

Biomass Utilization Fund

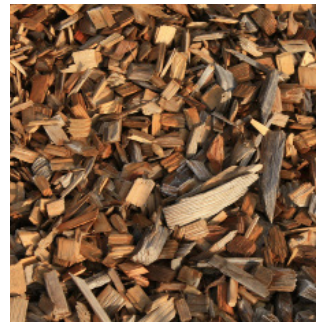


The **Biomass Utilization Fund (BUF)** was allocated \$17 million in federal funds to help finance new or expanding businesses located or locating in Tuolumne County that are capable of using the available biomass from the surrounding forests and provide an alternative to pile burning of forest waste.

Businesses are required to use or supply forest biomass as a part of their operations and to provide permanent employment opportunities to low- and moderate-income individuals. California Department of Housing and Community Development (HCD) research suggests that there are 44,000 tons of bone-dry wood available annually to support new business opportunities. HCD partnered with SNC to lead the effort to establish a new Biomass Utilization Fund to encourage the use of forest biomass and increase community and forest resilience. HCD and SNC have entered into an agreement with Rural Community Assistance Corporation (RCAC) to manage the Biomass Utilization Fund.

Application Process

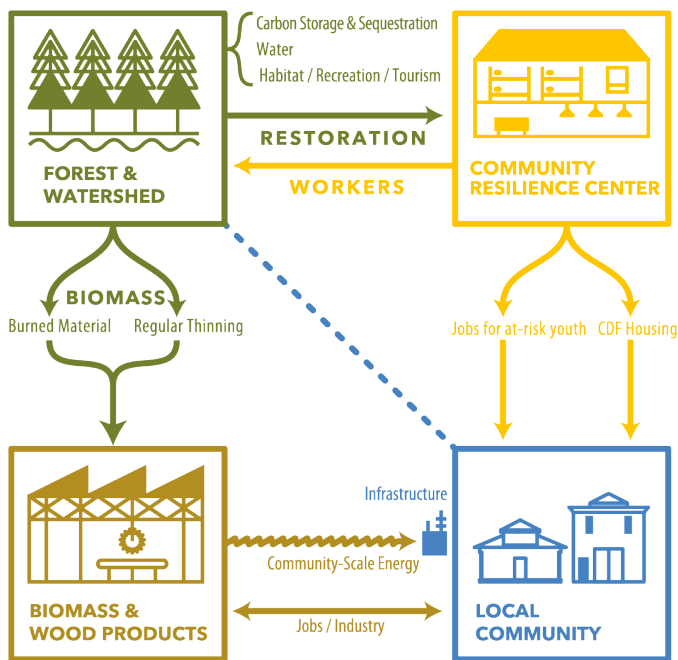
- Applications are **STILL** being accepted. All applications received by **June 12, 2020** were given the same consideration with the highest ranking, substantially complete applications moving forward first. Applications received after June 12 will be evaluated based on the availability of funds.
- Initial review will focus on project feasibility, estimated use of biomass and job creation potential, followed by economic viability of the proposed business and the need for BUF financing.
- Priority will be given to projects that will utilize the most biomass and create the greatest number of permanent jobs for low- and moderate-income people.



Eligibility and Program Requirements

- Small businesses, nonprofits, and public entities including federally recognized Tribes located or locating in Tuolumne County are eligible to receive funds under the BUF.
- Funding is limited to businesses located or locating in **Tuolumne County**.
- The fund is prohibited from substituting for conventional financing. Applicants will be required to bring equity and/or other financing to the project, or apply for other available RCAC loan products.
- BUF funds will be made available at 3% interest amortized over 30 years, but applicants may be eligible for additional subsidies if required by the financial analysis to ensure business viability.
- BUF assistance will be provided only to the extent needed to ensure the business is viable and that the business will provide a reasonable rate of return to the owner.
- Projects are required to create new, permanent jobs, predominantly for low- to moderate-income people.
- Recipients of BUF funds must document job creation and expend all funds by **April 30, 2022**.

Applications are available online:
www.rcac.org/BUF



Background

HCD is one of 13 competitively awarded recipients of Community Develop Block Grant - National Disaster Resilience funds from the U.S. Department of Housing and Urban Development. HCD received this federal award to demonstrate how expanding biomass based businesses could make Tuolumne County more resilient as it continues to rebuild from the devastation of the 2013 Rim Fire.

See the California Biomass Utilization Facility Feedstock Supply Report here: <https://www.hcd.ca.gov/community-development/disaster-recovery-programs/ndrc/docs/BiomassFeedstockSupplyReport.pdf>

Read the California Biomass Utilization Facility Economic Viability Assessment here: <https://www.hcd.ca.gov/community-development/disaster-recovery-programs/ndrc/docs/BiomassEconomicViabilityAssessment.pdf>

Contacts Us

To talk to a loan officer in your area, call 1-855-979-7322

Or learn more at our website: www.rcac.org