Mike DeWine, Governor Jon Husted, Lt. Governor Lydia Mihalik, Director

Terms and Conditions for Participation

Ohio Meat Processing Grant Program

Initially created in House Bill 110 of the 134th Ohio General Assembly, the Ohio Meat Processing Grant Program (the program) received additional funding in House Bill 33 of the 135th General Assembly to provide grants of up to \$500,000 to Ohio livestock and poultry producers. The grants will be used to reimburse successful applicants for the improvement and expansion of harvesting/processing services for livestock and poultry producers, harvesting/processing efficiency improvements, and expansion or construction of facilities at existing sites. The program will be administered by the Ohio Department of Development.

For the purposes of this program: "harvesting" is defined as the slaughtering of animals for human consumption; and "processing" is defined as the breakdown of animals into retail meat products.

Section I: Eligibility Requirements

A business as defined in these terms and conditions that meets all the following criteria may apply to receive funding from the program:

- The applicant business is the owner or operator of a Federal or State registered meat harvesting/processing facility located in Ohio.
- The meat harvesting/processing facility identified in the application was in operation as of July 1, 2023.
- The meat harvesting/processing facility identified in the application provides harvesting and processing services for livestock and/or poultry producers.
- The applicant business is a for-profit entity (corporation, LLC, partnership, joint venture, sole proprietor).
- The applicant business is in good standing with the Ohio Secretary of State, the Ohio Department of Taxation, and any other governmental entity charged with regulating the business.

Section II: Uses of Funds

Part 1: Grant-Eligible Project Costs

Program funds can be used to reimburse awarded applicants for the following costs incurred after the date the application was submitted (the effective date) at the project location identified in the application as long as the costs do not violate state or federal law and are not otherwise specified as "ineligible costs":

- New/upgraded machinery/equipment.
- New/upgraded technology products.
- Plant construction/expansion confinement.
- Plant construction/expansion processing.
- Plant construction/expansion refrigeration.

Part 2: Ineligible Costs

Program funds may not be used for the following expenses:

- Personnel, training, and certification costs.
- Improvements to personal residences, nonfarm commercial property, and any other nonfarm structures.
- Agricultural tractors, motorized vehicles, and other mobile equipment with an internal combustion engine.
- Land purchases.

Part 3: Available Funds

A total of \$14 million in program funding is available in Fiscal Year 2024. Eligible applicants may apply for up to \$500,000 in funds to be used for the grant-eligible project costs identified in Part 1 above. Grant funds can make up no more than 65% of a project with matching funds making up the remainder.

Funding examples:

- Scenario 1: An applicant has a project totaling \$700,000. The applicant can apply for \$455,000 (65% of project costs total) in grant funds with a required match of \$245,000 (35% of project cost total).
- Scenario 2: An applicant has a project totaling \$300,000. The applicant can apply for \$195,000 (65% of project cost total) in grant funds with a required match of \$105,000 (35% of project cost total).
- Scenario 3: An applicant has a project totaling \$2 million. The applicant can apply for \$500,000 (25% of project cost total) in grant funds with a required match of \$1.5 million (75% of project cost total).

Section III: Application Process

Businesses can apply for the Program at www.Development.Ohio.gov/MeatProcessing. Businesses will be required to provide the following information to apply:

- 1) General Application Information:
 - a. Business Tax ID.
 - b. Applicant business name, as registered with the Ohio Secretary of State.
 - c. Applicant mailing address, city, county, state, ZIP.
 - d. Federal or State Meat Processing Registration Number.
 - e. Ohio Secretary of State Registration Number.
 - f. OhioPays/Supplier ID Number
 - g. Applicant contact name.
 - h. Applicant contact phone.
 - i. Applicant contact email.
 - j. Facility address.

2) Grant Project Information:

- a. Total project cost.
- b. Grant-eligible project costs, including documentation (i.e. price quotes, letters of intent, etc.) to verify costs.
- c. Narrative description of how the applicant will finance the required matching costs, including documentation to verify other sources. Documentation may include, but is not limited to loan agreements, balance sheets, etc.
- d. Narrative description of how the project will improve harvest/processing services for livestock and poultry producers; including the increase in number of animals expected to be harvested/processed on a weekly basis as a result of the project.
- e. Narrative description of the project and how grant funds will be utilized to improve the applicant's harvesting/processing efficiencies, expand existing facilities or construct new facilities; including the increase in number of animals expected to be harvested/processed on a weekly basis as a result of the project.
- f. Project timeline, including the date by which all improvements are planned to be completed.

3) Current Plant Information:

- a. Current full-time equivalent employees at project location.
- b. Current total annual payroll of the full-time equivalent employees at project location.
- c. Anticipated new full-time equivalent employees at project location as a result of the project.
- d. Anticipated new full-time equivalent employee average wage at project location.

Upon submission of a complete application, including all required attachments, the applicant will receive an email from Development confirming that the application has been received. Submission of a complete application does not ensure the applicant will be awarded program funds. If funding remains available at the time the application is filed, Development staff will review and score the application to determine eligibility for a grant. Development may, at its discretion, reach out to applicants to verify eligibility, grant-eligible project costs, or other information submitted by the applicant.

If an application is determined to be incomplete or fails to include all required attachments, it will be rejected. Applicants will not be given the opportunity to cure defects in an incomplete application but will be permitted to reapply by the program deadline. The resubmitted application will be reviewed in the order it is received.

Section IV: Award Process

Part 1: Award Amount

Eligible applicants may be awarded a grant of up to 65% of the total grant-eligible project costs identified in the application or \$500,000 whichever is less.

Part 2: Application Award Process

Applications will be reviewed and scored at the conclusion of the application window. Additional points are available to those applicants who did not previously receive funding from the Ohio Meat Processing Grant Program. Funds will be awarded to the highest scoring applications until program funding has been exhausted.

In accordance with the requirements outlined in House Bill 33 of the 135th General Assembly, the following items will be considered by Development in scoring applications as they are received:

- 1) Whether the grant will improve harvest services for livestock and poultry producers (50 points).
- 2) Whether the grant funds will (20 points):
 - a. Improve the applicant's processing efficiencies for livestock and poultry; or
 - b. Be used for the expansion or new construction of facilities for the processing of livestock and poultry.
- 3) Project readiness, including availability of funds and proposed project timeline (25 points).
- 4) Whether the applicant has not previously received funding from the Ohio Meat Processing Grant program (5 points).

Applicants will be notified of the scoring results once completed if funds remain available. If an application is approved for an award, the applicant will be required to enter into a grant agreement with Development. Failure to execute the agreement within 60 days of receipt of an award notification may result in revocation and reallocation of funds.

Part 3: Distribution of Funds

Once awarded, funds will be distributed on a reimbursement basis. Therefore, eligible costs must be incurred up front. To accurately account for the matching requirement, Development will reimburse at the grant/cost share ratio based on total project costs, with grant funds not to exceed 65%, up to the awarded amount and capped at \$500,000. Supporting documentation, such as a paid invoice or receipt, is required to be submitted with each request. Unpaid quotes or estimates are insufficient forms of supporting documentation and do not qualify for reimbursement.

Disbursement Examples

- Scenario 1: An application was approved with a 65/35 grant funds/cost share ratio. The applicant submits a reimbursement request with documentation showing a \$100,000 expenditure. Development will reimburse \$65,000 (65%) of the expenditure with the remaining \$35,000 counting as cost share match.
- Scenario 2: An application was approved with a 25/75 grant funds/cost share ratio. The applicant submits a reimbursement request with documentation showing a \$100,000 expenditure. Development will reimburse \$25,000 (25%) of the expenditure with the remaining \$75,000 counting as cost share match.