



## Funding Opportunity Announcement

### Maryland Offshore Wind Capital Expenditure Fiscal Year 2023 Grant Program

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**Program Description:** The Maryland Energy Administration (“MEA”) announces the Maryland Offshore Wind Capital Expenditure Program (“Program”) for Fiscal Year 2023, which is funded through the Maryland Offshore Wind Business Development Fund, established by Md. Code Ann., State Gov’t, § 9-20C-03. The Program is a **non-competitive grant program** that assists new or existing businesses enter the offshore wind supply chain in Maryland by offsetting their capital expenditure investments. Proposed projects must provide goods and services to the offshore wind industry in Maryland, while also intending to serve the larger U.S. offshore wind market and related industries.

MEA will consider applications from new or existing emerging businesses, including minority-owned emerging businesses, seeking to enter the offshore wind industry. MEA will also consider applications from businesses willing to relocate or expand into Maryland contingent upon receiving a grant award.

**Type of Grant Program:** **Non-competitive - Awarded on a First-Come First-Serve Basis for Qualifying Proposals.**

**Application Deadline:** **February 1, 2023; or until all grant funding has been awarded.**

#### **Program Budget**

A total budget of \$1,600,000 for Fiscal Year 2023 is anticipated to be available. The amount awarded may vary depending on the quantity and quality of applications received and MEA’s available resources within the fiscal year. MEA calculates grant awards as 50 percent of the total project costs. Grant awards may not exceed \$400,000. Applicants must contribute at least 50 percent of the total project costs as matching funds or in-kind services. Matching funds may include, but are not limited to, finance/loan agreement, cash on hand, a business line of credit, and other grant awards (state, federal, or private).

#### **Eligible Applicants**

The Program is open to emerging businesses, including minority-owned emerging businesses located in, or relocating to Maryland. For purposes of the Program, an “Emerging Business” is defined, pursuant to Md. Code Ann., State Gov’t § 9-20C-01(e), as “a business that is at least 51 percent owned and controlled by an individual or individuals who are certified to have a personal

net worth, as defined in §14-301 of the State Finance and Procurement Article, that does not exceed \$6,500,000 as adjusted each year for inflation according to the Consumer Price Index.”

To be considered an Emerging Business, all business applicants are required to submit a notarized Personal Net Worth (PNW) Statement Form for each business owner.

**Applicants that do not submit this documentation or do not meet the Emerging Business definition are not eligible to receive grant funding from this program.**

### **Minority Participation**

MEA strongly encourages Emerging Businesses representing and working to empower Maryland’s underserved communities (including minorities, women, and people with disabilities) and veterans of the United States Armed Forces to apply to the Program.

**Eligible Activities:** Maryland Offshore Wind Capital Expenditure grant funds are provided to awardees to offset the costs of entering the offshore wind supply chain. Proposed projects must provide a positive net economic benefit to the state and local communities through job opportunities and commit to promoting diversity, inclusion, and equity in their business operations. Proposed projects should also be designed to serve the larger U.S. offshore wind market and related industries.

Grant funds **may** be used to offset capital expenditures such as:

1. Business expansion including relocation costs, new construction of real property, and renovations to existing real property; and,
2. Purchase and installation of new or manufacturer refurbished equipment at a new or existing real property.

Grant funds **may not** be used to offset operating expenditures or capital expenditures such as:

1. Purchase of new or existing real property; however, the 50 percent of the total project costs provided by the Applicant as matching funds may be used for this purpose; and,
2. Relocation costs for the Applicant’s employees or personnel including, but not limited to, housing, travel, and groceries/dining.

### **Review Process**

#### **Acknowledging Receipt of your Application**

All applications are reviewed for completeness. If your application is determined to be

incomplete, you will be notified in writing within 30 days. If your application is determined to be unqualified, your application will be returned with an explanation.

## **Application Evaluations**

Qualified staff from MEA and other state agencies and institutions will form the evaluation panel. Applications will be evaluated on a **non-competitive basis**. MEA may contact applicants with questions and requests for additional information about the project proposals during the application review period.

## **Application Selection**

MEA will review all applications for completeness and qualifications. Applications are selected based on qualifications and funding availability. MEA will not award Maryland Offshore Wind Capital Expenditure grant funding if an application is incomplete. All applicants will be notified of their selection status by email.

## **Possible Application Outcomes**

There are four possible outcomes following the submission of an application under the Program. MEA may decide to make no award if all applications are unqualified, incomplete, and/or do not meet the established program objectives and priorities. **An application is deemed qualified if it receives 70 or more points**, as detailed in the section titled “Evaluation Criteria.”

MEA may determine that the application is:

- Qualified, and selected for funding
- Qualified, but not selected for funding based on budget availability
- Unqualified
- Incomplete

## **Award Notices**

MEA will notify applicants selected for funding by an award letter followed by a grant agreement. The grant agreement will contain the terms and conditions for the grant, reporting requirements, and reimbursement information.

## **Timeline**

The Maryland Offshore Wind Capital Expenditure Program is offering grant funding on a **non-competitive basis**. Applications will be reviewed on a first come - first served basis beginning on **September 6, 2022**. Applications will be accepted until January 1, 2023, or until all grant funding for FY23 has been awarded.

## **Evaluation Criteria**

In accordance with the information in this funding announcement, applications and supporting information will be used to determine applicants' qualifications for available Program funds. All complete applications will be **graded and given a score out of 100** based on whether they met the required criteria. **Applications that receive a score of 70 or higher and that comply with all rules, restrictions, and requirements described in this FOA will be deemed qualifiable and awarded funding until the Program budget is exhausted.** Points are given for well-documented factors in the application package, and these factors must meet the objectives associated with each criterion outlined below.

Applications will be evaluated according to the following criteria:

### **1. Alignment with the Program's Goal / Project Scope —15 points**

- a. The applicant clearly connects the project's design and characteristics with the goal of establishing a Maryland OSW supply chain.
- b. The project is scalable, and the scaling benefits the establishment of an OSW supply chain.
- c. The project is beneficial, relative to other applications to the OSW industry in the Mid-Atlantic region and/or the greater United States.

### **2. Justification—15 points**

- a. The proposed project justifies the needed capital investment.
- b. The applicant has conducted and presented a needs analysis detailing the supply chain gap that can be filled by the proposed investment.
- c. The applicant clearly articulates how success will be monitored, including any key metrics.

### **3. Feasibility—15 points**

- a. The proposed project is feasible.
- b. The applicant demonstrates historic success with similar programming, including but not limited to, past performance with MEA funds.
- c. The applicant outlines the challenges the proposed program will face and how the challenges will be overcome, including how the proposed investment will help overcome those challenges.

### **4. Sustainability—10 points**

- a. The applicant outlines the economic, environmental, and social sustainability of the project.
- b. The project will maintain its ability to operate once grant funding is expended.

## **5. Economic Development Opportunity—20 points**

### **a. Projected Employment—5 points**

1. The applicant provides a realistic estimate of how many jobs the project will create.
2. The applicant has an outreach and marketing plan to engage members of historically marginalized groups for job opportunities.

### **b. Employee Earnings—5 points**

1. The applicant has a reasonable estimate up to industry standards for wages of jobs created as a result of the project.

### **c. Projected Economic Output—5 points**

1. The project has a realistic estimate of a positive economic output.

### **d. Projected Value Add—5 points**

1. The project has a realistic estimate of a positive value add.

## **6. Budget and Return on Investment—20 points**

- a. The project budget is reasonable for the proposed activity and the funding is appropriate in scale relative to the desired outcomes.
- b. The applicant has secured funding for their portion of the cost share to complete the project.
- c. The applicant has provided a discussion of the proposed project's return on investment that justifies the benefits of the project outweighing the costs.

## **7. Timeline—5 points**

- a. The proposed project's timeline is realistic and attainable.
- b. The applicant has discussed potential challenges and mitigation strategies if they are unable to meet their timeline goal.

### **Award Amount & Formula**

MEA calculates grant awards as 50 percent of total project costs. Grant awards shall not exceed

\$400,000. Applicants must contribute at least 50 percent of the total project costs as matching funds or in-kind services. Matching funds may include, but are not limited to, a finance/loan agreement, cash on hand, a business line of credit, and/or other grant awards (state, federal, or private).

## **Partial Awards**

Partial awards are possible under the Program. Full grant awards are made among approved projects from highest to lowest rank. If insufficient funds are available to fully fund a project, the applicant will be given the opportunity to fulfill the grant obligations with the remaining budgeted funding. If the applicant agrees, then the project will be funded with the remaining funds. If the applicant does not agree, then the offer is made to the next approved project in rank order until all funding has been expended or all remaining projects have rejected the offer.

## **Required Application Documents**

**Application Form:** Applicants must complete a Maryland Offshore Wind Capital Expenditure Program Application Form via the online application portal JotForm. The application package must include the following components:

**1. Project Narrative:** The Project Narrative should provide a comprehensive overview of the proposed project and business opportunities. The Project Narrative should be no more than 10 pages long and should include the following:

**I. Applicant Overview**

a. The Applicant Overview should discuss the Applicant's business operations, their interest and plan for getting involved in the offshore wind industry.

**II. Project Location and Facility**

a. Applicants should provide details about the project location(s) and facility(s). Include a sitemap from Google Earth or another mapping service indicating location(s) of the proposed project.

**III. Historic Success**

a. Applicants should include a summary of historic success running their program, or a similar vocational program within their organization, including the number of graduates who have been placed in jobs and their wages in those jobs. If applicable, applicants should include information related to any previous MEA grants.

**IV. Needs Assessment/Justification**

a. Applicants should provide a high level Needs Assessment discussing the problem the proposed project aims to impact. The Needs Assessment should provide justification for grant funding for the project. It should address the following questions:

1. What is the problem/issue that the proposed project intends to impact?
2. How does the proposed project aim to address the identified problem/issue?

3. What is the anticipated impact of the proposed project on the identified problem/issue?

**V. Sustainability Statement**

- a. Applicants should include discussion of their sustainability commitments and how they intend to incorporate social, environmental, and economic sustainability into their proposed project.

**VI. Economic Development Opportunities**

- a. The Economic Development Opportunities should discuss the anticipated economic impact and opportunities that will come as a result of this project. It should discuss the projected employment, employee earnings, economic output, and value add of this project.

**1. Projected Employment**

- a. Projected employment is the total number of jobs expected to be created as a result of this project. Applicants should include both full-time and part-time workers, specifying the type of employment for each job created.

**2. Employee Earnings**

- a. Applicants should provide the total income and wages new employees will earn and specify wages for full-time and part-time employees, including any benefits employees may receive.

**3. Projected Economic Output**

- a. Projected economic output is the total value of the goods and services created during the project life, including the funds used to produce the goods and/or services.
- b. (Economic Output=Initial funds used to produce the goods/services + value of final product of the goods/service)
- c. Applicants should provide a high-level estimate of the economic output that will result from the project.

**4. Projected Value Add**

- a. Projected Value Add is the total value of the goods and services created during the life of the project. It is the economic output less the value of the goods and services created.
- b. (Value add=Economic Output—Initial funds used to produce the goods/services).

- c. Applicants should provide a high-level estimate of the value add of the project.

**2. Project Work Plan:** The Project Work Plan should consist of the following:

**I. Project Scope Statement,**

- a. Applicants should provide a project scope statement that provides the project purpose, goals and objectives, and strategies for achieving those goals and objectives.
- b. The project scope should align with the Program's goals of supporting Maryland's offshore wind workforce.
- c. Applicants should include discussion of their sustainability commitments and how they intend to proceed with a project that is mindful of economic, environmental, and social sustainability.

**II. Detailed Project Timeline**

- a. Applicants should include a realistic and feasible timeline of all project milestones and anticipated end date.
- b. Applicants should include a discussion of potential timeline challenges or constraints and mitigation strategies.

**III. List of Project Partners**

- a. Applicants should provide a list of project partners and training instructors who are expected to work on this project along with their defined roles and responsibilities.

**IV. Marketing Plan**

- a. Applicants should provide a thorough marketing plan that details their strategies to get integrated into the offshore wind industry, with specific information regarding the applicant's history of contracts and partnerships.

**V. Challenges**

- a. Applicants should discuss potential constraints or challenges related to time, budget, and resources that may impact project success. Applicants should provide mitigation strategies for each identified challenge.

**3. Budget Narrative:** The Project Budget should include details on total anticipated project costs and how the applicant intends to use grant funds. It must include the following:

**I. Total Project Budget:**

- a. The total project budget should be a breakdown of intended use of grant funds, including, but not limited to relocation costs, renovations, equipment,

installation, labor and personnel, permitting and inspections, and administrative expenses.

**II. Calculated Return on Investment (ROI):**

- a. Applicants must include a calculation of the return on investment (ROI) of the project. The applicant must provide discussion justifying the cost of the investment, based on a calculated ROI demonstrating that the benefit of the project exceeds the costs.
- b.  $ROI = (\text{Estimated Value of Investment} - \text{Cost of Investment}) / (\text{Cost of Investment})$

**III. Leveraged Funds:**

- a. Applicants should provide a list of leverage funds, including, but not limited to, finance/loan agreement, cash on hand, a business line of credit, or other grant award.

**IV. All In-Kind Services:**

- a. Applicants should provide a comprehensive list of all in-kind services.

**V. Proof of Funds Letter**

- a. Applicants **must** provide a proof of funds letter from a financial institution or lender as proof they will be able to provide their required cost share of the project costs and ensure the project will be able to be completed.

**4. Certificate of Status:**

- I. Applicants **must** provide a certificate of status from the Maryland Department of Assessments and Taxation (SDAT) showing the applicant is in good standing with the State of Maryland. Certificates of status can be ordered online from SDAT.

**5. Business Ownership Documents:**

- I. Applicants **must** provide documents that demonstrate which individual(s) own(s) and control(s) at least 51 percent of the business. These documents may include, but are not limited to, Articles of Incorporation, Corporate Charter, or Shareholder Reports.

**6. Personal Net Worth (PNW) Attestation:**

- I. Business applicants **must** provide an attestation that they are an emerging business, pursuant to Md. Code Ann., State Gov't § 9-20C-01(e).

**7. IRS Form W-9:**

- I. Applicants **must** provide an Internal Revenue Service (IRS) Form W-9 for the Applicant Organization. The Applicant Organization name and address provided on the IRS Form W-9 must match the Applicant Organization name and address provided in the Application

Form submitted through the online application portal. An IRS Form W-9 can be requested from the IRS.

**8. Specification Sheets:**

- I. Applicants **must** provide product manuals or specification sheets for all equipment included in the proposed project.

**9. Nationally Recognized Testing Laboratory (NRTL) Certifications:**

- I. Applicants **must** provide equipment certifications provided by a Nationally Recognized Testing Laboratory (NRTL) participating in the Occupational Safety and Health Administration's (OSHA) NRTL Program for all equipment included in the proposed project. A list of current OSHA NRTLs can be found on OSHA's website.

**10. Letters of Support:**

- I. Applicants should provide a letter of support from each project partner which details the commitment(s) made by the project partner. Unsigned letters of support will not be accepted. Applicants may include additional letters of support from local businesses, nonprofits, community organizations, and government agencies.

## **Submission**

The Program utilizes an online application portal, JotForm, that all applicants must use to submit grant applications. The online application portal is accessible through MEA's website and [here](#). MEA will not consider incomplete applications.

## **Program Requirements**

### **Personal Net Worth Statement Form**

If selected for an award, MEA will contact Applicants for a notarized Personal Net Worth Statement Form which will be obtained securely through Virtru. Virtru is a secured email process that will be initiated by the Program Manager. As a condition of grant funding, Applicants must provide proof they are an Emerging Business, as defined in Md. Code Ann., State Gov't § 9-20C-01(e). Personal Net Worth Statements must be notarized and provided to MEA within 30 days of receiving an award letter. The PNW Statement Form is available on MEA's website in the section titled "Program Documents."

## **Reporting**

Pursuant to the grant agreement, performance reporting, including quarterly and milestone reports are to be completed and submitted in accordance with the timelines described in the grant agreement.

## **Reimbursement**

Pursuant to the grant agreement, grant funds may be released over the course of the grant period in reimbursement for the performance of eligible, approved activities. The grant agreement will also include reporting requirements, which if not met, may result in a delay in reimbursement, disallowance of expense, or suspension of the grant.

### **Confidential and Personal Information**

1. In accordance with Section 4-501(c)(3) of the General Provisions Article of the Annotated Code of Maryland, MEA is required to advise Applicants of the following:
  - I. Any personal information requested in the Application is necessary to evaluate the eligibility of the Applicant for a Grant.
  - II. Failure to provide all required information will prevent MEA from processing the Application.
  - III. Some of this information may be provided to other agencies of the State to process the payment of Grant Funds if the Applicant is awarded a Grant.
  - IV. The Applicant's name, project information, and Grant award may be publicly accessible on our website if the Applicant is awarded a Grant.
  - V. As set forth in Section 4-502 of the General Provisions Article, an applicant has the right to inspect, amend, or correct a personal record as maintained by the Program.
2. All information submitted in a Grant Application is subject to the Maryland Public Information Act (PIA). If the Applicant believes information in the Application is confidential and therefore should be exempt from disclosure under the PIA, the Applicant shall clearly mark this information and identify it by page and section or line number. Upon request for information from a third party, MEA is required to make an independent determination whether the information must be disclosed under the PIA. Designating information as confidential does not guarantee that it will be exempt from disclosure.

### **Grant Program General Provisions:**

**MEA grant programs are covered by general provisions that apply to all energy programs, the most current version of these General Provisions is [v.3, February 2022](#). The latest approved version of this document will be incorporated into all FY23 grant agreements issued by MEA.**

### **Program-Specific Requirements:**

In addition to the general provisions, the following funding qualification applies to this Program:

1. MEA at its discretion may obligate all, some, or none of the FY 2023 Maryland Offshore Wind Capital Expenditure Program budget, based on the number, quality, and eligibility

of submitted applications.

2. MEA at its discretion may extend the application deadline of the FY2023 Maryland Offshore Wind Capital Expenditure Program should the program experience technical difficulties or if MEA receives a large number of uncompetitive applications.
3. Applicants that are an Emerging Business or a Non-Profit must demonstrate they are registered and in good standing with the Maryland Department of Assessments and Taxation (SDAT) by submitting a Certificate of Status. Certificates of Status may be ordered online from SDAT.
4. To receive grant funding for a project, the successful applicant must enter into a Grant Agreement with MEA by May 30, 2023 unless an extension is given in writing (email) by MEA.
5. A grant award will not be made for any work completed before the effective date of the Grant Agreement with MEA.
6. If applicable, Grantees shall ensure all equipment meets certain safety criteria including:
  - a. Be certified by a Nationally Recognized Testing Laboratory (NRTL) participating in the Occupational Safety and Health Administration's (OSHA) NRTL Program;
  - b. Be in compliance with all applicable building, electric, and fire codes.

**Program Changes:**

Any update (e.g. extension of a deadline) or clarification about the Program and any corrections to inadvertent errors in the Program information will be available on the Program webpage. In addition, MEA will communicate clarifications and updates made after the application deadline directly to applicants or grantees, as applicable, by letter or e-mail. The final grant amount for each Grantee will be made after review of all proposals received and is subject to funding availability for the Program and any relevant statutory requirement applicable at that time.

**Questions Can be Directed to:**

Interested applicants may submit questions, comments, concerns, and suggestions to the following MEA Program Manager:

Emma Stoney  
Energy Program Manager  
Maryland Energy Administration  
[wind.mea@maryland.gov](mailto:wind.mea@maryland.gov)  
410-382-1605

