

# FORESTRY RECOVERY INITIATIVE (FRI): PHASE 1

## APPLICATION GUIDANCE

MTI has established the Forestry Recovery Initiative (FRI) to distribute \$10M in federal funding approved through the American Rescue Plan Act of 2021 (ARPA). This initiative provides grant funding to help Maine's Forestry businesses recover from the harm caused by the COVID-19 pandemic. The FRI program will become available in two phases. Phase 1 will provide pandemic relief for companies across the forestry industry in Maine. Phase 2 eligibility criteria and program details will be announced in the near future. Our immediate goal is to make Phase 1 awards available as soon as possible.

### AM I ELIGIBLE for Phase 1 of the Forestry Recovery Initiative?

Your business may be considered for a FRI Phase 1 grant award if:

- Your business has a significant presence in Maine (25% of employees in Maine or HQ in Maine).
- You conduct business involving the harvest, transportation (>50% of revenue from forestry operations), or processing of forest products utilizing Maine timber
- Your business was negatively impacted by the COVID-19 pandemic
- You can demonstrate a clear plan to utilize FRI funds to directly address the negative economic impacts of the COVID-19 pandemic, suffered by your business here in Maine
- Your company has less than 250 full time employees
- You are able and willing to comply with bi-annual reporting required by State and Federal law
- Your business is registered with [Maine Secretary of State's corporate registry](#) – *NOTE: If you are a sole proprietor, you will need to provide documentation of a valid municipal business registry.*
- To receive any federal recovery funds, you must also register a DUNS identification number (for more info on DUNS numbers, see our FAQ or [click here](#))

### HOW DO I APPLY for Phase 1 Forestry Recovery Initiative Funding?

You must use the [Application Template for FRI PHASE ONE](#) (ADD LINK) to compose your application.

Once completed, you must submit your finalized application via MTI's Online Application Portal. MTI's Online Application Portal will also require you to enter basic contact information for your business. You can access MTI's Online Application Portal from the [Application Template](#) (ADD LINK).

### APPLICATION CHECKLIST

Before you access MTI's Online Application Portal, you will need the following documents ready for upload:

- Completed [Application Template](#)
- Signed and dated W-9 Form (Access a [blank W-9 Form HERE](#))
- Income Statement (or Profit and Loss Statement) for 2019, 2020, & 2021(YTD)
- Current Balance Sheet
- Sole proprietors may provide federal tax filings for 2019 & 2020 (instead of P&L and Balance Sheet)
- Verification of municipal business registry (if not registered with Maine Secretary of State)
- DUNS number (identifier required to receive federal funding) [click here to register a DUNS number](#)

### WHEN ARE APPLICATIONS DUE?

The application deadline is **JANUARY 31st, 2022**.

## WHAT IF I NEED HELP WITH MY APPLICATION?

MTI offers the following documents and resources to assist you in the application process:

- For basic questions about the program, call 1-800-872-3838 and press 3
- You can also email your question to : BizAwards.DECD@maine.gov
- Frequently asked questions (LINK HERE)
- Weekly FRI application Zoom sessions to answer your specific questions (register here)
- This Application Guidance document will be made available in other languages prominent in Maine
  - (LINKS HERE)

## WHAT CAN I USE THE PHASE 1 FORESTRY RECOVERY INITIATIVE FUNDS FOR?

Funds must be used to implement your plan and directly address negative impacts of the pandemic.

### **Suggested expenses may include but are not limited to:**

- Payroll costs and expenses
- Rent or mortgage payments for business facilities (unless otherwise waived by lessor/lender)
- Utilities payments
- Purchase of personal protective equipment (PPE) required by the business
- Business-related equipment purchases
- Investments to strengthen your business' ability to mitigate pandemic-related market disruptions
- Expenses incurred to replenish inventory or other necessary re-opening expenses and other necessary operating expenses.

### **Examples of unallowable expenses include (list is not all-inclusive):**

- Depreciation expense
- Entertainment
- Lobbying
- Goods and Services for Personal Use
- Fines, Penalties, Damages and other Settlements

These funds must be spent on operations that are strictly within Maine; however, Maine-based businesses doing work in neighboring states is allowable. These grant funds are subject to audit and are generally considered to be reportable income, and so should be included with reportable income at tax time.

## WHAT HAPPENS AFTER I APPLY?

After the application deadline, your application will be evaluated against State & Federal funding guidelines to assess eligibility, and award amounts will be based upon: (1) the total number of FRI applicants, (2) the assessed severity of negative economic impacts caused by the pandemic, and (3) the quality of your proposed plan to address the negative economic impacts caused by the pandemic.

Below is an estimated range of award sizes, based on the number of Maine-based full-time employees:

- Fewer than 10 Maine-based FTE: estimated range of award size is \$10K - \$40K
- 10 – 50 Maine-based FTE: estimated range of award size is \$25K - \$100K
- 50 – 250 Maine-based FTE: estimated range of \$100K - \$250K (paid out in multiple installments)

***PLEASE NOTE: Award size is subject to change based on the number of valid applications received and the severity of negative economic impacts caused by the pandemic***

MTI plans to make FRI award announcements by March 1, 2022.

If you receive a FRI award, MTI will work with you to execute an award contract that outlines conditions of funding, including federal & state reporting requirements, which require you to report back to MTI on your progress every six (6) months through 2027. The reporting will be completed via online questionnaires.

## **APPLICATION GUIDANCE: HOW TO COMPLETE AN APPLICATION**

You must use the [Application Template](#) (ADD LINK) to compose your application.

The Application Template is organized into four (4) sections:

1. Negative economic impacts of the COVID-19 Pandemic
2. Pandemic response plan
3. Pandemic response plan budget form
4. Business structure and financial statements

You may use the Application Template document to provide your responses for each Section 1 – 4 or you may compose your responses in a separate document. Once completed, you must upload your application document into MTI's online application portal, along with the financial documents identified below:

### **CHECKLIST FOR ONLINE APPLICATION PORTAL**

Before you access MTI's Online Application Portal, you will need the following documents ready for upload:

- Completed Application Template
- Signed and dated W-9 Form (Access a [blank W-9 Form HERE](#))
- Income Statement (or Profit and Loss Statement) for 2019, 2020, & 2021 (YTD)
- Current Balance Sheet
- Sole proprietors may provide federal tax filings for 2019 & 2020 (instead of P&L and Balance Sheet)
- Verification of municipal business registry (if not registered with Maine Secretary of State)
- DUNS number (identifier required to receive federal funding)

To access MTI's Online Application Portal, you will need an active email address to create your username and password – once you have completed this application and compiled the required financial documents, you can access the link to MTI's Online Application Portal in the Application Template.

When you login to MTI's Online Application Portal, you will be asked to enter some basic information about your business and your funding request into the online forms. You will also be asked to electronically acknowledge MTI's Disclosure and Confidentiality Statement in the Online Application Portal – for your reference, that statement is also provided at the end of the Application Template.

If you have questions regarding your application, you can sign up for our weekly online support sessions, offered on Wednesdays @ 11:30am.

We look forward to supporting your business as you work to recover from the pandemic and move forward in 2022!