

## Frequently Asked Questions

### Regulation Overview

#### Question

What is the Rural Innovation Stronger Economies (RISE) Grant Program?

#### Answer

RISE grants are made for the benefit of rural jobs accelerator partnerships (partnership). These partnerships are working groups that consist of community and regional stakeholders whose focus is the needs of an identified industry cluster. Implementation and sustainability of the partnership is more likely with a broad coalition of stakeholders; to that end, the partnership must be made up of one or more representatives of the groups listed in § 4284.1112(a). Additionally, all partnerships must have a lead applicant as described in § 4284.1112(b). The lead applicant is responsible for the partnership, enters into the financial assistance agreement with the Agency, administers the grant proceeds and activities, and takes ownership of any assets purchased with grant funds. Only partnerships formed on or after December 20, 2018, are eligible for awards.

#### Question

When are applications due?

#### Answer

August 2, 2021 at 11:59 pm

#### Question

Where do I submit my application?

#### Answer

Applications must be submitted through <https://www.grants.gov/>. Please review the Grants.gov website at [http://grants.gov/applicants/organization\\_registration.jsp](http://grants.gov/applicants/organization_registration.jsp) for instructions on the process of registering your organization as soon as possible to ensure that you are able to meet the electronic application deadline. Late applications are not eligible for funding under this notice and will not be evaluated.

### Question

What is an Innovation Center?

### Answer

- A cross-functional place for the planning and creation of new ideas and opportunities for individual and group collaboration that leads to supporting deployment of innovative processes, technologies, services and products for economic development.
- Innovation Centers may be utilized for a wide array of purposes including short-term housing for business owners or workers; co-working space, which may include space for remote work; space for business utilization; job training programs; and efforts to utilize the Innovation Center as part of the development of a community.

Innovation Centers may support business incubators as one of the services, but business incubators alone are not necessarily innovation centers. Innovation Centers must provide qualified industry cluster support programming to benefit residents of the targeted region, resulting in high wage job creation and new business formation, and bolstering existing businesses in the region's industries.

### Question

What is a rural job accelerator?

### Answer

A center or program located in or serving a rural low-income community that may provide co-working space, in-demand skills training, entrepreneurship, and business support, which is located in a rural area. Here are several examples of possible activities conducted at the Innovation Center's job accelerator:

- Linking rural communities and entrepreneurs to markets, networks, industry clusters, and other regional opportunities to support high-wage job creation, new business formation, business expansion, and economic growth.
- Integrating small businesses into a supply chain.
- Creating or expanding commercialization activities for new business formation.
- Identifying and building assets in rural communities that are crucial to supporting regional economies.
- Facilitating the repatriation of high-wage jobs to the United States.
- Supporting the deployment of innovative products, processes, technologies, and products.
- Enhancing the capacity of small businesses in regional industry clusters, including small and disadvantaged businesses. Increasing United States exports and business interaction with international buyers and suppliers.
- Developing the skills and expertise of local workforces, entrepreneurs, and institutional partners to meet the needs of employers and prepare workers for high-wage jobs in the identified industry clusters, including the upskilling of incumbent workers.
- Ensuring rural communities have the capacity and ability to carry out projects relating to housing, community facilities, infrastructure, or community and economic development to support regional industry cluster growth.

## Partnership Eligibility

### Question

Who may apply?

### Answer

*Applicant* means the lead applicant acting on behalf of a rural jobs accelerator partnership as stated in 4282.1112, that is seeking a RISE grant. The lead applicant will enter into a financial assistance agreement with the Agency, receive the RISE grant funding and take ownership of any assets purchased with grant funds. A RISE applicant must be acting on behalf of a partnership and the partnership must be formed on or after December 20, 2018. The partnership's purpose must be that of applying for funding an innovation center and related job training programs targeting a particular region. It must be targeting a particular industry cluster and the majority of communities within the region must be low income and rural.

There must be an executed partnership agreement which documents the working relationship of the parties responsible for delivering the RISE grant programs in their defined region. This does not have to be a lengthy and legally expensive agreement.

There must be at least 2 entities in the partnership and are limited to the types of entities listed below:

**RISE Applicants must include one or more of the following entities:**

- State, Tribal, or local government
- State, Tribal or local government entity
- Land-grant college/university
- Rural non-profit cooperative
- Private entity



**And include a lead applicant from one of the following types of entities:**

- District organization (defined in Section 300.3 of Title 13 CFR)
- Indian tribes, political subdivision of a Tribe or a consortium of Indian tribes
- State and local governments or political subdivisions
- Institutions of higher education
- Public or private nonprofit orgs

### Question:

I am a Tribal entity or I am a business or I am a City and want to apply for RISE funding, am I eligible?

### Answer:

The RISE grant must go to a partnership consisting of at least two entities. RISE funds may only be used for 80% of those costs directly related to the activities that are eligible under the RISE regulation. Pass through grants are not eligible.

Question:

If our entity existed before December 20, 2018. Are we ineligible? As we form a partnership, is there a process we go through for the application?

Answer:

Entities may be in legal existence before December 20, 2018 but the RISE partnership must be formed on or after that date. The RISE program does not specify how long the entities may be in their partnership.

Our interest is not in creating a lengthy and legally expensive agreement, but we do require a formal (documented) working relationship by the parties responsible for delivering the RISE grant programs in their defined region. The partnership must be established at the time of application and at least one of the partners must be located in the defined region where the RISE grant programs will be implemented.

Question:

I am a small business in need, why can I not apply for RISE?

Answer:

RISE applicants are partnerships as defined in regulation 4284-L. Businesses can be a participating partner of the RISE applicant partnership and may also benefit from the programming and support provided by the Innovation Center. Small business cannot apply alone and cannot receive RISE grant funds as a pass-through grant.

Question:

Are RISE grant partnerships restricted to land grant colleges only?

Answer:

Partners in the RISE program are not limited to only land-grant institutions. If the college meets the requirements to be an institution of higher education as defined by the Higher Education Act of 1965, they are an eligible RISE partner.

Question:

We have an existing business incubator and would like to expand that. Can we do this under RISE?

Answer:

The RISE grant has to specifically assist with the purchase/construction of an innovation center and/or equipment supporting the Innovation Center, and/or related job training programs that are focused on a specific region and targets its support to one or more industry clusters.

The Innovation Center is a little different than a business incubator with the multipurpose uses of an innovation center operation. This isn't to say that the incubator couldn't be part of the Innovation Center itself. We just need to be sure the project fits the parameters of RISE.

Question:

We have a college that is interested in providing job training, is this eligible under RISE?

### Answer:

The college could be a partner in an eligible RISE partnership applicant; the application's scope of work must include programs that will improve the ability of distressed rural communities to create high wage jobs, accelerate the formation of new businesses, and help rural communities identify and maximize local assets. The partnership's scope of work should document that the job training program is focused on an industry cluster and/or the creation of or training for high-wage jobs in the targeted region.

## Region Eligibility

### Question

What is meant by Region?

### Answer

The RISE Partnership must focus on a region which is defined as:

“an area identified by the applicant that meets the criteria of § 4284.1112(d) with a population of 50,000 or fewer inhabitants, or for a region with a population of more than 50,000 inhabitants, is comprised of rural areas and urbanized areas, if any, are the subject of a positive determination by the Under Secretary for Rural Development with respect to a rural-in-character petition, including such a petition submitted concurrently with the application of the partnership for a grant under this section.”

That region must meet specific requirements under RISE as shown below:

The RISE jobs accelerator partnership must clearly define a region that is:

- Rural ([Check eligibility of Region here](#))
- Large enough to contain critical elements of the industry cluster prioritized by the partnership
- Small enough to enable close collaboration among members of the partnership
- Includes a majority of communities located in a nonmetropolitan area deemed a low-income community, has a plan to achieve broadband service and has a population of 50,000 or fewer inhabitants. If the defined region has over 50,000 residents then the region must be determined as rural in terms of communities and towns assisted.

One or more members of the Partnership must be located in the targeted region. The Partnership may consist of industry entities and other partners outside of the targeted region.

- The RISE program is not limited only to low-income areas. But a majority of the communities in the targeted region must be low-income, in accordance with Section 45D(e) of the Internal Revenue Code of 1986 as amended.
- The RISE program is not limited only to energy distressed communities. The [link in the NOFA](#) provides a list of energy distressed communities that are eligible to potentially receive Administrator discretionary points.

Question:

We are ready to launch our programs Nationwide, can we apply for a RISE grant that serves the entire or multiple parts of the Country, and are we limited to one application?

Answer:

Under RISE, only one application may be submitted per Lead Applicant each year and the project must target a defined region. That region must be small enough to enable close collaboration among members of the partnership.

Entities may serve as a participating partner in another RISE partnership if that situation exists.

Question:

What is rural? What if my center is not rural? Does the region have to connect (be contiguous)?

Answer:

The population of the targeted region must be less than 50,000 residents, or the region must be rural in terms of communities and towns assisted.

The RISE grant applicant partnership may consist of an entity located in an urbanized area that delivers jobs accelerators programs in a rural area, while the defined region may include some assistance to industries that employ rural residents but is located in or near an urbanized area.

The region does not need to be contiguous but must somehow be connected through mutual programs of interest or industry clusters.

Question:

We have a County focus; the town is not low income; our zip code is not a listed distressed energy community; Do we qualify?

Answer:

The defined region must include a majority of communities that are considered a low-income community in accordance with Section 45D(e) of the Internal Revenue Code of 1986 as amended. The RISE program may benefit communities that do not meet the low-income criteria or are not distressed energy communities.

## Eligible Costs & Matching Funds Requirements

Question

What can funds be used for?

Answer

- Construction or purchase of a building to serve as an Innovation Center (IC), located in a rural low-income community, which establishes and/or supports a jobs accelerator and any equipment needs of the IC to support the jobs accelerator.
- Support of programs to be carried out at the jobs accelerator. Support can include utilities and operating expenses of the Innovation Center, plus the job accelerator and associated programs

- Not more than 10% of the RISE award shall be used for indirect costs of the applicant associated with administering the RISE grant.
- The Innovation Center (IC) may be physically located in a rural area OR in a non-rural area as long as assistance being provided is to residents of a rural area. The IC must be located in a rural low-income community if funds are used for the purchase or construction of an IC.

These programs may include a number of initiatives from linking rural communities and entrepreneurs to markets, integrating rural small businesses into a supply chain, expansion of new business formation, high-wage job repatriation, innovative processes, innovative technologies, increase exports, developing skills of local workforce, etc.

#### Question

What can funds NOT be used for?

#### Answer

RISE cannot be used as a pass-through grant to an individual or an entity, even those within the partnership. In addition, the grant cannot be used for activities not specified in [regulation 4284-L](#).

#### Question:

Can I match the RISE grant with an EDA grant? Does the RISE grant have multi-year draws? What if I can't show matching funds up front in the application but can show them in the future?

#### Answer:

The RISE grant must be matched with NON-Federal funds of at least 20% for each project activity. This means that if the project's activity cost is \$1,000,000, the RISE grant can cover \$800,000 of eligible costs, while \$200,000 must come from a NON-Federal source. The applicant must consult with the EDA grant source to determine if their funds can be used as matching funds for another Federal program.

The source of the matching funds must be committed by the grant closing date, but not necessarily 'in the bank' at the date of obligation. As draws are made (typically monthly) for an activity, the 20% match must be utilized and documented in conjunction with the RISE funds being requested.

#### Question:

We are a college and we have waived indirect costs such as facilities and administrative expenses. This is the difference between the University's federally negotiated rate and the 10% indirect allowable on this program. Would this be eligible as a match?

#### Answer:

The source of matching funds should be in the form of third-party equity contributions including donations and in-kind contributions of fairly valued goods or services for a RISE activity. When we conduct scoring for RISE we prefer to see that the in-kind services are dedicated specifically for the RISE activities, not lumped into general administrative indirect costs.

#### Question:

We currently are looking at providing "insert community service building or function." Is this eligible?

Answer:

RISE funds are specifically for an innovation center and related jobs programs. For this reason, it is advised to talk with Rural Development staff on other programs that may be used for essential community buildings or services ~ e.g. Community Facilities programs. [Link to Rural Development Staff List.](#)

Question:

We primarily serve agricultural production and production related activities and components, i.e., purchasing farm equipment and providing ag production training. I do not see outright ineligibility for ag production in RISE regulation. Can you comment?

Answer:

RISE grant proceeds cannot be used to purchase farmland or equipment, or for the purposes of agricultural production; Asset purchases must be for the support and operation of an Innovation Center only. We do not differentiate ag production jobs from other types of employment in the focus of eligible RISE grant activities.

## Industry Cluster Eligibility

Question

What is meant by Industry Cluster?

Answer

The RISE project must focus on an Industry Cluster. Industry Cluster is defined as: “A broadly defined network of interconnected firms and supporting institutions in related industries that accelerate innovation, business formation, and job creation by taking advantage of assets and strengths of a region in the business environment.”

When completing the application, you will have to identify the Industry Cluster(s) that will be prioritized by the Partnership with information on the firms and support industries in those clusters. You will describe the status of the industry (as emerging, existing, or declining), any existing interconnection and networks within the Industry Cluster and describe participation and scale of small and disadvantaged businesses within the Industry Cluster. You will also describe the opportunities or potential of industry growth in the region and competitive advantages of the region and industry cluster should be highlighted along with opportunities within the industry for the creation of or upgrading to high-wage jobs.

Question:

We have multiple industries we look to focus on, is this an issue with RISE?

Answer:

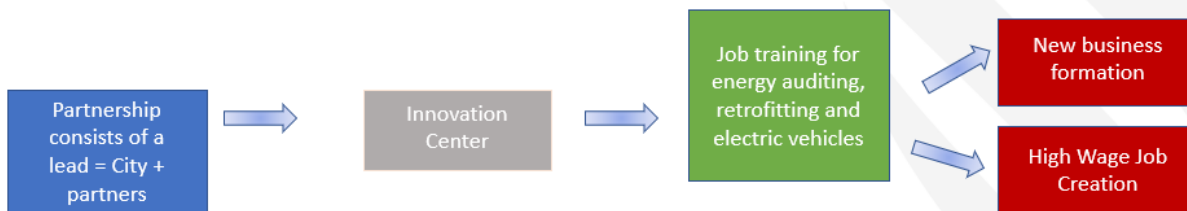
Under RISE there must be a particular region that is targeted in the application scope, but there can be multiple industry clusters that are part of the project and may provide competitive advantages for that region. In the project scope and other pertinent areas of the application, one key industry cluster must be the focus, but other industries may also benefit from the project.



## Sample RISE Cluster Projects

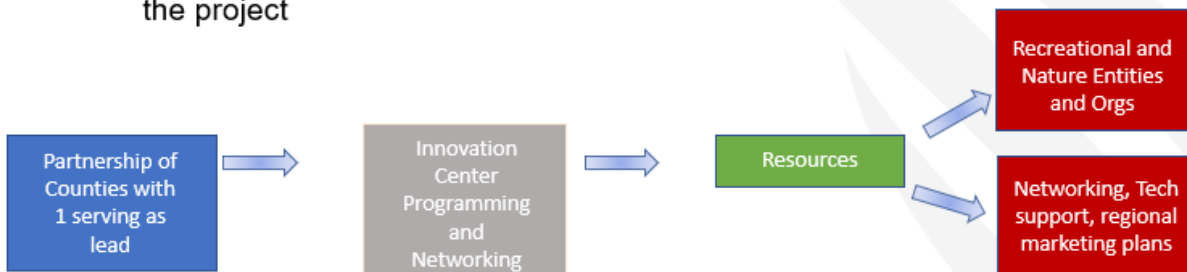
### RISE Scenario # 1 – Energy Cluster / Community

A rural region composed of several Counties has a history of economic activity in the coal industry that has recently been on the decline. A partnership emerges of a consortium of City and Counties partnering with a local college to form a working partnership to apply under RISE to build an innovation center in a low-income community providing technological training for renewable energy and energy efficiency careers. This includes energy auditor training, retrofitting training, electric vehicle tech, and renewable energy training



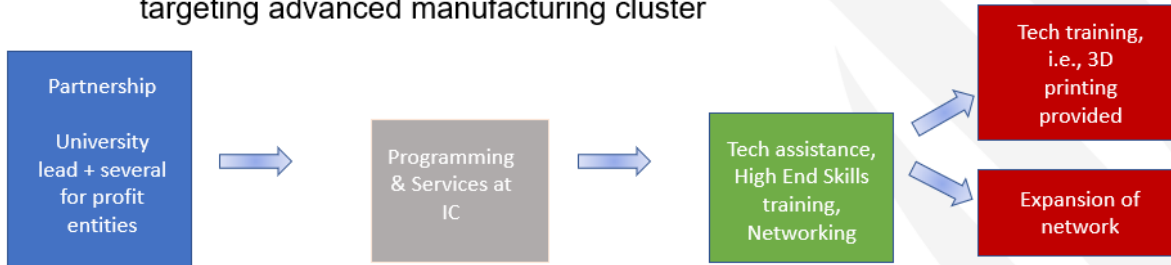
### RISE Scenario # 2 - Nature

- 20 counties in the Southwest portion of a State come together to identify a recreation/natural heritage industry cluster. Their project focuses on integrating downtown revitalization plans with cultural and natural assets of the region to foster job creation. The IC supports the expansion of cultural heritage ventures and tourism initiatives connecting local assets to networks, broadband coverage is a part of the project



## RISE Scenario # 3 Advanced Manufacturing

- A partnership consisting of a University and private entities serves the Western portion of a State in focus. The region is rural and low income. The partnership provides technical assistance, workforce development, collaborated resources to provide high end skills training, technical assistance, mobile app development, expansion of linked resource of network of businesses, vendors, community and gov agencies targeting advanced manufacturing cluster



## RISE Scenario # 4 Food Related Value Chain

- A group of entities composed of a lead from a State entity in partnership with several Counties and Universities focuses on a value chain for regional food. The project expands the business and financial capacity of the region's value chain cluster. Delivery includes tech assistance, coaching services; goals are increased capacity and extend impact and sustainability of value chain. Help cluster participants grow output/revenue, create high wage jobs

