**Prior to filing a Rural Innovation Stronger Economy (RISE) grant application, please consider the following critical points:**

1. **APPLICANT** - Ensure that you are an eligible partnership applying for RISE funds. Individuals, small businesses, single entities, and those that are not one of the entities referenced in RISE regulation **§ 4284.1112** are **NOT** eligible for RISE. You must be a partnership consisting of a lead applicant and partner applicants per RISE requirements. Applicants structured differently than those found in RISE regulation will be determined ineligible for funds.
2. **REGION** - Ensure that the region proposed is eligible for RISE. This means that the targeted region has a population of less than 50,000 residents (based on targeted communities/towns/cities), and a **majority** of communities within the region are considered low-income communities. Low income is defined in RISE regulation and refers to 45D(e) of the Internal Revenue Code of 1986, which in summary means that the Median Household Income for your community or region must be 80% or less of the State’s Median Household Income OR the poverty rate is 20% or higher. If a targeted City/Town has a population greater than 50,000 then this would not be an eligible location for a RISE region. Please state the specific towns/communities targeted and their population to ensure compliance with RISE regional requirements. Additional information may be found as defined in § 4284.1103 and discussed at § 4284.1112(d) of RISE regulation. USDA, Rural Development Business Programs mapping information may be found at:

<https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=RBSmenu>

Please be as specific as possible on the towns/cities served and provide their Census information regarding Median Household Income and population on each town/city served in the region so that compliance with the rural and low-income requirements of the program are easily identified in the application and met. At least one of the partners must be physically located in the targeted region. Ensure this is listed in the application.

1. **INDUSTRY CLUSTER** – You must have a specific industry cluster(s) that is the focus of your RISE project. Information regarding the region’s businesses within that industry cluster and their involvement in the RISE project activities will be helpful in the application evaluation. General workforce training or general training is not eligible under RISE. Additionally, programs which provide an extension of University courses are ineligible. The training/programs must benefit residents of the targeted region and result in high-wage jobs within a particular industry cluster or clusters.
2. **MATCHING FUNDS AND GRANT CALCULATION** – You must demonstrate that each activity requesting RISE grant dollars is matched with a minimum 20% match of Non-Federal funds. This is not just a 20% total of eligible project costs, but also a demonstration of 20% of matching funds per each eligible RISE activity. Please be aware, the 20% match is not calculated on the grant request amount, but 20% of the RISE activity costs. Additionally, the project budget must not show more than 10% of the grant amount being used for administrative purposes.
3. **PARTNERSHIP AGREEMENT** – The partnership agreement must be a single collective document signed on by all participants in the partnership. Partners can have a history of working together prior to December 20, 2018, however, for purposes of RISE the partnership agreement must be established on or after December 20, 2018. This agreement identifies the lead partner and all participating partners. It is a formal agreement that indicates responsibilities of all parties and agreement for implementation of the RISE project. Letters of support and letters of recommendation are **NOT** a partnership agreement and do not provide sufficient documentation for eligibility.
4. **ELIGIBLE COSTS** – Please be aware that RISE funds can only be used for eligible costs tied to Innovation Center construction or implementation, equipment supporting the innovation center programs, programming for the innovation center, or directed training for high-wage jobs that will provide direct benefit to a particular industry cluster(s). Any other costs may be deemed ineligible.
5. **INELIGIBLE COSTS** –RISE is **not** able to provide a source of funding for scholarships, stipends, research and development or pass-through payments to a partner in the partnership. Lease payments to a partner in the partnership proposed with RISE funds are ineligible and may result in an ineligible project. Please note, while business incubators can be a part of the Innovation Center, it cannot be the sole purpose of the RISE project, but a service provided by the Innovation Center and the Innovation Center programming targeting a particular industry cluster(s) as proposed in the application scope. Again, all programming, services and business incubator services must be directed at a particular industry cluster(s). All other ineligible costs may be found in the RISE regulation **§ 4284.1114 (d).**

**RISE eligibility isn’t limited to the points above, but these are common issues resulting in ineligibility determinations based on historical experience. It is recommended that any potential applicant refer to RD Instruction 4284 Subpart L for the RISE regulation and all requirements. Please follow the application template closely to ensure that all eligibility and application criteria are met.**

**If you find your proposed project does not meet the requirements of RISE, we encourage you to review other Business Programs on our website or with your local Rural Development State Office at** [**https://www.rd.usda.gov/about-rd/state-offices**](https://www.rd.usda.gov/about-rd/state-offices)

**RISE regulation source:** [**https://www.federalregister.gov/documents/2021/06/15/2021-12334/rural-innovation-stronger-economy-rise-grant-program**](https://www.federalregister.gov/documents/2021/06/15/2021-12334/rural-innovation-stronger-economy-rise-grant-program)