



# Helping Communities & Local Economies with Rural Development

 Rural Development  
U.S. DEPARTMENT OF AGRICULTURE



### MISSION

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

### HOW

Use over 40 loan and grant programs to create housing, businesses and infrastructure (RHS, RBS RUS).

Technical assistance and increasing the flow of capital through leveraged partnerships with public and private sector partners, and educational institutions.

*We can build an entire community from the ground up.*

# USDA Rural Development

# Rural Utility Service (RUS)

## **Water & Environmental Programs**

- Telecommunications Infrastructure Loans & Loan Guarantees (Broadband falls under this program)
- Circuit Rider Program-Technical Assistance for Rural Water Systems
- Emergency Community Water Assistance Grants
- Grants for Rural and Native Alaskan Villages
- Household Water Well System Grants
- Individual Water & Wastewater Grants
- SEARCH - Special Evaluation Assistance for Rural Communities and Households
- Solid Waste Management Grants
- Water & Waste Disposal Grants to Alleviate Health Risks on Tribal Lands
- Water & Waste Disposal Loans & Grants
- Water & Waste Disposal Loan Guarantees
- Water & Waste Disposal Predevelopment Planning Grants
- Water & Waste Disposal Revolving Loan Funds
- Water & Waste Disposal Technical Assistance & Training Grants

# Rural Housing Service (RHS)

## Community Facilities

- Community Facilities Direct Loans & Grants
- Community Facilities Loan Guarantees
- Economic Impact Initiative Grants
- Rural Community Development Initiative Grants
- Tribal College Initiative Grants

## Multi-Family Housing

Farm Labor Direct Loans & Grants  
Housing Preservation & Revitalization Demonstration Loans & Grants  
Housing Preservation Grants  
Multi-Family Housing Direct Loans  
Multi-Family Housing Loan Guarantees  
Multi-Family Housing Rental Assistance

## Single-Family Housing

Mutual Self-Help Housing Technical Assistance Grants  
Single Family Housing Direct Home Loans  
Single Family Housing Home Loan Guarantees  
Single Family Housing Repair Loans & Grants





# Rural Business & Cooperative Service (RBCS)

## Business Programs include

- Intermediary Relending Program
- Rural Business Development Grants
- Rural Business Investment Program
- Rural Economic Development Loan & Grant Program
- Rural Microentrepreneur Assistance Program
- Business & Industry Loan Guarantees
- Value Added Producer Grants

## Energy Programs include

- Rural Energy for America Program (REAP)
- Advanced Biofuel Payment Program
- Repowering Assistance Program
- Rural Energy for America Program (REAP) Energy Audits & Renewable Energy Development Grants
- Biorefinery, Renewable Chemical, and Bio based Product Manufacturing Assistance Program

## Cooperative Programs

- Socially-Disadvantaged Groups Grants
- Rural Cooperative Development Grants
- Cooperative Training and Technical Assistance



# Rural Business Development Grants (RBDG)

## **What does this program do?**

- RBDG is a competitive grant designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues.

## **Who may apply for this program?**

- Rural public entities including, but not limited to:
- Towns
- Communities
- State agencies
- Authorities
- Nonprofit Corporations
- Institutions of Higher Education
- Federally-recognized Tribes
- Rural Cooperatives



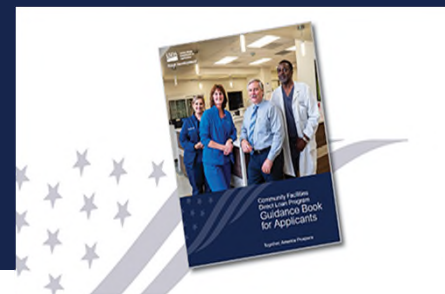
# Rural Business Development Grants (RBDG)

## How may funds be used?

- Grant funds must be used on projects to benefit small and emerging businesses in rural areas as specified in the grant application. Uses may include:
- Rural business incubators
- Rural transportation improvement
- Acquisition or development of land, easements, or rights of way; construction, conversion, renovation, of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities
- Technology-based economic development
- Training and technical assistance, such as project planning, business counseling/training, market research, feasibility studies, professional/technical reports, or product/service improvements
- And many other uses all aimed toward the growth of rural small business



# Community Facilities Direct Loan & Grant



## **What does this program do?**

- This program provides affordable funding to develop essential community facilities in rural areas. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community in a primarily rural area, and does not include private, commercial or business undertakings.

## **Who may apply for this program?**

- Eligible borrowers include: Public Bodies, Community-based nonprofit corporations, Federally recognized Tribes.

## **What is an eligible area?**

- Rural areas including cities, villages, townships and towns including Federally Recognized Tribal Lands with no more than 20,000 residents according to the latest U.S. Census Data are eligible for this program.



# Community Facilities Direct Loan & Grant



## How may funds be used?

- Funds can be used to purchase, construct, and/or improve essential community facilities, purchase equipment and pay related project expenses.
- Examples of essential community facilities include:
  - Healthcare facilities such as hospitals, medical clinics, dental clinics, nursing homes or assisted living facilities.
  - Public facilities such as town halls, courthouses, airport hangers or street improvements.
  - Community support services such as child care centers, community centers, fairgrounds or transitional housing.
  - Public safety services such as fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles or equipment.
  - Educational services such as museums, libraries or private schools.
  - Utility services such as telemedicine or distance learning equipment and
  - Local food systems such as community gardens, food pantries, community kitchens, food banks, or food hubs.

# Business & Industry Loan Guarantee

## **Who may apply for this program?**

- Lenders with legal authority, sufficient experience, and financial strength to operate a successful lending program like:  
Federal or State chartered banks, Savings and loans, Farm credit banks, and Credit unions.

## **How may funds be used?** Eligible uses are not limited to:

- Business conversion, enlargement, repair, modernization, or development.
- Purchase and development of land, easements, rights-of-way, buildings, or facilities, Purchase of equipment, leasehold improvements, machinery, supplies, or inventory.
- Debt refinancing when refinancing improves cash flow and creates or saves jobs. Business and industrial acquisitions when the loan will create or save jobs.



# Business & Industry Loan Guarantee

## What is the maximum amount of a loan guarantee?

- 80% for loans of \$5 million or less
- 70% for loans between \$5 and \$10 million
- 60% for loans exceeding \$10 million, up to
- \$25 million maximum

## What are the loan terms?

- Maximum term on machinery and equipment is its useful life or 15 years, whichever is less
- Maximum term for real estate is 30 years
- Maximum term on working capital not to exceed 7 years
- Loans must be fully amortized; balloon payments are not permitted
- Interest-only payments may be scheduled in the first 3 years
- <https://www.rd.usda.gov/coronavirus> (for additional program information)



# Rural Energy for America Program – Renewable Energy & Energy Efficiency (REAP)/REAP Guaranteed

## What does this program do?

- Provides guaranteed loan financing and grant funding to agricultural producers and rural small businesses to purchase or install renewable energy systems or make energy efficiency improvements.

## Who may apply?

- Agricultural producers with at least 50% of gross income coming from agricultural operations, and Small businesses in **eligible rural areas**.

## What is an eligible area?

- Businesses must be in an area other than a city or town with a population of greater than 50,000 inhabitants and the urbanized area of that city or town.
- Agricultural producers may be in rural or non-rural areas.



How may the funds be used?

# Rural Energy for America Program – Renewable Energy & Energy Efficiency (REAP)/REAP Guaranteed

## **Funds may be used for the purchase, installation and construction of renewable energy systems, such as:**

- Biomass (for example: biodiesel and ethanol, anaerobic digesters, and solid fuels).
- Geothermal for electric generation or direct use.
- Hydropower below 30 megawatts.
- Hydrogen.
- Small and large wind generation.
- Small and large solar generation.
- Ocean (tidal, current, thermal) generation.

## **Funds may also be used for the purchase, installation and construction of energy efficiency improvements, such as:**

- High efficiency heating, ventilation and air conditioning systems (HVAC).
- Insulation.
- Lighting.
- Cooling or refrigeration units.
- Doors and windows.
- Electric, solar or gravity pumps for sprinkler pivots.
- Switching from a diesel to electric irrigation motor.
- Replacement of energy-inefficient equipment.





How may the funds be used?

## Rural Energy for America Program – Renewable Energy & Energy Efficiency (REAP)/REAP Guaranteed

### **What funding is available?**

- Loan guarantees on loans up to 75% of total eligible project costs.
- Grants for up to 25% of total eligible project costs.
- Combined grant and loan guarantee funding up to 75% of total eligible project costs.

### **What are the loan guarantee terms?**

- \$5,000 minimum loan amount.
- \$25 million maximum loan amount.
- Up to 85% loan guarantee.
- Rates and terms negotiated with the lender and subject to USDA approval.
- Maximum term of 30 years for real estate.
- Maximum term of 15 years, or useful life, for machinery and equipment.
- Maximum term of 7 years for capital loans.
- Maximum term of 30 years for combined real estate



## Rural Home Loans (Direct Program)

### What does this program do?

- This program assists low- and very-low-income applicants obtain decent, safe, and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant's repayment ability.
- Payment assistance is a type of subsidy that reduces the mortgage payment for a short time. The amount of assistance is determined by the adjusted family income.
- Funds can be used to build, repair, renovate, or relocate a home, or to purchase and prepare sites, including providing water and sewage facilities.

# Single Family Housing Repairs Loans and Grants

## **What does this program do?**

- Also known as the Section 504 Home Repair program, this program provides loans to very-low-income homeowners to repair, improve or modernize their homes or provides grants to elderly very-low-income homeowners to remove health and safety hazards.

## **How may funds be used?**

- Loans may be used to repair, improve, or modernize homes or to remove health and safety hazards.
- Grants must be used to remove health and safety hazards.
- Maximum loan is \$20,000.
- Maximum grant is \$7,500.

# Distance Learning and Telemedicine Grants

## **What does this program do?**

- This grant program helps rural communities acquire the technology and training necessary to connect educational and medical professionals with the teachers and medical providers who serve rural residents at the local level.

## **Who may apply for this program?**

- Eligible applicants, that provide education or healthcare services through telecommunication facilities, include: State and local governmental entities, Federally recognized Tribes, Nonprofit organizations, For-profit businesses, Consortia of eligible entities.

## **What is an eligible area?**

- The intent of the DLT program is to benefit rural areas with populations of 20,000 or less.

## **What kinds of funding are available?**

- Grant funds are awarded through a nationally competitive process. Funding is not currently available for DLT loans or loan / grant combinations.

How may the funds be used?

## Distance Learning and Telemedicine Grants

### **How may funds be used?**

Grant funds may be used for:

Audio, video, and interactive video equipment

Broadband facilities that support distant learning or telemedicine

Computer hardware, network components, and software

Acquisition of instructional programming

Acquisition of technical assistance and instruction for using eligible equipment

### **What are some grant requirements?**

Awards can range from \$50,000 to \$1,000,000

<https://www.rd.usda.gov/coronavirus> (for additional program information)

Contact: Andy Hayes is the Broadband Florida Field Representative (GFR): [andrew.hayes@usda.gov](mailto:andrew.hayes@usda.gov) Cell: 770.312.7073

***Andy covers all our Broadband Programs and also our Distance Learning and Telemedicine Program.***



# Rural Development in action with Partnerships



**Community Facilities Loan Guarantee:** Belmont Academy Inc. state approved charter school  
Lake City, FL

## Rural Development in action



**B&I Guarantee For Business Expansion:** Bay Water Exclusive Inc. Boat Club  
Bonita Springs, Florida

## Rural Development in action



**REAP Guarantee for Energy Generation:** Spanish Town Solar Farm  
St. Croix, US Virgin Islands

## Rural Development in action



**Distance Learning and Telemedicine Grant (DLT):** Plessen Healthcare  
St. Croix, US Virgin Islands

# Rural Development in action



**Rural Business Development Grant: Farmers Market Marianna, Florida**



# Contact Us

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<https://www.rd.usda.gov/fl>

**Rural Development**

**Florida/U.S. Virgin Islands  
Area Offices**

**Area 1**  
3070 Adora Teal Way, Suite C  
Crestview, FL 32539  
Phone: (850) 682-2416  
Fax: (850) 473-8755  
**Counties served:** Escambia, Holmes, Okaloosa, Santa Rosa and Walton.

**Area 2**  
2741 Penn Ave, Suite 5  
Marianna, FL 32448  
Phone: (850) 526-2610  
Fax: (850) 474-0969  
**Counties served:** Bay, Calhoun, Franklin, Gadsden, Gulf, Jackson, Jefferson, Leon, Liberty, Wakulla and Washington.

**Area 3**  
971 W. Duval St, Suite 190  
Lake City, FL 32055  
Phone: (386) 719-5590  
Fax: (850) 474-6983  
**Counties served:** Baker, Bradford, Clay, Columbia, Duval, Hamilton, Lafayette, Madison, Nassau, St. Johns, Suwannee, Taylor and Union.

**Area 4**  
2441 NE 3rd St, Suite 204-1  
Ocala, FL 34470  
Phone: (352) 732-7534  
Fax: (850) 474-6990  
**Counties served:** Alachua, Citrus, Dixie, Flagler, Gilchrist, Lake, Levy, Marion, Putnam, Seminole, Sumter and Volusia.

**Area 5**  
8390 Champions Gate Blvd, Suite 210  
Champions Gate Blvd, FL 33896  
Phone: (863) 420-4833  
Fax: (850) 474-8230  
**Counties served:** Brevard, Hernando, Hillsborough, Indian River, Orange, Osceola, Pasco, Pinellas and Polk.

**Area 6**  
420 South State Road 7, Suite 166  
Royal Palm Beach, FL 33414  
Phone: (561) 792-2727  
Fax: (850) 475-4827  
**Area 6-Sub Office**  
\*Contact for Single Family Housing  
3434 Hancock Bridge Pkwy.  
Suite 200-A  
N. Fort Myers, FL 33903  
Phone: (239) 997-7331  
Fax: (850) 475-8043  
**Counties served:** Broward, Charlotte, Collier, Duval, DeSoto, Glades, Hardee, Hendry, Highlands, Lee, Manatee, Martin, Monroe, North Fort Myers, Okeechobee, Palm Beach, Sarasota and St. Lucie.

**Area 7**  
4401 Sion Farm, Suite #2  
Christiansburg, VA 06020  
Phone: (340) 773-9146  
Fax: (850) 475-6940  
**Areas served:** St. Croix, St. John and St. Thomas.



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