

2021 Wood Innovation Grant & NEW Community Wood Grant

Region 5 Informational Webinar
November 12, 2020



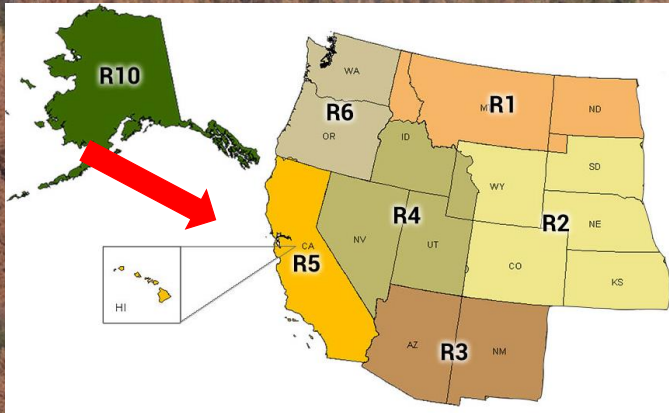
Larry Swan & Helena Murray
USDA Forest Service
Region 5 State and Private Forestry



Region 5: California, Hawaii and US Affiliated Pacific Islands



Larry



Helena

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Outline:

- Opportunity and Past Results
- Wood Innovation Program
- Community Wood Program
- Regional Context
- Examples and Preferences
- Application and Evaluation Criteria
- Questions

Opportunity

- Up to \$8 million available nationally for Wood Innovations Grants
 - Up to \$250,000 per proposal
- Up to \$5 million available nationally for new Community Wood grants
 - Up to \$1 million per proposal



National Results- 2020 Wood Innovation Grants

- 103 proposals received
- 35 proposals funded (34%)
- \$7.6 million Forest Service funds, \$6.2 million match
 - 27 wood products markets (17 related to mass timber)
 - 8 wood energy

R5 Results- 2020 Wood Innovation Grants

	2020	2019	2018	2017
# of Successful Applications	3	5	5	7
Mass timber	0	2	0	0
Wood energy	0	1	2	4
Other wood products category	3	2	3	3
Total USFS Grants	\$750,000	\$908,238	\$1,144,449	\$1,578,257



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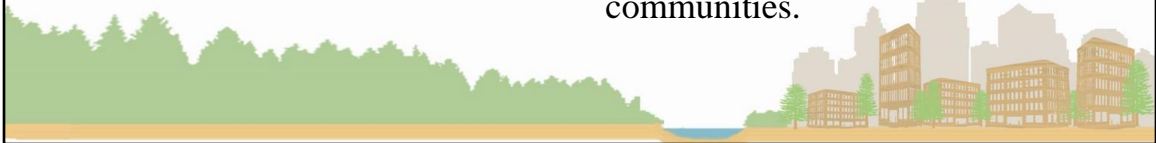
2021 Wood Innovation Grant

Purpose:

Significantly stimulate or expand wood products markets and wood energy markets to support the long-term management of National Forest System and other forest lands.

Priorities:

- Reduce hazardous fuels and improve forest health on National Forest System and other forest lands.
- Reduce costs of forest management on all land types.
- Promote economic and environmental health of communities.





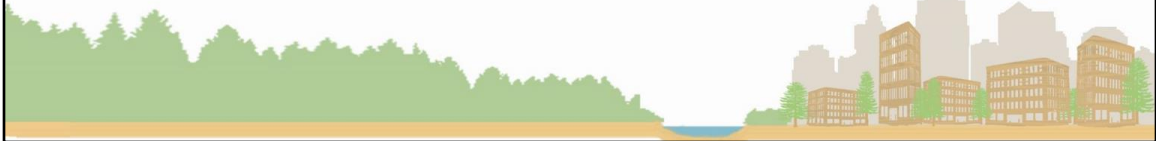
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Wood Innovations

2021 Wood Innovation Grant

- Up to \$8 million total
- Individual awards up to \$250,000
- 100% match required (1:1)
- National competition
- Application due to Larry (larry.swan@usda.gov) on **January 20th 2021**

Application instructions and details can be found here:

- <https://www.fs.usda.gov/naspf/wood-innovations-home/2021-wood-innovations-grant-program-request-proposals>





USDA Forest Service Wood Innovations

U.S. FOREST SERVICE
Center for the Forest and Working Forest

Eastern Region State and Private Forestry

Wood Innovations Home

Wood is a versatile, durable, abundant, and cost-effective renewable resource that provides numerous environmental benefits, including storing carbon when used in construction and offsetting the release of forest carbon when used for energy production. The Forest Service and its partners are creating new opportunities for innovative wood products which contribute to diversified forest economies and support sustainable forest management. Innovative wood building materials and wood energy provide healthier building structures for future generations in a socially, economically, and environmentally sound manner. The goal of the Wood Innovations program is to:

- Reduce greenhouse gas and conserve forest lands in national Forest System and other forest lands.
- Reduce costs of forest management on all land types, and
- Promote energy and environmental benefits of wood products.

This is a national program open to opportunities throughout the U.S.

Community Wood Energy and Wood Innovation Grant Program

The 2010 Farm Bill established and authorized funding for the Community Wood Energy and Wood Innovation Program to issue grants that fund the capital costs for building a community wood energy system or building an innovative wood product facility. Criteria and guidelines for projects are outlined in Section 1444 of the 2010 Farm Bill. The USDA Forest Service plans to post the next Request for Proposals on the 14th of 2012 website and issue grants prior to the 1st of 2012. For questions about this program, please contact John Turner at john.turner@aphis.usda.gov.

Wood Innovations Funding Opportunity

The Wood Innovations Funding Opportunity supports traditional wood utilization projects, innovative wood energy systems, and provides funding used as a construction material in commercial buildings. The Forest Service supports proposals that significantly decrease or support wood energy and wood product markets that support the long-term management of National Forest System and other forest lands. The USDA Forest Service plans to post the next Request for Proposals on the 14th of 2012 website and issue grants prior to the 1st of 2012. For questions about the program, please contact John Turner at john.turner@aphis.usda.gov.

2011 Wood Innovation Grant Program Request for Proposals

The Forest Service will hold an informational Pre-Application Webinar on grant opportunities on Tuesday, November 14, 2011 at 2:00 pm, Eastern Standard Time to provide information and answer questions.

Contact: John.Turner@aphis.usda.gov

Phone: [888-844-8904](tel:888-844-8904) and use access code 9798022

Part funded projects can be explored from the Wood Innovations funded projects searchable database. All funded projects are required to provide reports (annual progress reports and final reports as project is completed).

Click here →

<https://www.fs.usda.gov/naspf/programs/wood-education-and-resource-center/wood-innovations-home>



USDA Forest Service Wood Innovations

The screenshot shows a web browser displaying the USDA Forest Service website. The page title is "2021 Wood Innovations Grant Program Request for Proposals". The header includes the USDA logo, "U.S. FOREST SERVICE Caring for the land and serving people", and "Eastern Region State and Private Forestry". A navigation menu has links for Home, Topics, Resources and Publications, About, and Working With Us. The main content area features a large heading "2021 Wood Innovations Grant Program Request for Proposals" and a sub-heading "2021 RFP process is open". Below this, there is an "Overview Information" section with details on the CFDA Number (10.674), CFDA Title (Wood Utilization Assistance), and important dates: October 20, 2020 (Issuance of Request for Proposals), January 20, 2021 (Proposal submission deadline), and May 2021 (Approximate date for the U.S. Forest Service to notify applicants of results). An August 2021 date is also listed for the approximate date of award. A paragraph states that the Forest Service will hold an informational Pre-Application Webinar on Tuesday, November 10, 2020 at 2:00 p.m. Eastern Standard Time. A link to Adobe Connect is provided: <https://usfs.adobeconnect.com/wood-innovations/>. Instructions for joining the webinar are given: (1) Keep "Enter as a Guest" selected, (2) type your name in the "name" box, and (3) click "Enter Room." For audio, two options are listed: Listen-only through the computer or call into the phone line. A phone number is partially visible: 888 244 6644 and the number 67824975.

<https://www.fs.usda.gov/naspf/wood-innovations-home/2021-wood-innovations-grant-program-request-proposals>



USDA Forest Service Wood Innovations

reports (annual progress reports and final reports as project is completed).

Instructions, Application, and FAQ's

1. Instructions
2. Application (Word Version) [Click here](#)
3. Frequently Asked Questions and Definitions
4. Example of a successful Wood Energy grant application
5. Example of a successful Wood Products Markets grant application

2020 Wood Innovation Funding Opportunity Recipients
USDA Forest Service awards Wood Innovations Grants to reduce wildfire risk, invest in rural economies and support healthy forests

2019 Wood Innovations Funding Opportunity Successful Applicants:
Forest Service announces 2019 Wood Innovation Grant Awards Reducing wildfire risk and supporting healthy forests with our public partners

2018 Wood Innovations Funding Opportunity Successful Applicants:
USDA Forest Service Awards Wood Innovation Grants to Expand and Accelerate Wood Products Markets in 20 States

2017 Wood Innovations Funding Opportunity Successful Applicants:
U.S. Forest Service Awards Grants to Expand and Accelerate Wood Energy and Wood Products Markets in 19 States

2017 Wood Innovations Grant Recipients

2016 Wood Innovations Funding Opportunity Successful Applicants:
USDA Awards Funds to Expand, Accelerate Wood Energy and Wood Products Markets in 19 States

2016 Wood Innovations Grant Recipients



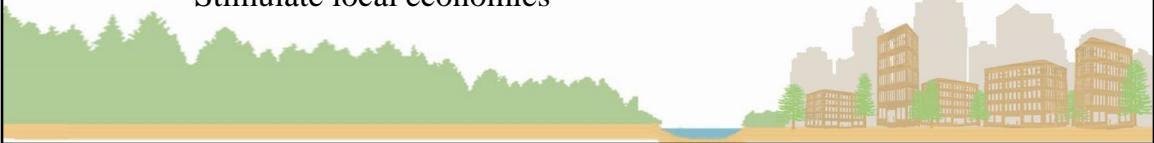
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Wood Innovations

Community Wood Grants

- Community Wood Energy and Wood Innovation Program
- New grant program from the 2018 Farm Bill

Purpose:

- Install thermally led community wood energy systems and build innovative wood product facilities to
 - Improve forest health
 - Stimulate local economies



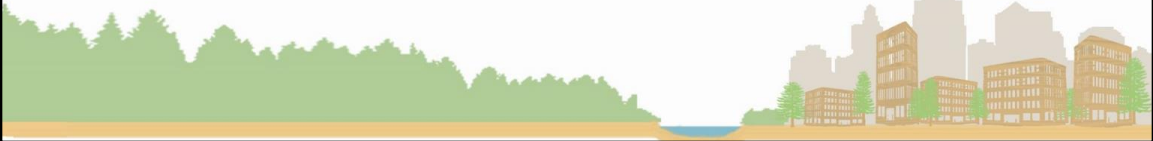


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Wood Innovations

Community Wood Grants

- Shovel ready projects only (must be completed during grant period- no additional time or funding required)
- Up to \$1 million/ project, up to \$5 million nationally
- Up to 35% of the total capital costs of completing the project

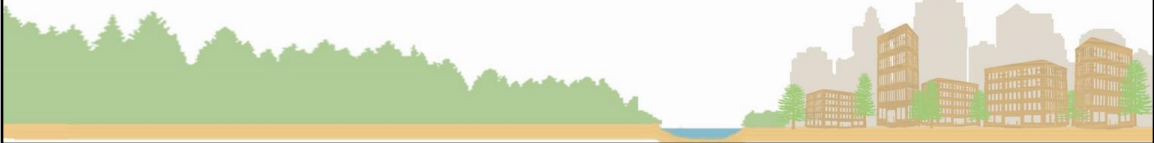
- No formal matching funds
 - BUT- 100% of total costs to complete the project must be accounted for (leveraging)
 - Less reporting but still required





Community Wood Grants

- Examples include but are not limited to:
 - Install a thermally led community wood energy system for heating, cooling, and/or electricity that replaces fossil fuels such as coal, oil, propane, or natural gas.
 - Purchase and install manufacturing equipment at a mass timber production facility.
 - Expand a sawmill to add higher value production lines that incorporate innovative technologies and cost cutting measures.
 - Purchase and install equipment at a new facility to produce renewable natural gas or other biofuels from forest residues.





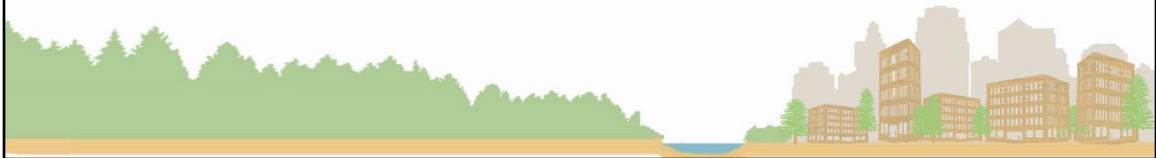
USDA Forest Service
Wood Innovations

Community Wood Grants

Applications due to larry.swan@usda.gov on **February 3rd, 2021**

Application, instructions and more information can be found here:

<https://www.fs.usda.gov/naspf/wood-innovations-home/2021-community-wood-energy-and-wood-innovation-grant-program-request-proposals>



Grant Program	Community Wood Energy and Wood Innovation Program	Wood Innovations Funding Opportunity
Submission Deadline:	February 3, 2021 at 5 pm local Regional time	January 20, 2021 at 5pm local Regional time
Awards announced:	May 2021	
Date of Award:	August 2021	
Project Length:	2 – 3 years, not to exceed 5 years	
Eligible Applicants:	For-profit entities; state, local, and tribal governments; school districts; community, not-for-profit organizations; institutions of higher education; and special purpose districts (e.g., public utilities districts, fire districts, conservation districts, and ports).	
Individual Award Ceiling:	\$1-1.5 million <ul style="list-style-type: none"> Federal funds pay for up to 35% of total capital costs needed to bring project to operable status. Will consider up to 50% of total capital costs for proposals that warrant special consideration (e.g., high unemployment or other priorities). Applicant must obtain approval for special considering from Forest Service Coordinator before proposal submission. 	\$250,000
Match Requirement:	No formal match required. Leveraging is required – applicant must provide remainder of funds from non-federal sources.	100% match required. For every \$1 of Forest Service funds requested, applicant must provide \$1.
Intent:	Support shovel ready projects to install a thermally led community wood energy system or build a new or expand an existing innovative wood product facility.	Support projects to expand wood products and wood energy markets to support forest management in U.S.
Program Goals:	<ol style="list-style-type: none"> Expand thermally led community wood energy or innovative wood product opportunities Improve forest health; and Stimulate local economies. 	<ol style="list-style-type: none"> Reduce hazardous fuels and improve forest health on National Forest System and other forest lands. Reduce the costs of forest management on all land types. Promote economic and environmental health of communities.



California

- Catastrophic wildfires: over 4 million acres burned and 10,000 structures damaged or destroyed in 2020
- Large-scale tree mortality from drought and beetles (over 120 million dead trees)
- Governor Newsom and the USFS signed an agreement to work together to treat 1 million acres of forest annually
- Forest restoration treatments could produce millions of tons of woody biomass each year

A photograph of a forest landscape in California, showing a mix of green and brown trees, with mountains in the background. A white text box is overlaid on the image.

California

Priority: Increase **pace** and **scale** of forest treatment and restoration

Pace – Ideally, able to begin using more wood within 12 months

Scale – Looking for utilization of thousands of tons, leading to tens of thousand of tons annually

AND/OR show a clear path to significant future opportunities for wood and biomass utilization



Hawaii-Specific Considerations

- Complement Hawaii Wood Utilization Team priorities
- Assist in creating markets and utilizing state plantation species
- Assist in utilizing species involved with insect and disease outbreaks

Hawaii-Specific Considerations

Wood Utilization Team Grant – Copies available.

Plantation Species – For example, *Eucalyptus saligna*, *E. grandis*, *E. robusta*, southern yellow pine, tropical ash, and Australian toon.

Insect/Disease Outbreaks – For example, safe and sanitary use of ohia mortality.



Other Pacific Island Emphasis Areas

- Assist in utilizing species involved with insect and disease outbreaks, and woody invasives
- Assist in utilizing debris from increasing number of extreme weather events (e.g. typhoons).

Other Pacific Island Emphasis Areas



California Resources

- USFS/ State of CA Shared Stewardship Agreement:
<https://www.gov.ca.gov/wp-content/uploads/2020/08/8.12.20-CA-Shared-Stewardship-MOU.pdf>
- Page 40 of the CA Forest Carbon Plan
<http://resources.ca.gov/wp-content/uploads/2018/05/California-Forest-Carbon-Plan-Final-Draft-for-Public-Release-May-2018.pdf>



Hawaii and Pacific Islands Resources

- Hawaii: relevant section begins on page 247
<https://dlnr.hawaii.gov/forestry/files/2013/09/Hawaii-Forest-Action-Plan-2016-FINAL.pdf>
- Other Pacific Islands:
<https://www.stateforesters.org/forest-action-plans/>

Wood Energy Market Expansion Preferences

- Supply from National Forest System and other lands with high fire risk
- Industry partners
- Bundle multiple projects
- Immediate and measureable results
- Innovative energy projects such as RNG and other biofuels with a clear market

Wood Energy Market Expansion Preferences

Previous R5 Wood Energy Examples

- Cluster – BioMAT cooperators
- Cooling – Central Valley
- Financing Mechanisms – BioMAT
- Market Barriers

WOOD ENERGY MARKETS

Project Cluster - Develop cluster of projects in a specific geographic area or a specific subsector (e.g. schools, hospitals, conservation camps, conference centers).

Cooling Project - Develop cooling project in Central Valley.

Financing Opportunities - Develop financing and funding opportunities for small scale biomass power projects (e.g. BioMAT).

Overcoming Key Market Barriers - Define and demonstrate how to overcome key market barriers to stimulate expansion of wood energy in the commercial sector.

WOOD ENERGY PROJECTS

Late Stage Development - Engineering design, permitting, system impact study and other later stage activities to develop for biomass energy facility.

***No statewide wood energy team application will be accepted for USFS California Region.**

Wood Products Market Expansion Preferences

- Supply from National Forest System and other lands with high fire risk
- Industry partners
- Immediate and measureable results
- Projects that support commercial building markets

Wood Products Market Expansion

Note: Demonstration projects and applied research may be considered, but should consult with Larry or Helena.

R5 Wood Products Examples

- Mass timber
- Small sawmills (500 MBF minimum purchase)
- Equipment leasing
- Biochar market development
- Specialized markets (blue stain pine and mulch)

R5 Wood Products Examples

Mass Timber Modular Demo – Factory_OS

Mass Timber Ballistic Testing – Continuation of national priority project with DOD.

Small Sawmill Upgrade – Minimum log consumption 500 MBF.

Small Sawmill Collaborative – Involves at least 5-7 small sawmills to help aggregate scale for larger orders and investments, such as dry kiln capacity and marketing.

Blue Stain Pine – Specialty markets for drought mortality pine with special blue stain patterns that can identify and sort for in the woods

Equipment Leasing – Various equipment leases to increase capacity to serve existing markets (feller buncher, truck and chip van, and grinders or chippers).

Biochar Market Development – Testing activated char for odor reduction at waste water treatment plants, and creating markets for future BioMAT gasifier char

production.

Biomass and Mulch Market Development - Developing additional markets for colored mulch.

Application Instructions

- Two parts, both submitted in PDF format
- Summary Page
- Project Narrative – 5 pp max (6 for CW)
 - (answer question in order suggested and include assumptions for projections)
- Appendices – Specific info is required – **read directions.**

Application Instructions

Two Parts – Has to be submitted in 2 parts: Part 1 – Summary page, narrative (5 pp max, 6 for CW) and appendices, Part 2 – Required forms

Summary Page – Does not count against 5 page narrative limit

Project Narrative – Includes budget narrative and tables. Need to answer questions in the order provided in “instructions”. Explain assumptions for projections.

Appendices – Include “Table of Contents” plus

- 1) Letters of Support
- 2) Match Commitment Letters (required)
- 3) Screenshot of SAM registration (required)
- 4) All federal grant funds related to project received over last 5 years
- 5) Basic Vitae or resumes for key team members
- 6) Feasibility assessments (if appropriate)
- 7) Wood supply studies (if appropriate)
- 8) Engineering and equipment quotes

Letters of Support and Match Commitments

- Letters of Support – Timing and basic abstract
- Match Commitment Letters (leverage for community Wood)

Letters of Support and Match Commitments

Letters of Support – At least 1 from USFS especially if accessing supply from National Forest. Key Letters of Support are those involving required permitting jurisdictions, site control, supply commitments etc. A basic project abstract is useful to help people write relevant letters. Also, keep in mind that best time to obtain federal letters of support is before the Xmas and New Years holidays. If put off request until January, letter may not be provided in time to include with application.

Match Commitment Letters – Required to have “match” commitment letters for those contributing match for the 50% minimum of Federal grant requested. Additional is OK, but the first priority is the 50% minimum match.

National Panel Evaluation Criteria- WIG

- **Criteria 1: Alignment with RFP goals and objectives (15 pts)**
- **Criteria 2: Project description (includes all required components and answers all questions) (35 pts)**
- **Criteria 3: Project impact (clear and realistic deliverables and outcomes) (35 points)**
- **Criteria 4: Project team quals, relevant experience and team member roles (15 pts)**

National Panel Evaluation Criteria

Criteria 1, Alignment – Ensure project intro and narrative description fits goals and objectives. Be realistic.

Criteria 2, Project Description – Include the categories provided and answer all questions.

Criteria 3, Project Impact – Be realistic. Clear deliverables and outcomes, linked to goals and objectives.

Criteria 4, Project Qualifications – Include brief description quals of key team members and include Vitae or resumes in appendices. Include relevant experience only and define role.

National Panel Evaluation Criteria- CW

- **Criteria 1: Project Description** (includes all required components and answers all questions) *20 pts*
- **Criteria 2: Project Impact** (clear and realistic deliverables and outcomes) *40 points*
- **Criteria 3: Technical Criteria** *25 points*
- **Criteria 4: Project team** quals, relevant experience and team member roles *(15 pts)*

1. Project Description (20 points total)
 1. Project is well defined, budget and timeline are reasonable, and project has high likelihood for success. (15points)
 2. Reporting requirements are addressed. (5 points)
2. Project Impact (40 pointstotal)
 1. Project improves forest health and stimulates local economies. Impacts are well defined, realistic, and include assumptions. (15 points)
 2. Project will create demand for low-value wood, low-quality wood, or timber in areas of the country in need of forest restoration. (15 points)
 3. Project supports an existing or new sawmill, community wood energy system installation, or forest products business located in a geographic area with an average annual unemployment rate that is more than one percent higher than the national average October 2020 Page 10 of 14 unemployment rate in calendar year 2019. (10 points)
3. Technical Criteria (25 points total)
 1. Project uses advanced technologies associated with a community wood energy system or innovative wood product facility. (15 points)
 2. Proposal presents sufficiently detailed information to address the Technical Criteria listed in Part 1.D of the Application (e.g., energy

efficiency, cost effectiveness, best available commercial technology, displacement of fossil fuels, etc.). (10 points)

4. Qualifications of Staff, Organization, and Partners (15 points)

1. Team member(s) qualifications, experience, and past performance are relevant to the project. (15 points)

Application Review Process

- Forest Service Regional Office
- Federal Expert Panel
- Forest Service Leadership Decision
- USDA Review

Application Review Process

FS Regional Office – Screens applications for administrative requirements and relationship to Regional or other geographic priorities. Regional Forester prioritizes applications and forwards Regional priority listing to FS Washington Office.

Federal Expert Panel – Completes review and rates applications using published Evaluation Criteria.

Regional Forester Priorities and Federal Expert Panel Ratings – These two documents are provided to the Chief of the Forest Service, who makes the final decision.

USDA Under Secretary Briefing – USDA Under Secretary is briefing about results.

Successful Applicant Announcement and Grant Award

- Approximate Announcement Date
May 1, 2020
- Approximate Award Date
Before August 1, 2020

Successful Applicant Announcement and Grant Award

Approximate Announcement Date – May 1, 2020, possibly sooner.

Approximate Award Date – Before August 1, 2020, possibly sooner.

*Larry and Helena will follow-up with required corrections, and billing and reporting procedures.

Please email me your applications BEFORE 5pm on January 21 (Wood Innovations) or February 3rd (Community Wood)





Questions?

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707-980-2375

<https://www.fs.usda.gov/naspf/programs/wood-education-and-resource-center/wood-innovations-home>