

Request for Application (RFA)

Agriculture and Rural Rebuild (ARR) Challenge

Purpose

The Agriculture and Rural Rebuild Challenge (ARR) Challenge was created to assist Maryland's rural and agricultural businesses that have been detrimentally impacted by the COVID-19 pandemic and associated economic downturn. The ARR challenge will specifically fund technology-empowered initiatives that will help our rural and agricultural businesses **recover, rebuild and pivot from the current economic crisis**. The ARR challenge also encourages **purposeful collaboration** between rural businesses, research institutions and industry partners. Examples of a successful project may include (but is not limited to), the development of an innovative product or a novel application of an existing technology to help a business pivot or recover from the current COVID crisis.

Eligibility

A business is eligible for an ARR challenge award if it meets all the following criteria:

(i) The company must be a Maryland Qualified Business, which is a company in good standing with the MD Department of Assessments & Taxation that has its principle business operations located in Maryland with at least half (50%) of its

Workforce (includes W-2 employees and founders – regardless of full-time or part-time status, and excludes 1099 contractors) working in the State, and the intention to maintain its operations in Maryland, as further defined in [Economic Development Article §10-401\(h\), Annotated Code of Maryland](#);

(ii) The company must:

- a) be headquartered in or collaborate with a business in a Rural Area of the State of Maryland as defined in [State Finance Procurement Article, §2-207, Annotated Code of Maryland](#) (this includes all counties in Maryland *except* for Baltimore County, Baltimore City, Howard County, Anne Arundel County, Prince Georges County, and Montgomery County); and
- b) collaborate with a Maryland research university or entrepreneurial organization or related industry partner;

(iii) The company must have fewer than 100 members of its workforce; and

(iv) The company must propose a tech-empowered and sustainable solution to the current state of the rural or agtech business or industry sector with measurable economic development impact

This ARR Challenge specifically excludes, without limitation, companies engaged in retail sales, real estate development, insurance, banking, lending, or the provision of professional services by accountants, attorneys, or physicians.

Funding Mechanism:

The ARR challenge awards will be made in the form of grant up to \$200,000 per project. Companies receiving a challenge grant will be obligated to provide an update on the use of the funds, the status of their project, and its ongoing economic impact on a quarterly basis for a five-year period following the award date. Funds will be disbursed to companies in two tranches. Fifty percent (50%) will be provided upon a Closing and the remaining 50% will be provided upon the company's completion of an agreed upon mid-term activity report describing how the initially disbursed funds were used and their impact.

Applying for ARR Challenge grant:

Applications for ARR funding can be submitted to TEDCO prior to the due date through TEDCO's on-line application portal. Applications received will be reviewed within 60 days of submission. TEDCO's ARR Challenge application portal can be found at: [XXX](#)

Application Guideline

Each grant proposal may not exceed a maximum of 7 pages with one-inch margins and 12-point Ariel font in PDF format, including the support letters. The proposal should clearly provide the following information:

1. A complete description of the work to be performed under the grant and an explanation of how the work represents a tech-empowered advancement in the state-of-the-art rural or agtech business;
2. A Collaborative Effort statement clearly delineating the roles and responsibilities of the collaborators;
3. A Sustainability Plan and Impact statement (i.e. how will the work be continued after the grant or impact the Maryland agtech and/or the rural industry sector beyond the term of the TEDCO grant)
4. The amount of funding requested, and a summary budget indicating major categories of expenses and anticipated timing of expenses; and
5. The expected quantitative and qualitative outcomes (i.e. proposed performance metrics) from the grant-funded work with a timeline for milestone deliverables (i.e. Gantt chart)

Applicants will be asked to complete an application form and attach documentation validating that the applicant is a Maryland Qualified Business as well as the individual responsible for the work to be performed under the grant with full contact information.

Review Process:

All completed ARR challenge applications received through TEDCO's application portal will be reviewed. The review process for each cycle comprises three stages: Compliance Review, Detailed Review, and Final Decision. Applications may be rejected at any stage of the process.

Compliance Review

All applications will undergo a compliance review to ensure that the applicant has adhered to all the requirements of the program. Applications not meeting these requirements, which include meeting the eligibility requirements, will be rejected and applicants so notified.

Detailed Review

All applications passing the Compliance Review will undergo a detailed review by TEDCO staff that may include an interview (virtual), verification of assumptions made in the application, and other due diligence on the company.

Final Decision

TEDCO staff will forward funding recommendations to TEDCO's Executive Director/CEO for a final review and decision. Once a final decision is made, the applicant will be notified. Awards will be made subject to a formal Closing Process comprising the execution of a funding agreement, as further described below.

Review Criteria:

TEDCO Staff will review applications and make funding recommendations using the following general criteria:

Project Merit

The reviewers will consider the potential of the proposed project to help pivot and/or rebuild an affected industry as well as the sustainability and technological merit of the project.

Economic and Industry impact

The reviewers will consider how the proposed project will help bolster the economy of the impacted regions and industry sectors. For example, the impact may be measured in creation of jobs, new industry sector development, or economic resilience through increased revenue generation.

Collaboration

The reviewers will consider the strength of the collaborative entities coming together in the proposed project, their individual roles and commitment (time, resources, etc.) to the proposed project.

Award Process:

Once an application is approved for funding, TEDCO will so notify the applicant. The applicant will then have up to ninety (90) days to execute the funding agreement in non-negotiable form and substance as determined by TEDCO and to complete a Closing.

Upon successful award of the Grant, the awardee, will receive a check or funds transfer for 50% of the total award. The remaining 50% will be awarded once the company has spent a significant

portion of the initial funds provided and submitted a satisfactory mid-term report describing the use of the initial funds and their impact on the company.

Additional Reporting Requirements:

As a condition of accepting a ARR grant from TEDCO, the applicant will be required to submit a periodic report as follows:

Quarterly Reports. For five years following the award date, the company shall provide TEDCO with quarterly project progress and economic impact information as TEDCO might reasonably request. This information may include information about the company's workforce, capital raised, total payroll expenses and revenue generated.

All reports provided to TEDCO will be held in confidence to the extent reasonably permitted by [Title 10, Subtitle 6 of State Government Article of the Annotated Code of Maryland](#). Reports provided by the company containing confidential information should include a clear legend with "Business Proprietary" at the top of the report.

Questions

Questions concerning the RFP should be directed to ARRChallenge@TEDCO.MD