrawn. Applicants for Working Capital Grants must submit complete, independent third-party Feasibility Studies and Business Plans before the grant award can be finalized. All Projects will be evaluated by the servicing State Office prior to finalizing the award to ensure that funded Projects are likely to be feasible in the proposed project area. Regardless of scoring, a Project determined to be unlikely to be feasible by the servicing State Office with concurrence by the National Office will not be funded.

C. Anticipated Announcement and Award Dates

Award Date: The announcement of award selections is expected to occur on or about September 1, 2009.

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 dispute resolution alternatives, by mail.

B. Administrative and National Policy Requirements

7 CFR parts 1901 subpart E, 3015, 3019, and 4284 are applicable and may be accessed at <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.
Form RD 1942-46.

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 400-4, "Assurance Agreement."

Additional information on these requirements can be found at <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>.

Reporting Requirements: Grantees must provide Rural Development with a paper or electronic copy that includes all required signatures of the following reports. The reports must be submitted to the Agency contact listed on the Grant Agreement and Letter of Conditions. Failure to submit satisfactory reports on time may result in suspension or termination of the grant.

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, regardless of when the grant period begins. Reports are due 30 days after the reporting period ends.

2. Semi-annual written performance reports that compare accomplishments to the objectives stated in the Grant Agreement, identify all tasks completed to date, and provide documentation supporting the reported results. The report should discuss any problems or delays that may affect completion of the project, as well as objectives for the next reporting period. Compliance with any special condition on the use of award funds should also be discussed. Reports are due as provided in paragraph 1. of this section. Supporting documentation for completed tasks includes, but is not limited to, Feasibility Studies, marketing plans, Business Plans, articles of incorporation and bylaws and an accounting of how working capital funds were spent.

3. A Final Project written performance report that compares accomplishments to the objectives stated in the proposal is due within 90 days of the completion of the project. This report should identify all tasks completed and provide documentation supporting the reported results, as well as any problems or delays that affected completion of the project. Compliance with any special condition on the use of award funds should also be discussed. Supporting documentation for completed tasks includes, but is 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, any other relevant economic indicators generated by the project during the grant period in addition to total funds used for the Venture during the grant period. Total funds must include other federal, state, local, and other funds used for the venture. 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.

VII. Agency Contacts

For general questions about this announcement and for program technical assistance, applicants should contact their USDA Rural Development State Office at http://www.rurdev.usda.gov/recd_map.html. The State Office can also be reached by calling 800-670-6553 and pressing "1." If an applicant is unable to contact their State Office, a nearby State Office may be contacted or the RBS National Office can be reached at Mail STOP 3250, Room 4016-South, 1400 Independence Avenue, SW., Washington, DC 20250-3250, Telephone: (202) 720-7558, e-mail: cpgrants@wdc.usda.gov. Applicants are also encouraged to visit the application website for application tools including an application guide and templates. The web address is: <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>.

VIII. Non-Discrimination Statement

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1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (866) 632-9992 (voice) or (202) 401-0216 (TDD). USDA is an equal opportunity provider and employer.

Dated: April 30, 2009.

William F. Hagy III,

Acting Administrator, Rural Business-Cooperative Service.

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DEPARTMENT OF COMMERCE

International Trade Administration]

[A-489-807]

Certain Steel Concrete Reinforcing Bars From Turkey; Preliminary Results and Preliminary Partial Rescission of Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on certain steel concrete reinforcing bars (rebar) from Turkey with respect to two companies, Ekinciler Demir ve Celik Sanayi A.S. and Ekinciler Dis Ticaret A.S. (collectively "Ekinciler") and Kaptan Demir Celik Endustrisi ve Ticaret A.S. (Kaptan).¹ The review covers the period April 1, 2007 through March 25, 2008.

We preliminarily determine that sales made by Ekinciler have not been made at below normal value (NV), while those made by Kaptan have. If these preliminary results are adopted in the final results of this review, we will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on all appropriate entries.

Interested parties are invited to comment on these preliminary results. We will issue the final results no later than 120 days from the date of publication of this notice.

DATES: *Effective Date:* May 6, 2009.

FOR FURTHER INFORMATION CONTACT: Hector Rodriguez or Holly Phelps, AD/CVD Operations, Office 2, Import Administration—Room 1870, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-0629 or (202) 482-0656, respectively.

¹ Certain companies other than Ekinciler and Kaptan are being rescinded from this administrative review.

SUPPLEMENTARY INFORMATION:

Background

On April 1, 2008, the Department published in the **Federal Register** a notice of "Opportunity To Request Administrative Review" of the antidumping duty order on rebar from Turkey. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 73 FR 17317 (Apr. 1, 2008).

In accordance with 19 CFR 351.213(b)(2), on April 30, 2008, the Department received requests to conduct an administrative review of the antidumping duty order on rebar from Turkey from three producers/exporters of rebar, Ekinciler, Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S. (Habas), and Kaptan. In their April 30, 2008, requests, Ekinciler and Habas requested that the Department revoke the antidumping duty order on rebar from Turkey with regard to them based on an absence of dumping, pursuant to 19 CFR 351.222(b)(2).

Also on April 30, 2008, the domestic interested parties, Nucor Corporation, Gerdau AmeriSteel Corporation and Commercial Metals Company, requested an administrative review for the three producers/exporters identified above, as well as for Ege Celik Endustrisi Sanayi ve Ticaret A.S. and Ege Dis Ticaret A.S. (collectively "Ege Celik"), Izmir Demir Celik Sanayi A.S. (IDC), Kroman Celik Sanayi A.S. (Kroman), and Nursan Celik Sanayi ve Haddecilik A.S./Nursan Dis Ticaret A.S. (collectively "Nursan"), pursuant to section 751(a) of the Tariff Act of 1930, as amended (the Act), and in accordance with 19 CFR 351.213(b)(1).

On June 4, 2008, the Department initiated an administrative review for the seven companies listed above. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 73 FR 31813 (June 4, 2008).

In June 2008, four exporters (*i.e.*, Ege Celik, IDC, Kroman, and Nursan) informed the Department that they had no shipments or entries of subject merchandise during the period of review (POR). Because we confirmed this with CBP, we are preliminarily rescinding the review with respect to these companies. For further discussion, *see* the "Partial Rescission of Review" section of this notice.

In July 2008, we issued the antidumping duty questionnaire to Ekinciler, Habas, and Kaptan. We received responses to the questionnaire from Ekinciler and Kaptan in September 2008.

In November 2008, we rescinded the administrative review with respect to Habas because the antidumping duty order was partially revoked in the 2006-2007 administrative review with respect to Habas, effective April 1, 2007. For further discussion, *see* the "Partial Rescission of Review" section of this notice.

Also in November 2008, we postponed the preliminary results of this review until no later than April 30, 2009. *See Certain Steel Concrete Reinforcing Bars From Turkey; Notice of Extension of Time Limits for Preliminary Results of Antidumping Duty Administrative Review*, 73 FR 66218 (Nov. 7, 2008).

In December 2008, the International Trade Commission (ITC) determined, pursuant to section 751(c) of the Act, that revocation of this order would not be likely to lead to the continuation or recurrence of material injury to an industry in the United States within a reasonably foreseeable time. *See Steel Concrete Reinforcing Bar From Turkey; Determination*, 73 FR 77841 (Dec. 19, 2008) (*ITC Final*). *See also Steel Concrete Reinforcing Bars From Turkey*, Inv. No. 701-TA-745 (Second Review), USITC Pub. 4 (January 2009) (*USITC Pub. 4052*). As a result of the ITC's negative determination, the Department revoked the order on rebar from Turkey on January 5, 2009, effective as of March 26, 2008 (*i.e.*, the fifth anniversary of the date of publication in the **Federal Register** of the notice of continuation of this antidumping duty order). *See Revocation of Antidumping Duty Order: Certain Steel Concrete Reinforcing Bars From Turkey*, 74 FR 266 (Jan. 5, 2009) (*Revocation Notice*).

During the period December 2008 through April 2009, we issued supplemental questionnaires to Ekinciler and Kaptan. We received responses to these questionnaires from January 2009 through April 2009.

Scope of the Order

The product covered by this order is all stock deformed steel concrete reinforcing bars sold in straight lengths and coils. This includes all hot-rolled deformed rebar rolled from billet steel, rail steel, axle steel, or low-alloy steel. It excludes (i) plain round rebar, (ii) rebar that a processor has further worked or fabricated, and (iii) all coated rebar. Deformed rebar is currently classifiable under subheadings 7213.10.000 and 7214.20.000 of the *Harmonized Tariff Schedule of the United States* (HTSUS). The HTSUS subheadings are provided for convenience and customs purposes. The