



# USDA Rural Development North Carolina

2014 Progress Report

# Rural Development Leadership



*"Will we accept an economy where only a few of us do spectacularly well? Or will we build an economy where everyone who works hard has a chance to get ahead? ... This country does best when everyone gets their fair shot, everyone does their fair share, and everyone plays by the same set of rules."*

*- President Barack Obama, January 2015.*

President Barack Obama's statement about equality and opportunity for all captures the purpose for USDA Rural Development. To make good on this vision, the President and Secretary Vilsack have charged our Mission Area with investing in rural communities and ensuring rural Americans have the opportunity to climb the economic ladder. I am proud to lead a Mission Area dedicated to leveraging the strengths of rural areas, building new markets to increase regional competitiveness, and expanding investment opportunities that create prosperous, sustainable communities.

With a total portfolio of more than \$200 billion and investments upwards of \$28 billion in 2014 alone, Rural Development is making lasting investments in rural communities. The Mission Area has a tremendous set of business, utilities, housing, and community development programs designed to ensure that rural Americans have access to safe, affordable homes and community facilities, jobs and business capital, and the benefits of drinking water, broadband, electricity and other essential services.

While the national economy is growing at a good pace, in rural America there remains a vital need for access to capital as well as for strong federal, state, local, and private sector partnerships. Rural Development is responding to that need with our portfolio of loans, loan guarantees, grants, and a network of dedicated field staff that spans more than 400 offices across the country. The Obama Administration is committed to ensuring that rural communities are economically strong, sound and sustainable. Through Initiatives such as the *Strike Force for Rural Growth and Opportunity* and *Promise Zones*, Rural Development is working with partners across USDA and across government to ensure federal support is directed to high-need areas, coordinated, and responsive to locally-identified community needs. The *Interagency Manufacturing Communities Partnership* and The *Made in Rural America* Initiative along with USDA wide efforts around the bio economy and *Know Your Farmer, Know Your Food* build on economic opportunities that rural America is well suited to advance including agriculture, energy, and manufacturing.

There are stories of Rural Development investments changing lives in every state. In my time as Under Secretary, I've had the opportunity to see some of them first-hand and to listen to the stories of the people who have become homeowners, accessed the internet, and expanded their businesses because of the investments that USDA Rural Development provided.

In Brundidge, Alabama I toured the Southern Classic Food Group, a condiment manufacturer that is expanding their business and their market share with support from Rural Development. In Winona, Mississippi I announced our investment of \$600,000 to seed a revolving loan fund for north central Mississippi small businesses, and learned about a mental health center in Greenwood, Mississippi funded by our Community Facilities program that is touching thousands of lives every year. These are small improvements that strengthen and enhance the quality of life in rural communities often left behind.

Rural Development investments are informed by local priorities, focused on building economic growth and opportunity, and dedicated to making lasting impacts both in rural America and for our overall economy.

Since 2009, Rural Development has provided grants and loans to help approximately 89,000 rural small businesses grow, creating or saving more than 420,000 jobs; invested in more than 6,600 critical community projects including hospitals, libraries, schools, and public safety facilities; helped more than 900,000 rural families buy, repair or refinance a home, and provided funding for more than 3,000 multi-family housing developments; invested in new and improved broadband service to nearly 1.5 million rural residents, which expands access to state-of-the-art health care, educational and cultural resources, and provides the opportunity for local businesses to compete in the global economy; helped modernize rural electric infrastructure for about 8.5 million rural residents and businesses; and provided grants and loans for water and waste-water projects to help safeguard the health of approximately 14.5 million rural residents.

At USDA Rural Development, many of our employees live and work in the same rural communities alongside our rural customers and stakeholder and partner organizations. Aside from our commitment solely to rural America, it is this network of staff— in addition to our programs that make our Mission Area unique.

On behalf of USDA Rural Development, I look forward to continuing our mission and supporting investments that create economic prosperity and opportunity for rural Americans in the months and years to come.

Sincerely,

Lisa Mensah  
Under Secretary for Rural Development

# North Carolina Rural Development Leadership



I would like to share with you the 2014 Progress Report which reflects a successful year and highlights our accomplishments throughout North Carolina. I hope you find this report useful and informative.

In accordance with our mission statement - "to increase economic opportunity and improve the quality of life for all rural Americans" - I am proud to say we have invested more than \$9 billion dollars in North Carolina since October 2009 and \$1.4 billion during 2014.

Each day, Rural Development staff work hard to administer and deliver a variety of programs. We are convinced that these investments helped to place a "floor" under the real estate market in our State, addressed clean water and sewer issues, helped to strengthen and stabilize the overall economy and provided essential community facilities such as health clinics, fire and police stations, libraries, schools and daycare centers.

Through outreach, leveraging and forging relationships; it is our plan to continue "moving the needle" by partnering with our State and local agencies, non-profits, lenders, realtors and others for the good of rural North Carolinians.

Sincerely,

Randall A. Gore, State Director  
USDA Rural Development

## MISSION:

To Increase economic  
opportunity and improve  
the quality of life for all  
rural Americans.

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## Fiscal Year 2014 Investments in North Carolina

Business Programs	Community Programs	Housing Programs	All Others
\$122,706,865	\$111,068,698	\$1,007,402,195	\$184,286,159
Total: \$1,418,048,424			

## About USDA Rural Development

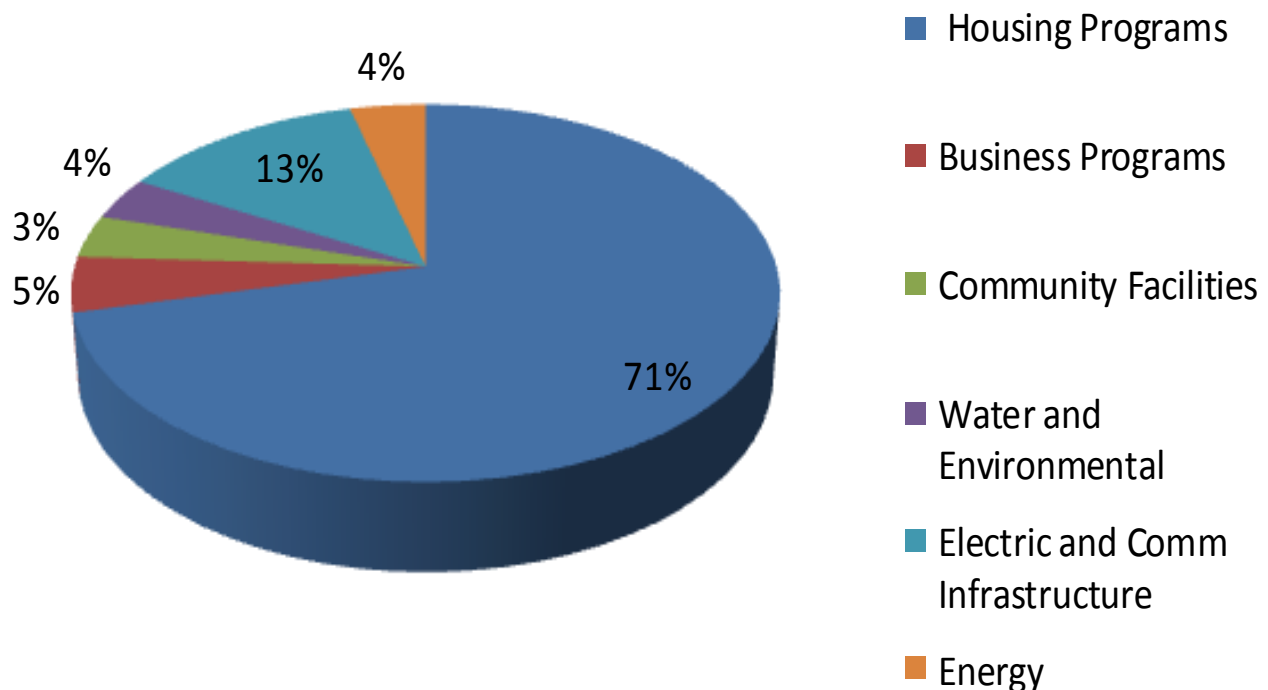
### Investing in the Future of Rural North Carolina Communities

Rural Development is committed to helping strengthen the economy and improve the quality of life for rural North Carolinians. Through more than 40 programs, we are able to help in many ways. Loans, loan guarantees and grants are available to support essential services such as housing, water, sewer, electric and communications infrastructure, economic development, health care, first responder services and equipment.

We promote economic development by supporting loans to businesses through banks, credit

unions and community-managed lending pools. We offer technical assistance and information to help agricultural producers and cooperatives get started and improve the effectiveness of their operations. We help rural residents buy or rent safe, affordable housing and make health and safety repairs to their homes. USDA Rural Development has a \$210.5 billion portfolio of loans. The programs are implemented at the local and national level through a network made up of one national office, 47 state offices and nearly 450 regional and local offices, as well as a Centralized Service Center.

In North Carolina in 2014, USDA Rural Development invested a total of \$1.4 billion for 7,837 loans and grants.





## Rural Business and Cooperative Programs



Under Secretary Mensah joined Wilson Value Drug Store as they highlighted the opening of the new retail pharmacy in downtown Wilson with a Ribbon Cutting. Wilson Value Drug was awarded a loan guaranteed through the Business & Industry Guaranteed Loan Program.

USDA's Rural Business-Cooperative Service offers programs to support business development and job training opportunities for rural residents.

Our programs help provide the capital, technical support, educational opportunities and entrepreneurial skills that can help rural residents start and grow businesses or access jobs in agricultural markets and in the bio-based economy. USDA and our public and private partners are connecting rural residents to the global economy by:

- \*Supporting business growth and development;
- \*Facilitating sustainable renewable energy development;
- \*Developing regional food systems;
- \*Generating and retaining jobs through recreation and natural resource restoration, conservation and management;
- \*Increasing access to broadband;

### Business Programs

Through its Business Programs, Rural Development helps provide much-needed capital in rural areas, often in partnership with private-sector lenders and community-based organizations. The capital may be in the form of loan guarantees, direct loans or grants to individuals, rural businesses, cooperatives, farmers and ranchers, public bodies, non-profit corporations, Native American tribes and private companies.

### Cooperative Programs

USDA's Cooperative Programs promote the understanding and use of the cooperative form of business. Cooperatives market and distribute agricultural products and supplies and provide other services such as electricity, telecommunications, credit and financial services, housing, food, hardware and building supplies.

USDA Rural Development helps rural residents form new cooperatives and improve the operations of existing ones through education, research, technical assistance, publications and funding.

### Renewable Energy

The renewable energy programs, authorized by the Agriculture Act of 2014, offer funding to complete energy audits, provide renewable energy development assistance, make energy efficiency improvements and install renewable energy systems. We have programs that convert older heating sources to cleaner technologies, produce advanced biofuels, install solar panels, and build biorefineries. USDA is at the forefront of renewable energy financing, with options including grants, guaranteed loans and payments.

### Value-Added Producer Grants

Value-Added Producer Grants (VAPGs) support local and regional food projects. VAPG's are an important element of USDA's "Know Your Farmer, Know Your Food" initiative, which coordinates USDA's work to support local and regional food systems.

### Investing in North Carolina's Rural Communities

In fiscal year 2014, Rural Development invested \$122.7 million in North Carolina rural businesses, supporting 122 projects. Business and Cooperative Programs serve North Carolina communities by creating new business, growing production, maintaining jobs, conducting feasibility studies, improving rural energy development, creating professional business plans, and increasing revenue for rural business ventures.

## Rural Housing Programs



During Homeownership Month June 2014, Deputy Under Secretary Kunesh toured the Hendersonville downtown area with Noelle McKay, Executive Director Housing Assistance Corp., Self Help Housing grantee. One of the highlights of the walking tour was the 2014 Bearfootin' Bears display. The Housing Assistance Bearfootin' Bear, one of 20 bears displayed was part of the annual "Bearfootin' Public Art Walk fundraiser for historic downtown Hendersonville and local nonprofits.

USDA's Rural Housing Service offers a variety of programs to build or improve housing and essential community facilities in rural areas. We and our partners are working together to ensure that rural America continues to be a great place to live, work and raise a family.

### Single-Family Housing Programs

USDA's Single-Family Housing Programs provide direct loans or loan guarantees to help low- and moderate-income rural Americans buy safe, affordable housing in rural areas. USDA also offers loans and grants to help rural residents make health and safety repairs to homes.

### Single-Family Housing Investments

In FY 2014, RHS helped more than 7,100 North Carolina families with modest, low and very low incomes buy or repair their homes through its direct and guaranteed single-family housing loan programs, including more than 290 low and very-low-income borrowers. More than 290 North Carolina families received affordable home loans through the Single-Family Housing Direct Loan Program, which awarded more than \$39.1 million during the fiscal year.

In North Carolina 20 families helped to construct their own homes through the Mutual Self-Help Housing Program, one of RHS's single-family housing programs. Under this program, groups of families work together to build homes for one another, with guidance from a qualified construction supervisor. Their labor helps to reduce the overall cost of each participant's mortgage loan. The 20 families that participated in self-help housing projects in 2014 each built about \$20,000 in equity in their brand-new homes.

Additionally, 415 rural homeowners in North Carolina were able to repair their homes in 2014 through RHS's Single-Family Housing Repair Loan and Grant Program. The agency provided \$1.7 million in grants to help 217 very-low-income, elderly rural residents remove health and safety hazards from their homes. Through the Guaranteed Single-Family Housing Loan Program, RHS guarantees home loans made by private-sector lenders for rural families with moderate incomes. In 2014, the agency helped 6,383 individuals and families in North Carolina become homeowners through the program, providing \$879.8 million in loan guarantees. North Carolina staff also awarded more \$98,000 in Housing Preservation Grants.

### Multi-Family Housing Programs

USDA's Multi-Family Housing Programs offer loans to provide affordable rental housing for very-low-, low- and moderate-income residents, the elderly, and persons with disabilities. Funds also may be used to buy and improve land and to provide necessary facilities such as water and waste disposal systems. In addition, USDA offers rental assistance to help eligible rural residents with their monthly rental costs.

### Multi-Family Housing Investments

USDA's multi-family housing staff processed and oversaw more than 500 rental assistance payments that benefited rural residents totaling more than \$73.2 million. North Carolina staff also oversaw \$12.2 million for preservation and revitalization.

## Community Facilities Programs



Neuse Charter High School, located in Smithfield, Johnston County was completed this year. It is the first and only free public charter school in the county.

USDA's Community Facilities direct loans, guaranteed loans and grants are used to finance essential facilities in rural areas. Priority for funding is given for health care, education and public safety projects with a focus on communities that are small and high need.

Community Facilities assistance supports hospitals, health care clinics, schools, police and fire stations, food banks, community centers and many other community-based initiatives. The agency's Community Facilities program is a key part of Rural Development's overall community economic development efforts.

Agriculture Secretary Tom Vilsack has made access to quality health care for rural Americans a top priority at USDA. Through the Community Facilities program, the agency helped provide health care services for nearly 4 million rural residents in FY

2014 in facilities ranging from mental health clinics to hospitals. The agency invested \$85 million for 34 rural mental health care projects in 23 states.

In North Carolina, during fiscal year 2014, USDA Rural Development invested \$51.8 million in rural North Carolina through community facilities loans and grants. The 34 projects, including funding for schools and fire safety equipment, was used to benefit more than 904,262 rural North Carolina residents.

Community Facilities Programs help build, expand, rehabilitate, purchase, and support the development of police and emergency fire stations and equipment, museums, child care centers, hospitals, clinics, schools, and more.

Cape Fear Valley Hoke Healthcare located in Raeford, Hoke County opened the 41 bed acute care hospital. The hospital has three floors, complete with two operating rooms, four birthing suites, and a 16 bay ER department.





# Rural Utilities Programs



USDA funds are being used for the regional sewer system located in Hoke County which will benefit over 1,800 users. The project includes a wastewater treatment plant, new pump station, reconfiguration of existing pump stations, necessary lines and an operations/lab building.

## Rural Utilities Service

USDA's Rural Utilities Service (RUS) administers programs that provide much-needed infrastructure or infrastructure improvements to rural communities.

These include water and waste treatment, electric power and telecommunications services. All of these services play a critical role in helping to expand economic opportunities and improve the quality of life for rural residents. Utilities programs connect rural residents to the global economy by:

- \* Increasing access to broadband and 21st century telecommunications services;
- \* Funding sustainable renewable energy development and conservation;
- \* Financing reliable and affordable electric systems;
- \* Working to integrate electric smart grid technologies;
- \* Developing reliable and affordable rural water and wastewater systems.

## Water and Environmental Programs (WEP)

WEP provides loans, grants and loan guarantees for drinking water, sanitary sewer, solid waste and storm drainage facilities in rural areas and cities and towns of 10,000 or less. Public bodies, non-profit organizations and recognized Indian tribes may qualify for assistance. WEP also makes grants to non-profit organizations to provide technical assistance and training to help rural communities with their water, wastewater and solid waste problems.

## Electric Programs

The Electric Program provides capital and leadership to maintain, expand, upgrade and modernize America's vast rural electric infrastructure. The loans and loan guarantees finance the construction or improvement of electric distribution, transmission and generation facilities in rural areas. The Electric Program also provides funding to support demand-side management, energy efficiency and conservation programs, and on-and off-grid renewable energy systems. Loans are made to cooperatives, corporations, states, territories, subdivisions, municipalities, utility districts and non-profit organizations.

## Telecommunications Programs

The Telecommunications Program improves the quality of life in rural America by providing capital for the deployment of rural telecommunications infrastructure. USDA Rural Development is committed to ensuring that rural areas have access to affordable, reliable, advanced telecommunications services comparable to those available throughout the rest of the United States. With this access, rural America will see improved educational opportunities, health care, safety and security and ultimately, higher employment.

## Fiscal Year 2014 Results

USDA Rural Development invested \$234 million during fiscal year 2014 through 49 infrastructure projects to provide reliable and clean drinking water, waste treatment systems, electric power, and telecommunications services in rural communities in North Carolina.



## Special Initiatives

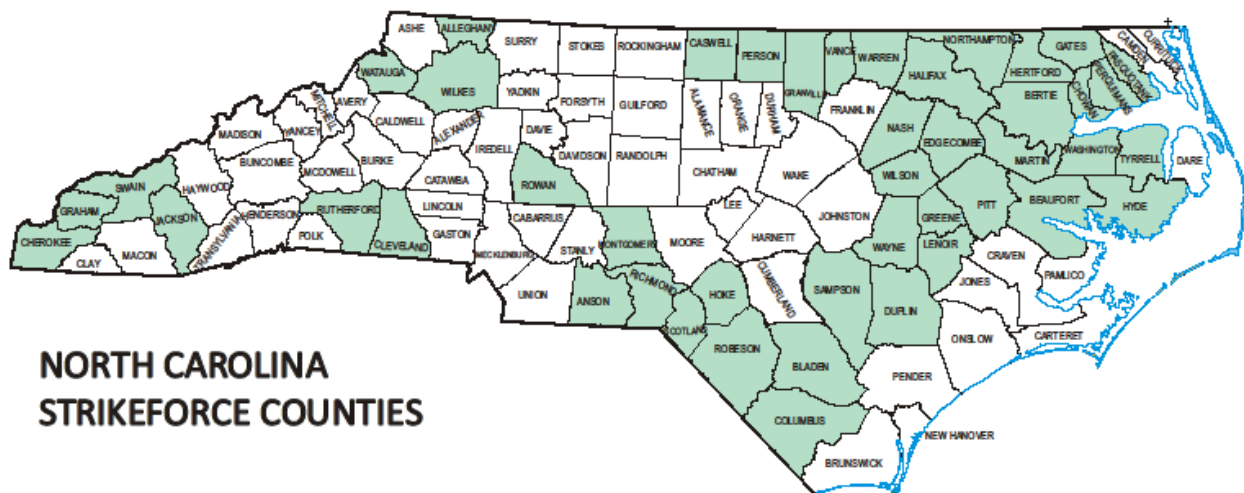
### StrikeForce for Rural Growth and Opportunity

Currently 85 percent of our country's persistent poverty counties are in rural America. Kids growing up in families earning twice the poverty threshold are nearly three times as likely as other children to have poor health and are more likely to earn half as much money in their adult lives.

In 2010, Secretary Vilsack established USDA's StrikeForce Initiative for Rural Growth and Opportunity to address the specific challenges associated with rural poverty. Since 2013, through StrikeForce, USDA is leveraging resources and collaborating with community organizations, businesses, foundations, universities and other groups to support 2,989 projects with \$465.4 million in investments in rural North Carolina creating, saving and retaining more than 275 jobs in the StrikeForce areas.

For example, Vance County is considered a food desert where more than one in four residents live in poverty. The StrikeForce Team - USDA Farm Service Agency (FSA), USDA Rural Development (RD), USDA Food and Nutrition Service (FNS) and USDA Natural Resources Conservation Service (NRCS) worked with growers like Henry Crews.

Mr. Crews applied for a farm number with FSA and subsequently received an FSA microloan to improve agricultural operations on his farm. Crews then worked with NRCS to develop an organic transition plan. He also applied for grant foods through Rural Development's Rural Business Development Grant program to purchase the equipment needed to cool and wash produce. With all the pieces in place, Crews will make affordable organic fruits and vegetables available to the community's low-income residents by accepting Supplemental Nutrition Assistance Program (SNAP) benefits offered through FNS. USDA assistance is helping growers like Crews to improve the availability and affordability of fresh produce for low-income residents in Vance County.



**NORTH CAROLINA  
STRIKEFORCE COUNTIES**

Alleghany, Anson, Beaufort, Bertie, Bladen, Caswell, Cherokee, Chowan, Clay, Cleveland, Columbus, Duplin, Edgecombe, Gates, Graham, Granville, Greene, Halifax, Hertford, Hoke, Hyde, Jackson, Lenoir, Martin, Montgomery, Nash, Northampton, Pasquotank, Perquimans, Person, Person, Pitt, Richmond, Robeson, Rowan, Rutherford, Sampson, Scotland, Swain, Tyrrell, Vance, Warren, Washington, Watauga, Wayne, Wilkes, and Wilson

## USDA INVESTMENTS IN NC

PROGRAM	AMOUNT	AWARDS
Business and Industry Guaranteed Loans	\$47,639,417	19
Business Grants	\$986,000	13
Rural Economic Development Loans and Grants	\$17,447,500	22
Renewable Energy Loans and Grants	\$55,863,948	61
Value Added Producer Grants	\$770,000	7
Home Repair Loans and Grants	\$2,712,141	415
Single Family Housing Direct Loans	\$39,166,695	292
Single Family Housing Guaranteed Loans	\$879,866,812	6,383
Self Help Technical Assistance Grants	\$183,665	1
Multi-Family Housing Direct Loans	\$6,237,495	10
Multi-Family Housing Guaranteed Loans	\$5,996,267	5
Rental Assistance	\$73,239,120	501
Water and Waste Direct Loans/Grants	\$50,070,131	34
Water and Waste Guaranteed Loans	\$1,760,000	2
Community Facility Direct Loans and Grants	\$34,993,074	44
Community Facility Guaranteed Loans	\$16,830,000	4
Electric and Communication Infrastructure Loans and Grants	\$182,471,078	13
All Others	\$1,815,081	11
<b>FISCAL YEAR 2014 TOTALS</b>	<b>\$1,418,048,424</b>	<b>7,837</b>

# USDA RURAL DEVELOPMENT SUMMARY OF PROGRAMS

## HOUSING AND COMMUNITY FACILITIES

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
<b>Single Family Home Ownership Direct Loans</b>	Safe, well-built, affordable homes for rural Americans.	Families and individuals.	Buy, build, improve, repair or rehabilitate a rural home as the applicant's permanent residence.	Rural areas with populations of up to 35,000.	Direct loan.	Up to 100% of market value or cost. Loan term of 33/38 years. Applicant may be eligible for payment assistance (subsidy) on the loan.
<b>Single Family Home Ownership Guaranteed Loans</b>	To assist moderate-income applicants(s)/household(s) in buying their homes by guaranteeing loans made by private lenders.	Families and individuals.	Purchase new or existing home and refinance existing Rural Development guaranteed or direct loans.	Rural areas with populations of up to 35,000.	Loan guarantee.	30-year, fixed rate. Interest rate is negotiated between lender and borrower. Loans up to 100% of market value plus the amount of the up-front guarantee fee being financed.
<b>Single Family Repair Loans and Grants</b>	To help very-low-income applicants remove health and safety hazards or repair their homes.	Families and individuals who currently own their home.	Repair/replace roof, winterizing, purchase or repair heating system, structural repair, water/sewage connect fees, etc.	Rural areas with populations of up to 35,000.	Direct loan and grant.	Loans up to \$20,000 up to 20 years at 1%. Grants available to very-low-income applicants 62 years or older unable to pay 1% loan.
<b>Mutual Self-Help Housing Grants</b>	Assist lower-income families in building their own homes.	Non-profits and public bodies.	Technical assistance to help small groups of families to build each other's homes.	Rural areas with populations of up to 35,000.	Grant.	Grant agreement.
<b>Rural Rental Housing Direct Loans</b>	Safe, well-built, affordable rental housing for very-low-income individuals and families.	Individuals, trusts, associations, limited partnerships, for-profit and non-profit entities, Tribes, public bodies.	New construction or substantial rehabilitation of rental housing.	Rural areas with populations of up to 35,000.	Direct loan.	Up to 100% of total development cost (non-profits); 97% (for-profits); 95% (for-profits with Low-Income Housing Tax Credits). 30-year term with up to 50-year amortization.
<b>Rural Rental Housing Loan Guarantees</b>	Provides loan guarantees on loans to build or preserve affordable housing for very-low to moderate-income tenants.	For-profit and non-profit lenders.	Build or rehabilitate affordable rental housing.	Rural areas with populations of up to 35,000.	Loan guarantee.	At least 25-year term with fixed interest rate. Loan guarantees up to 90% of the principal.
<b>Housing Preservation Grants</b>	Repair and rehabilitate housing owned or occupied by very-low- and low-income rural families.	Public bodies and non-profit organizations.	Operation of a program which finances repair and rehabilitation activities for single-family and small rental properties.	Rural areas with populations of up to 35,000.	Grant.	Grant agreement.
<b>Farm Labor Housing Loans and Grants</b>	Safe, well-built affordable rental housing for farmworkers.	Individuals, public and private non-profit organizations.	New construction or substantial rehabilitation of rental housing.	N/A.	Direct loan and grant.	Up to 102% of total development cost. Up to 33 years to repay at 1% interest.
<b>Community Facilities Loans and Grants</b>	Improve, develop, or finance essential community facilities for rural communities.	Public bodies, non-profits, and Federally recognized Indian Tribes.	Construct, enlarge or otherwise improve essential community facilities, such as public safety, fire and rescue, telecommunications, schools, libraries, hospitals, other health care facilities, etc. This may include furnishings, fixtures and other required equipment.	City, town or unincorporated area of not more than 20,000 in population. Facilities must primarily serve rural residents.	Direct loan, loan guarantee or grant.	Up to 100% of market value. Term is for useful life of the facility or equipment, the state statute, or 40 years. Maximum grant 75% of project cost. Grant eligibility based on income, population and need.
<b>Rural Community Development Initiative</b>	To facilitate housing, community facility and community and economic development projects.	Private non-profit or public organizations, philanthropic foundations, low-income communities.	Technical assistance grants of \$50,000 to \$300,000 to develop the capacity and ability of the awardees to carry out needed projects.	City, town or unincorporated area of not more than 50,000 in population.	Grant.	Matching funds required for grant.

## BUSINESS AND COOPERATIVES

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
<b>Business and Industry Loan Guarantees</b>	Create jobs/stimulate rural economies by providing financial backing for rural businesses.	Lender/Businesses.	Real estate, buildings, equipment, supplies, working capital, and some debt refinancing.	All areas except cities over 50,000 and their contiguous urbanized areas.	Loan guarantee.	Lender and borrower negotiate terms. Up to 30 years for real estate, 15 years for machinery and equipment, and 7 years for working capital.
<b>Rural Business Enterprise Grants</b>	Finance and facilitate the development of small and emerging private business enterprises.	Public bodies, private non-profit corporations and Tribes.	Refinancing, land acquisition, revolving funds, construction, equipment, access streets and roads, utility and service extensions, and rural distance learning networks.	All areas except cities over 50,000 and their contiguous urbanized areas.	Grant.	Amount based on funding availability, funding priority and national goals.
<b>Intermediary Relending Program Loans</b>	Establish revolving funds for business facilities and community development projects.	Public bodies, non-profit corporations, Native American Tribes and cooperatives.	Community development projects, establishment or expansion of businesses, creation or saving of rural jobs.	Rural areas and incorporated places with populations of less than 25,000.	Direct loan.	The intermediary makes loans to businesses from its revolving loan fund on terms consistent with security offered. Intermediary pays 1% for 30 years.
<b>Rural Microentrepreneur Assistance Program</b>	Establish revolving funds to target assistance to small rural enterprises.	Microenterprise Development Organizations (MDOs).	Loans, technical, and capacity-building assistance to businesses with 10 or fewer employees and sole proprietorships.	All areas except cities over 50,000 and their contiguous urbanized areas.	Loans, grants.	Rural microenterprises apply directly to the intermediary.
<b>Rural Economic Development Loans and Grants</b>	Finance economic development and job creation in rural areas.	Rural Utilities Service-financed electric and telephone utilities.	Business startups or expansion projects that create rural jobs.	Rural areas with priority to places with populations of 2,500 or less.	Direct loan or grant to establish revolving loan fund.	Intermediary makes loans to for-profit or non-profit businesses and public bodies. Loans are 0% for 10 years.
<b>Rural Cooperative Development Grants</b>	Establish/operate centers for cooperative development.	Non-profits and institutions of higher education.	Establish centers to provide technical assistance, training, applied research, and collection and interpretation of data, for the purpose of cooperative development.	All areas except cities over 50,000 and their contiguous urbanized areas.	Grant.	Minimum 25% fund match (5% for 1994 Institutions). Grants awarded competitively.
<b>Small Socially Disadvantaged Producer Grants</b>	Provides funds to eligible cooperatives or an association of cooperatives to provide technical assistance to small, socially disadvantaged producers in rural areas.	Cooperatives and associations of cooperatives whose membership and board of directors is comprised of at least 75% socially disadvantaged agricultural producers.	Technical assistance.	All areas, except cities over 50,000 and their contiguous urbanized areas.	Grant.	Grants are awarded on a competitive basis. There is no matching requirement.
<b>Value-Added Producer Grants</b>	Help independent agricultural producers enter into activities that add value to their crops.	Independent producers, farmer and rancher cooperatives, producer groups, majority-controlled producer-based business ventures.	Feasibility studies, business plans; working capital.	All areas.	Grant.	Grants are awarded on a competitive basis. Funds cannot be used to build facilities or purchase equipment. Funds must be matched on a dollar-for-dollar basis.
<b>Rural Business Opportunity Grants</b>	Finance technical assistance for business development planning in rural areas.	Public bodies, non-profit corporations, Indian Tribes on Federal or State reservations, cooperatives with members that are primarily rural residents.	Technical assistance, leadership training, establishment of business support centers, economic development plans.	All areas except cities over 50,000 and their contiguous urbanized areas.	Grant.	Must be completed within 2 years after project has begun.



## BUSINESS AND COOPERATIVES (CONT.)

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
<b>Rural Energy for America Program (REAP) Loan Guarantees and Grants</b>	Provide assistance for energy efficiency improvements or purchase of a renewable energy system for operations.	Rural small businesses and agricultural producers.	Energy efficiency improvements, renewable energy systems, land acquisition and working capital.	Cities, towns, unincorporated areas with population less than 50,000. (Population limits do not apply to agricultural producers)	Loan guarantee and/or grant.	Grants up to 25% of project costs not to exceed \$250,000 for energy efficiency projects and \$500,000 for renewable energy. Loan guarantees up to 75% of project cost not to exceed \$25 million.
<b>REAP Audit/Development Grants</b>	Provide grant to entity to pass through to a small business or agricultural producer for 75% of the cost of an energy audit or renewable energy development assistance.	State, Tribal or local government institutions of higher education; rural electric cooperatives; or public power entities.	\$100,000 grant to entities, smaller ones to small business and agricultural producers for 75% of energy audit or renewable energy development assistance.	Cities, towns, unincorporated areas with population less than 50,000.	Grant.	\$100,000 to entities and up to 75% of the cost of energy audit for renewable energy development assistance.
<b>Biorefinery Assistance Program Loan Guarantees</b>	Provide loan guarantees for the development and construction of commercial-scale biorefineries or to retrofit facilities using eligible technology for the development of advanced biofuels.	Individuals, Indian Tribes, State or local governments, corporations, farm cooperatives, associations of agricultural producers, national laboratories, higher learning institutions, rural electric co-ops, public power entities, consortiums of any of the entities.	Loan guarantees to develop and construct commercial-scale biorefineries or retrofit facilities to use eligible technology for the development of advanced biofuels.	No restrictions.	Loan.	90% (maximum) guarantee on loans up to \$25 million; 80% (maximum) guarantee on loans less than \$50 million; 70% (maximum) guarantee on loans of \$50 million but less than \$200 million; 60% (maximum) guarantee on loans of \$200 million up to \$250 million.
<b>Repowering Assistance Program</b>	Provide payments to biorefineries to replace fossil fuels with biomass.	Biorefineries.	Grant to biorefineries, including ethanol and biodiesel plants that use electricity generated from natural gas and coal and require this for the fermentation process.	No restrictions.	Grant.	As funds are available. Complete applications submitted to National Office for review.
<b>Advanced Biofuel Payment Program</b>	Provide payments to producers of advanced biofuels.	Eligible producers of advanced biofuels.	Grant to producers of advanced biofuels (non-commercial-based).	No restrictions.	Grant.	As funds are available. Complete applications submitted to National Office for review. Grant awards determined by National Office.

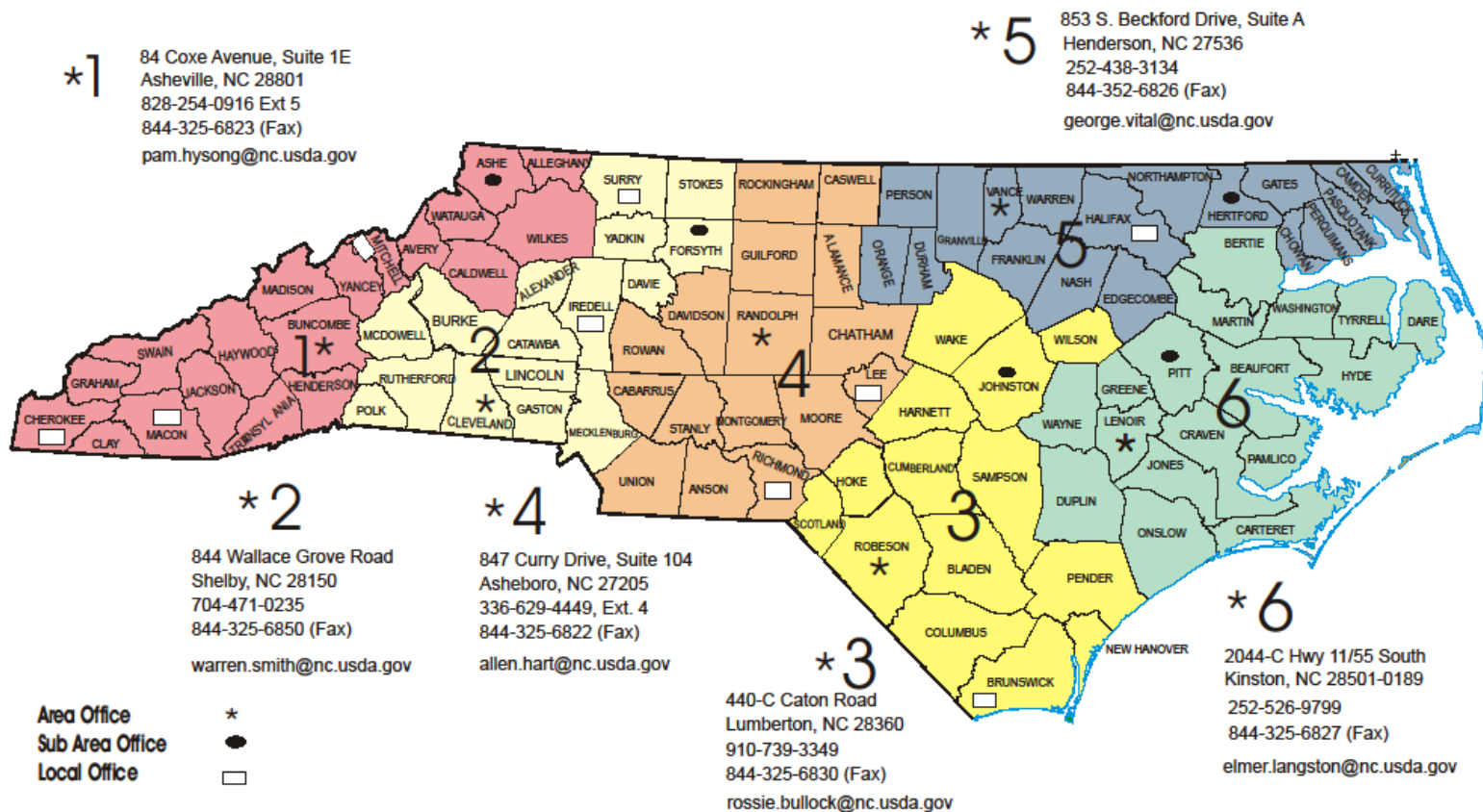
## UTILITIES PROGRAMS

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
<b>Water and Waste Disposal Loans and Grants</b>	Provide infrastructure for rural areas.	Public entities, Indian Tribes and non-profit corporations.	Build, repair and improve public water systems and waste collection and treatment systems.	Rural areas, and towns with up to 10,000 population.	Direct loan and grant.	Repayment period is a maximum of 40 years. Grant funds may be available.
<b>Water and Waste Disposal Loan Guarantees</b>	Provide infrastructure for rural areas.	Public entities, Indian Tribes and non-profit corporations.	Construct, repair and improve water supply and distribution systems and waste collection and treatment systems.	Rural areas, and towns with up to 10,000 population.	Loan guarantee.	Eligible lenders obtain up to a 90% guarantee on loans they make and service.
<b>Solid Waste Management Grants</b>	Provide technical assistance and/or training to those who operate and maintain active landfills.	Public bodies, private non-profit organizations, Indian Tribes, academic institutions.	Technical assistance and training to improve landfill conditions and protect against threats to nearby water resources.	Rural areas, and towns with up to 10,000 population.	Grant.	Applications accepted year-round. Complete applications submitted to National Office for review.
<b>Technical Assistance/ Training/Circuit Rider</b>	Provide technical assistance and training.	Public, private, and non-profit organizations.	Provide technical assistance and training to assist with management of water and waste projects.	Rural areas and towns with up to 10,000 population.	Grant.	As funds are available. Complete applications submitted to National Office for review.
<b>Rural Broadband Loan and Loan Guarantee</b>	Deployment of broadband service to eligible rural communities.	Entities seeking to provide broadband services in rural areas. Individuals and partnerships not eligible.	Finance the construction, improvement and acquisition of facilities and equipment to provide broadband service in eligible rural communities; refinance RD telecommunications program debt.	Any area not located within a city, town or incorporated area over 20,000 inhabitants; or an unincorporated area contiguous to a city or town of greater than 50,000 inhabitants.	Direct loan and loan guarantee.	Loans are made at the Treasury rate; loan term is the expected economic life of the assets financed; guarantee cannot exceed 80% of the project amount.
<b>Electric and Telecommunications Loans</b>	Assist rural communities in obtaining affordable, high-quality electric and telecommunications services.	Non-profit and cooperative associations, public bodies, and other utilities.	Generation, transmission facilities and distribution of electric power, including alternative, renewable, conservation and energy efficiency programs. Enhance 911 emergency service, digital switching equipment, and fiber optic cable, along with traditional main system telecommunications service.	Electric: areas served by an existing rural electric borrower, or rural areas other than a city or town of more than 20,000. Telecommunications: areas cities with population over 5,000.	Direct loan or loan guarantee.	Interest rates are established in accordance with 7CFR 1714. Contact RUS at www.rusda.gov or 1(800) 670-6553.
<b>Distance Learning and Telemedicine</b>	Development and deployment of advanced telecommunication services throughout rural America to improve education and health care.	Incorporated entities, including municipalities, for-profit, and non-profit corporations that operate rural schools, libraries, health care clinics and other educational or health care facilities.	To provide end-user equipment and programming that delivers distance learning and telemedicine services into eligible areas.	Rural areas outside incorporated or unincorporated cities with population over 20,000.	Direct loan and/or grant.	Matching funds are required.
<b>Community Connect</b>	Provide public access to broadband in otherwise un-served communities.	Public bodies, Tribes, cooperatives, non-profits, limited dividend or mutual associations; corporations and other legally organized entities.	To build broadband infrastructure and establish a community center that offers free public access to broadband for two years.	A single community outside incorporated or unincorporated cities with population over 20,000 which does not have broadband.	Grant.	Minimum: \$50,000; Maximum: \$1 million. Amounts are published in NOFAs and may vary.

## SUMMARY OF RURAL DEVELOPMENT PROGRAM PURPOSES

	Land & Bldgs.	Mach. & Equip.	Working Capital	Infrastructure	Tech. Asst./Train.
Rural Housing and Community Facilities Programs					
Single Family Housing Direct Loans (Including Self-Help Loans)	♦				
Single Family Housing Loan Guarantees	♦				
Single Family Housing Repair Loans/Grants	♦				
Rural Rental Housing Direct Loans	♦			♦	
Rural Rental Housing Loan Guarantees	♦			♦	
Housing Preservation Grants	♦	♦	♦	♦	♦
Farm Labor Housing Loans/Grants	♦			♦	
Community Facilities Direct Loans, Loan Guarantees, Grants	♦	♦	♦	♦	
Rural Community Development Initiative					♦
Rural Business and Cooperative Programs					
Business and Industry Loan Guarantees	♦	♦	♦	♦	
Rural Business Enterprise Grants	♦	♦	♦	♦	♦
Intermediary Relending Loans	♦	♦	♦		
Rural Microentrepreneur Assistance Program	♦	♦	♦	♦	♦
Rural Economic Development Loans and Grants	♦	♦	♦	♦	♦
Rural Cooperative Development Grants				♦	♦
Value-Added Producer Grant			♦	♦	♦
Rural Business Opportunity Grants					♦
Rural Energy for America Program Loan Guarantees/Grants	♦	♦		♦	♦
Biorefinery Assistance Program Loan Guarantees					
Repowering Assistance Program					
Advanced Biofuel Payment Program					
Rural Utilities Programs					
Water and Waste Disposal Direct Loans, Loan Guar., Grants	♦	♦	♦	♦	
Solid Waste Management Grants					♦
Rural Broadband Direct Loans and Loan Guarantees	♦			♦	
Electric and Telecommunications Direct Loans/Loan Guarantees	♦	♦		♦	
Distance Learning and Telemedicine Loans/Grants		♦		♦	

## AREA BOUNDARIES



The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the bases of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited bases will apply to all programs and/or employment activities.)

### To File an Employment Complaint

If you wish to file an employment complaint, you must contact your agency's EEO Counselor (PDF) within 45 days of the date of the alleged discriminatory act, event, or in the case of a personnel action. Additional information can be found online at [http://www.ascr.usda.gov/complaint\\_filing\\_file.html](http://www.ascr.usda.gov/complaint_filing_file.html).

### To File a Program Complaint

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by

fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).

### Persons with Disabilities

Individuals who are deaf, hard of hearing or have speech disabilities and you wish to file either an EEO or program complaint please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).

Persons with disabilities who wish to file a program complaint, please see information above on how to contact us by mail directly or by email. If you require alternative means of communication for program information (e.g., Braille, large print, audiotope, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

### Supplemental Nutrition Assistance Program

For any other information dealing with Supplemental Nutrition Assistance Program (SNAP) issues, persons should either contact the USDA SNAP Hotline Number at (800) 221-5689, which is also in Spanish or call the State Information/Hotline Numbers.

### All Other Inquiries

For any other information not pertaining to civil rights, please refer to the listing of the USDA Agencies and Offices for specific agency information.

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