



Larry Hogan | Governor
Boyd Rutherford | Lt. Governor
R. Michael Gill | Secretary of Commerce
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Rural Maryland Economic Development Fund Frequently Asked Questions & Updates

- Who can apply for the funds?
 - The 5 state-designated regional councils are the official applicants for the funds.
 - The regional councils shall coordinate with the local jurisdictions within their regions to identify the priority projects to be included in the application.
- Who can receive the funds?
 - The funds will be granted from Commerce to the 5 regional councils in one upfront payment upon application approval and execution of a grant agreement
 - Regional councils may re-grant the funds to local government entities, institutions of higher education, workforce development organizations and other not-for-profit entities identified in the application to execute eligible projects.
 - Regional councils and sub-grantees may use the funds to contract for services with the private sector
 - **Non-profits who would administer an eligible program are eligible to receive funds. Updated 6/7/22**
- How should the funds be allocated within each region?
 - A best effort should be made to allocate funds equitably between the counties within each region.
 - Funds may also be allocated to regional projects that benefit all 3 counties within each region
- Can the funds be used for regional projects?
 - Yes - counties may identify projects that benefit the entire region as an eligible use of funds
- What types of projects are eligible?
 - Public infrastructure such as water, sewer, electricity, transportation, streetscapes, and broadband to support the attraction, retention or expansion of businesses
- **Are there restrictions regarding investing in broadband? If there is a broadband infrastructure build to connect houses in a county, is that eligible? Can it be assumed that several of the houses operate businesses or people will be able to work from home?**
 - **No, it is not eligible. Updated 6/7/22**

- **ADDING:** The purchase of commercial and industrial properties for the purpose of developing business or industrial parks, and/or purchase or construction of commercial or industrial buildings, for the purpose of attracting, retaining or expanding businesses. Updated 7/11/22
- Facilities that are designed to support a strategic industry sector and enable the development of that sector. Examples include makerspaces, additive manufacturing labs, workforce training facilities, shared lab/development centers, etc. Such facilities must be owned/operated by an eligible recipient of the funds.
- Programs focused on workforce development and/or talent attraction
- Programs or facilities intended to foster and support entrepreneurship and innovation
- Capacity building projects such as planning studies, feasibility studies
- Both capital and operational expenses (including programmatic personnel costs) are eligible. For operational expenses, long term sustainability for operations will be considered as part of the application process.
- What types of projects/uses of funds are ineligible?
 - Funds cannot be used for direct private sector incentive, subsidy, grants or loans.
 - Funds may not be re-granted nor loaned to private sector entities, but may be used to procure goods or services from private or public sector entities to carry out or advance economic development projects.
 - Funds may not be used for construction of facilities to be owned or leased to private-sector entities.
 - **DELETING:** Funds may not be used for construction of facilities to be owned or leased to private-sector entities.
 - **ADDING:** Any land purchased, or buildings purchased or constructed with these funds, may not be granted to private sector entities. The sale or lease of these properties is permitted. Updated 7/11/22
 - Projects must be non-housing/non-residential.
- Are administrative costs allowed? Could they be shared between the applicant and sub-grantees?
 - A total of 3% of the funds may be used for NEW administrative costs directly attributable to the distribution of funds, and implementation of projects identified in the application. This allows for a maximum of \$300,000.
 - Contracts or paid invoices will suffice for documentation Updated 6/7/22
 - A consultant may be hired to oversee the grant program. Updated 6/7/22
 - Pre approval of hiring is not required Updated 6/7/22
 - These administrative costs may be shared among the regional councils and the sub-grantees identified in the application, the total not to exceed the 3% of allowable expenses.
- Can these funds be used to match/leverage other grant dollars (federal/state)?
 - Yes, funds may be used for projects that leverage other sources of funding. Please be sure to include this information in the budget section of the application.

- What is the timeline for applications and fund disbursement?
 - May 2 - applications open
 - August 5 - applications due
 - [Deadline is extended to September 2, 2022 Updated 6/7/22](#)
 - September - Notice of funding approvals, execution of grant agreements
 - October – Grant agreements created and executed

- What is the deadline for use/expenditure of the funds?
 - Funds must be expended within 24 months of the execution of the grant agreement between Commerce and the regional councils
 - [Commerce will support extending on certain projects with a reasonable justification and project timeframe. Project discussion is required with Commerce and TCC prior to the application submission. At which time all will agree that such an extension is reasonable for the proposed project. Updated 6/7/22](#)

- Looking for clarification on the Fund guideline, “all grant funds must be **expended** within 24 months of the date of the grant.” An example supplied: is if they ordered/purchased equipment within the 24 months, but that equipment wasn’t received in-house until after September 2024, would they still be in compliance of the fund? The answer will help them draft a more accurate timeline/key milestones for the applications.
 - [For planning purposes they should plan to have expended the funds fully by that deadline. If there is an unexpected delay, we can handle extension requests as needed as we come closer to the grant close-out. Updated 6/28/22](#)

- What are the project reporting requirements?

A total of 4 reports will be required:

- 6 month progress report on projects, submitted as part of each regional council’s reporting on their annual funding agreements from Commerce
- 12 month (mid-point) report, that includes a comprehensive update on project progress, budget updates, and invoices/receipts of expenses paid to date.
- 18-month progress report on projects, submitted as part of each regional council’s reporting on their annual funding agreements from Commerce
- Final report upon completion of the 2-year grant agreement with all final documentation, invoices/receipts documenting expenditure of the funds. A
- A full list of report documentation will be provided upon execution of the grant agreements.

- Applicants and sub-grantees will need to request demographic/MBE information for all contractors and vendors selected to perform work under this grant. Contractor/vendor response will be voluntary, and additional information will be provided regarding the demographic survey at the time of grant agreement
- [Applicants and sub grantees will need to request demographic/MBE information for all contractors and vendors selected to perform work under this grant. The following demographic/MBE information is required: Updated 6/7/22](#)

- Female
- Of Hispanic or Latino origin
- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or other Pacific Islander
- White
- Veteran
- Is the Respondent a State/Federal/Other certified Minority Business Enterprise?
- Yes No
- If yes, please provide your:
- State MBE certification number:
- Federal 8(a)/SDB certification number:
- Identify who the other issuer is and the other certification number:
- Respondent is a publicly held entity or other organization not classifiable as owned by individuals of a particular gender, race, ethnicity, or veteran status.

Additional Questions:

Q: Section III: Attachments states “3 Letters of Support/Resolutions of Support from each county”

This means you need one letter from each county supporting the regional council’s grant application, correct? (You do not need three support letters for each project.)

A: **Correct** Updated 6/15/22

Q: A county has sold the last lot in its industrial park and is quite serious about expanding the park to a parcel of land not directly contiguous to the existing park, but nearby and on a major US highway corridor. The question is whether the county may use a portion of the Rural MD Econ Dev funds to purchase the land and begin installing a portion of the necessary infrastructure to begin developing the park. (*With regard to EDA leveraging, EDA is clear it will not finance the purchase of land in this situation. EDA would be open to match funding on the infrastructure only.*)

o **A:** **This is not a qualified use of funds.** Updated 6/21/22

Q: Are there restrictions regarding investing in broadband? If there is a broadband infrastructure build to connect houses in a county, is that eligible? Can it be assumed that several of the houses operate businesses or people will be able to work from home?

o **A:** **No, it is not eligible.** Updated 6/15/22 jp

Q: Are 501c6 orgs eligible? Updated 6/16/22 jp

A. As for 501c6 - I would say yes, assuming they are the most logical organization to administer a particular project/program and that the funds are still not ultimately going to the private sector.

Q: Are tourism projects are eligible to apply for a Rural Maryland Economic Development Fund grant.

A: “Yes tourism project are eligible. The project will have to demonstrate a significant economic impact.” Updated 6/22/22

Additional questions can be submitted to Lori Ratzburg, Senior Director of Regional Growth and Retention, by email at lori.ratzburg@maryland.gov

Updated 6/22/22 jp

Updated 6/21/22 jp

Updated 6/16/22 jp

Updated 6/15/22 jp
Updated 6/10/22 so
updated 6/7/22 jp