



United States
Department of
Agriculture

Rural Development



USDA Rural Development

VERMONT/ NEW HAMPSHIRE

2015 PROGRESS REPORT

Rural Development 2015

Investments in Vermont and New Hampshire

Total Investment = \$386,998,838

Vermont

New Hampshire

Business	\$ 4,362,626
Energy	\$ 1,558,924
Housing	\$ 102,386,551
Communities	\$ 4,464,200
Utilities	\$ 68,752,830
Total:	\$ 181,525,031

Business	\$ 2,882,321
Energy	\$ 1,258,740
Housing	\$ 181,429,067
Communities	\$ 5,556,200
Utilities	\$ 14,597,479
Total:	\$ 205,473,807





A Rural Economy Built to Last

This has been a year of historic accomplishment for the United States Department of Agriculture (USDA), particularly in the area of rural economic and community development. In 2015, USDA's Rural Development (RD) employees across the nation have continued to work closely with partners to drive investment in rural small businesses and entrepreneurs; help rural families achieve the dream of homeownership; grow the biobased economy; support renewable energy and efficiency; make critical upgrades to electric, water and telecommunications infrastructure; and expand opportunity in rural communities.

The Fiscal Year 2015 Rural Development Progress Report outlines our work on behalf of hundreds of thousands of projects for individuals, families, farmers and ranchers, rural entrepreneurs and small business owners, municipalities, developers, and utility providers in 2015. Since passage of the American Recovery and Reinvestment Act in 2009, which infused billions of dollars into infrastructure and other essential community development projects in small towns across the country, and continuing today through innovative programs authorized by the 2014 Farm Bill and executed in collaboration with partners across the public and private sectors, RD has targeted much-needed investment to rural businesses, projects and communities. I am pleased to say that in fiscal year 2015, USDA Rural Development invested \$29.75 billion in nearly 171,000 projects across the nation. Taken with investments made since fiscal year 2009, USDA Rural Development has now invested more than \$224 billion in more than 1.2 million projects in rural communities across the country over the course of the Administration, including 1.1 million direct loans, guaranteed loans and grants to support housing, 11,931 loans and grants to support community facilities, 10,623 loans and grants to support rural water and wastewater services, 2,491 projects to support broadband and rural electric services, and nearly 24,000 projects to support rural businesses and entrepreneurship.

The stories in this year's report illustrate how USDA programs make meaningful, lasting investments in rural communities. For instance, Manning, Iowa — population 1,500 — was named Iowa's small business community of the year by the Small Business Administration in 2015, thanks, in part, to RD investments in entrepreneurs and businesses in the community. In Pennsylvania, Rural Development Business and Industry investments helped a business move its manufacturing back to the United States from China, supporting jobs in the local community. And RD investments in broadband have opened up a world of educational, cultural and commercial opportunities to rural Americans who had been on the wrong side of the digital divide.

These are just a few examples of what investments in rural America can mean in real terms for families and businesses across the country. USDA is proud to lead the Administration's effort to drive investment in rural people and places. This work truly makes a difference in the lives of the proud men and women who live, work and raise families in rural America.

Sincerely,

Thomas J. Vilsack
Secretary of Agriculture



Strengthening Rural America, Town by Town

USDA Rural Development transformed lives in small-town rural America in 2015, as we have done throughout our 80-year history.

We are the primary Federal agency responsible for creating opportunities and improving the quality of life in rural areas. Today, there are 46 million people living in rural America who provide the food, fiber, fuel and durable goods the rest of the nation, and the world, depend upon. Consequently, the economic well-being of all Americans is indelibly tied to rural growth. USDA Rural Development investments nurture that growth to fuel the national economy. We are proud to serve the needs of rural people and places to ensure that rural America continues to thrive and to drive the economy. Our investments in rural communities run deep – we manage a portfolio of loans and loan guarantees of more than \$212.9 billion.

In Fiscal Year (FY) 2015, Rural Development invested more than \$29.7 billion in loans, loan guarantees, and grants for a diverse range of worthwhile projects in rural communities. These investments represent the hard work of our employees who strive each day to support the hopes and plans of rural Americans.

For example, we helped grow approximately 12,500 rural businesses through about \$1.5 billion in targeted investments. I had the great pleasure of meeting and spending time with Ijeoma Uwakwe of Wilson, North Carolina, who today owns her own drug store and pharmacy thanks to a Business and Industry loan guarantee from USDA Rural Development and lending partner Southern Bank. Uwakwe, originally from Nigeria, exemplifies the American spirit. She pursued two advanced degrees while raising four children, no small feat. With USDA's help, today, as the owner of a small healthcare business, she is providing high-quality care to her neighbors in the small rural community of Wilson, where healthcare options, and economic resources, are scarce. Her story is just one of many such stories of personal achievements featured in this report, all made possible through USDA Rural Development direct action and competitive financing.

On other fronts, we awarded \$900 million in direct single-family housing loans and made more than \$18.6 billion in loan guarantees to provide homes to more than 141,000 families in rural America.

We also celebrated a major housing milestone in partnership with many of you — 50 years of USDA's Mutual Self-Help Housing Program and 50,000 homes built through it. We were honored to raise walls together with families that are putting in hard work to build their own homes and achieve the dream of homeownership. Through our multi-family loans and grants of \$278 million we helped almost 250,000 households with the construction and rehab of over 10,000 rental housing units.

Through our Community Facilities program, we provided a record level of support — \$1.8 billion — to build more than 970 essential healthcare centers, schools, libraries, public safety facilities and more across rural America. In the tiny agricultural town of Big Sandy, Montana, I visited Big Sandy Activities, a center that helps people who are developmentally disabled build skills that allow them to live and work in the community. This nonprofit started in 1975 and used to be run out of a garage by only two people; Community Facilities funding helped transform it into a specially designed facility that provides a safe and professional learning environment and offers jobs to local residents.

Delivery of high-speed telecommunications and broadband service is another area where USDA Rural Development has shined. Since the start of the Obama Administration and continuing through FY 2015, we have supported new or improved telecommunications and broadband service for 2.8 million rural residents, bringing the world to their doorsteps and opening the door to global e-commerce for rural businesses.

We are particularly proud that loans under the American Reinvestment and Recovery Act Broadband Improvement Program have been extremely successful, and offer the potential for exponential rural growth in the future. We have successfully invested nearly \$3 billion in 254 projects in 45 States and territories to deliver high speed Internet to rural areas otherwise unable to acquire service at competitive rates and terms from the private sector. As companies build out these services, 260,000 rural households, 17,500 businesses and 1,900 schools, libraries and health care facilities have new service.

Other 2015 achievements include improving rural electric infrastructure for 5.5 million customers, protecting the health of about 2.3 million rural people through water and wastewater system improvements, and providing more than \$343 million in guaranteed loans and grants for projects to develop renewable energy sources such as advanced biofuels and to make rural farms, ranches, dairies, and rural businesses more energy efficient. Since 2009, USDA Rural Development has supported President Obama's strategy to provide energy that's affordable, clean, and drives innovation through \$2.1 billion in strategic investments for more than 14,000 energy projects nationwide.

I am proud of the difference that Rural Development makes in the lives of real people. In the time that I've been with USDA, I've witnessed this on a very personal level. I watched the townspeople of Floresville, Texas, turn out in force to launch their improved water treatment system. I visited the Peoples Rural Telephone Cooperative in Jackson County, Kentucky, which built a state-of-the-art broadband network that offers locals the same online economic, educational and social opportunities as those enjoyed by urban residents. Each of these investments in rural communities is an investment in our country's future.

USDA Rural Development is a lending agency that cares deeply about the rural people and communities we serve. We are proud to share these stories and successes with you.

Sincerely,



Lisa Mensah
Rural Development Under Secretary

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Rural Business and Cooperative Programs

In Fiscal Year 2015, USDA Rural Development invested \$10,062,611 in over 100 businesses across Vermont and New Hampshire. Business and Cooperative Programs serve Vermont and New Hampshire communities by creating new businesses, growing production, maintaining jobs, conducting feasibility studies, improving rural energy development, creating professional business plans, and increasing revenue for rural business ventures.

Business & Industry Loan Guarantees

FY15 investment: \$2,000,000 in 2 projects

The B&I Guaranteed Loan program bolsters the existing private credit structure through the guaranteeing of loans for rural businesses, allowing private lenders to extend more credit than they would typically be able to. Under the program, USDA Rural Development provides guarantees on loans made by approved lenders that participate in the program.

Rural Business Development Grants

FY15 investment: \$1,562,243 in 24 projects

The RBDG program is a competitive grant program that provides targeted technical assistance, training and other services to help develop or expand small and emerging private businesses in rural areas. The businesses must have fewer than 50 employees and less than \$1 million in gross revenues. Grants are awarded to qualified organizations to carry out enterprise- or opportunity-related projects to boost business development.

Intermediary Relending Program

FY15 investment: \$2,500,000 in 3 projects

The IRP program provides 1-percent, low-interest loans to local intermediaries that re-lend to businesses and for community development projects in rural communities.

Rural Microentrepreneur Assistance Program

The RMAP program awards loans and grants to Microenterprise Development Organizations to establish revolving funds for micro-loans to “micro-enterprises,” or very small rural businesses, and to provide technical assistance and training. The program supports start-up or expansion of very small rural business ventures.



Stonewood Farm, Inc. received a \$245,897 Value Added Producer Grant in 2015 to expand their Orwell, VT, based turkey farm and processing center. The grant will be used as working capital to cover processing expenses including labor, packaging and supplies, promotion and distribution, and other operating costs associated with value added turkey production.

Rural Economic Development Loans and Grants

The REDLG program finances economic development and job creation in rural areas. Under the program, USDA provides zero-interest loans and grants to local utilities to establish revolving loan funds to support local business development projects.

Rural Cooperative Development Grants

The RCDG program is a competitive grant program to start or run centers for cooperative development. These centers improve economic conditions in rural areas by helping individuals and businesses start, expand or improve rural cooperatives and other mutually-owned businesses.

Socially-Disadvantaged Groups Grants

The SDGG program provides technical assistance to socially-disadvantaged groups through cooperatives and cooperative development centers.

Value Added Producer Grants

FY15 investment: \$1,182,704 in 12 projects

The VAPG program is a competitive grant program to help independent agricultural producers enter into activities that add value to their products through new processing and/or marketing opportunities.

Rural Energy for America Program Loan Guarantees and Grants

FY15 investment: \$2,718,448 in 53 projects

The REAP program provides loans and grants to agricultural producers and rural small businesses to purchase or install renewable energy systems or make energy efficiency improvements.



United States Senator Jeanne Shaheen and United States Congresswoman Ann McLane Kuster visited Edgewater Farm in Plainfield, New Hampshire, to celebrate the 2015 NH Rural Energy for America Program recipients. Edgewater Farm received a \$14,035 Rural Energy for America Program grant to install barn roof mounted solar panels.

Rural Energy for America Program Audit and Development Grants

Grantees that receive assistance through this competitive REAP grant program help rural small businesses and agricultural producers by conducting and promoting energy audits, and providing renewable energy development assistance.

Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program

This program provides loan guarantees to develop, construct or retrofit commercial-scale biorefineries so that they can implement new and emerging technologies to support the development of advanced biofuels, renewable chemicals and biobased product manufacturing.

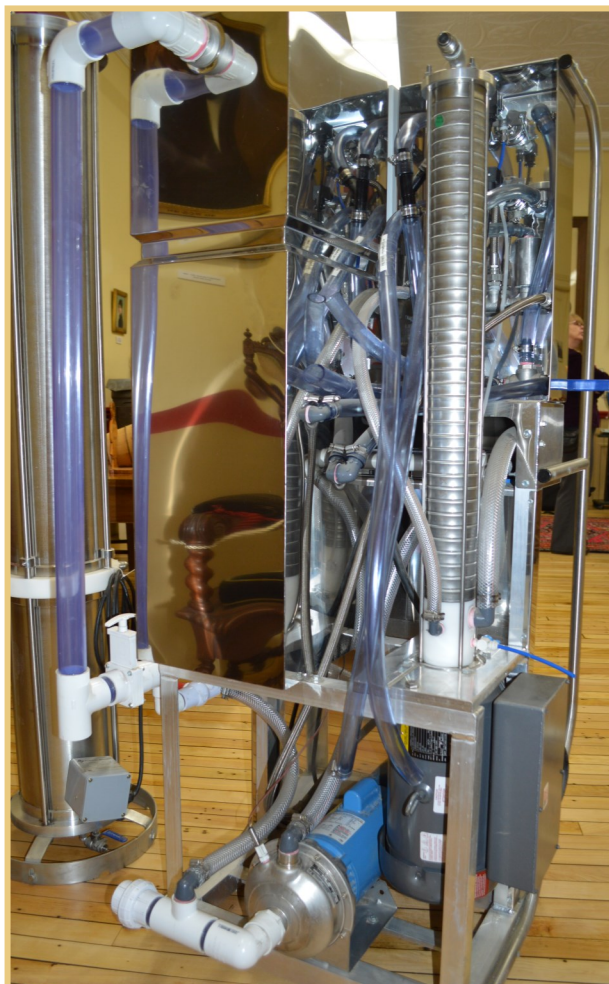
Repowering Assistance Program

This program provides funding for up to 50 percent of the total eligible project costs for biorefineries to install renewable biomass systems for heating and power at their facilities or to produce new energy from renewable biomass.

Advanced Biofuel Payment Program

FY15 investments: \$99,216 in 9 projects

This program supports increased production of advanced biofuels through payments to advanced biofuel producers for finished advanced biofuel products.



Rural Development is devoted to making Vermont and New Hampshire businesses more energy efficient and cost efficient. In 2015, Rural Development supported eight maple syrup producers in increasing their energy efficiency by installing new maple syrup making technologies such as the reverse osmosis machine shown above.

Rural Housing Programs

USDA Rural Development improved rural housing in Vermont and New Hampshire with \$283,815,618 million in loans and grants to build, repair, rehabilitate, and purchase homes that ultimately improve the quality of life in rural Vermont and New Hampshire. Rural Development provides funding for single-family homes, apartments for lower-income families or the elderly, and housing for farm laborers. In Fiscal Year 2015, Rural Development helped 4,826 households acquire and maintain safe, decent and affordable housing.

Single-Family Housing Direct Home Loans

FY15 investments: \$18,723,908 in
136 homes

This program helps very-low- and low-income individuals and families buy, build and improve homes in rural areas. Payment assistance, a type of subsidy, may be provided for very-low-income applicants — based on their adjusted household income — to help them afford the monthly mortgage loan payments.

Single-Family Housing Loan Guarantees

FY15 investments: \$227,492,757 in
1,337 homes

This program helps moderate-income individuals and families buy, build and improve homes in rural areas. USDA Rural Development provides guarantees on loans made by approved lenders that participate in the program.

Single-Family Housing Repair Loans and Grants

FY15 investments: \$1,074,943 in
162 homes

This program helps very-low-income rural individuals and families repair, improve or modernize their homes. Grants are provided to elderly very-low-income homeowners to remove health and safety hazards from their homes.

Mutual Self-Help Housing Technical Assistance Grants

This program provides grants on a competitive basis to qualified organizations to help them carry out local self-help housing construction projects. Grant recipients supervise groups of very-low- and low-income individuals and families as they construct their own homes in rural areas. The group members provide most of the construction labor on each other's homes, with technical assistance from the organization overseeing the project.

Multi-Family Housing Direct Loans

FY15 investments: \$14,847,780 in
6 properties

This program provides competitive financing to construct or renovate affordable multi-family rental housing for low-income, elderly, or disabled individuals and families in eligible rural areas.

Rental Assistance

FY15 investments: \$21,267,130 in
3,309 rental units

Rental Assistance payments may be made to owners of USDA Rural Development-financed rural rental housing or farm labor housing apartment complexes on behalf of low-income tenants who are unable to pay market-rate rent to help them meet their monthly rent payments.



Reagan, Theresa, Coleman and Camryn Cawley of Campton, NH, received a 502 Direct Home Loan for the purchase and repair of their first house.

Multi-Family Housing Loan Guarantees

The program provides financing to construct or renovate affordable multi-family rental housing for low- to moderate-income individuals and families in eligible rural areas. Under the program, USDA Rural Development provides guarantees on loans made by approved lenders that participate in the program.

Housing Preservation Grants

FY15 investments: \$450,000 in 7 projects

HPG grants are provided to sponsoring organizations to repair or rehabilitate housing occupied by very-low - and low-income people in rural areas.

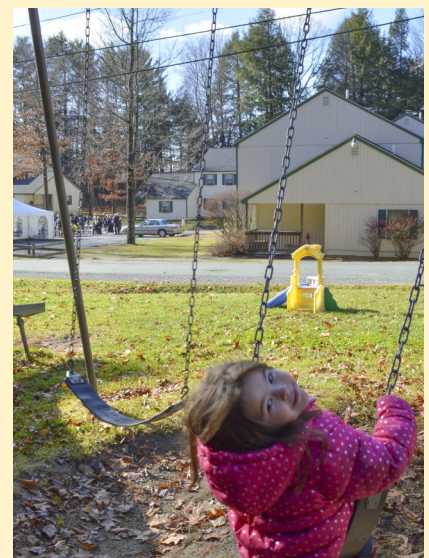
Farm Labor Housing Loans and Grants

This program provides financing to develop affordable multi-family rental housing for year-round and migrant or seasonal domestic farm laborers and their families.

Housing Success Story– Affordable Rental Housing Preserved in the Upper Valley

When the time came for Pine Tree Lane, an affordable housing complex in West Lebanon, New Hampshire, to mature out of the USDA's Multi-Family Housing Program, 76 families had to face the possibility of losing their homes. Thanks to a strong partnership between Twin Pines Housing Trust, USDA Rural Development and the Hodges Companies, the ownership of 100 units of affordable housing in the Upper Valley was transferred to the Housing Trust and the complex was reenrolled in the USDA's Multi Family Housing Program. The newly named Village at Crafts Hill will continue to provide much needed affordable rental housing to Upper Valley residents for years to come.

The former Pine Tree Lane complex was one of the first properties to face the challenge of maturing out of the USDA's program. The transfer of ownership to a local area non-profit and reenrollment within the USDA program provides a model solution for other maturing 515 properties to emulate around the country.



Elainna celebrated the day with her grandfather, Weldon Thurston, a resident of the new Village of Crafts Hill.

Community and Rural Utilities Service Programs

During Fiscal Year 2015, USDA Rural Development invested \$93,120,609 across the two states through its Community and Rural Utilities Service Programs. Over 100 communities received funding for projects which preserved community facilities, bolstered rural health care centers, and strengthened municipal water and sewer systems.



The Town of West Rutland celebrates their new water and sewer main extension. West Rutland received over \$2 million in loans and grants from USDA Rural Development to help bring adequate water services to its businesses and residents.

Community Facilities Programs

Community Facilities Loans and Grants

FY15 investments: \$9,520,400 in 45 projects

This program provides direct loans, loan guarantees and grants to qualified organizations to develop, build and equip essential community facilities in rural areas. Examples of essential facilities include public safety, fire and rescue and telecommunications buildings, schools, libraries, hospitals and health care clinics.

Rural Community Development Initiative Grants

FY15 investments: \$250,000 in 1 project

RCDI grants are provided to help non-profit housing and community development organizations support housing, community facilities and community and economic development projects in rural areas.

Rural Utilities Services Programs

Electric Infrastructure Loans

FY15 investments: \$7,000,000 in 1 project

This program provides insured loans and loan guarantees to qualified utility providers to finance construction of electric generation, transmission and distribution facilities and system improvements in rural areas.

Energy Efficiency and Conservation Loans

FY15 investments: \$46,000,000 in 1 project

This program provides loans to USDA electric loan borrowers for energy audits and energy efficiency upgrades that enable the electric utilities to implement energy efficiency service improvements on behalf of their customers. Funds may be used for weatherization, HVAC improvements, high efficiency lighting and conversions to more efficient or renewable energy sources, such as consumer-scale solar power and ground-source heat pumps.

Telecommunications Infrastructure Loans

This program provides financing to construct, maintain, improve and expand telephone and broadband services in rural areas.

Broadband Direct Loans and Loan Guarantees

This program provides funds to qualified providers to construct, improve or acquire facilities and equipment needed to implement broadband service in eligible rural areas.

Distance Learning and Telemedicine Grants

FY15 investments: \$919,179 in 1 project

DLT grants help rural communities use the unique capabilities of telecommunications to connect to each other and overcome the effects of remoteness and low population density. For example, this program finances telecommunications equipment and systems that can link teachers and medical service providers in one area to students and patients in another remote location.

Community Connect Grants

Community Connect grants help deploy broadband service in rural communities where it is not yet economically viable for private sector providers to deliver broadband. Projects funded through the program include community centers that offer free public access to broadband for 2 years.

Water and Waste Disposal Program

FY15 investments: \$28,936,130

This program provides affordable direct loans, loan guarantees and grants to build, repair or improve public water systems and waste collection systems in rural areas.

Solid Waste Management Grants

FY15 investments: \$495,000 in 4 projects

This program provides technical assistance and training grants to people who operate or maintain landfills to help reduce or eliminate pollution of water resources in rural areas.

Circuit Rider Program

This program provides grants for technical assistance and training to rural water systems experiencing difficulties with day-to-day operations, finances or management.



The Strolling of the Heifers in Brattleboro, VT received a \$183,700 Community Facility loan and grant combination to hire local contractors to enhance its downtown facility by adding new office space and a community kitchen. The Strolling of the Heifers hopes to use the space to build the capacity of the local food economy.

Energy Innovations

The USDA Rural Development team in Vermont and New Hampshire helped partners in both states create new financial tools to help rural businesses, nonprofit organizations, families and communities invest in energy efficiency and renewable energy.

New Energy Efficiency Financing

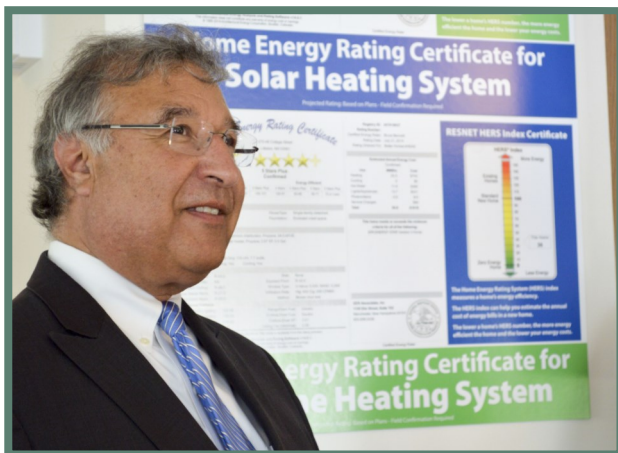
Vermont Energy Investment Corporation (VEIC) received a \$46 million loan to help support energy efficiency and renewable energy improvements in rural areas across the state. VEIC will administer the loan in conjunction with housing, business and community lending partners to Vermont residents and businesses who wish to install renewable energy systems and perform energy efficiency upgrades.



“This loan will reduce barriers to energy investments by lowering the upfront costs, spreading these costs over 20 years, and by making financing more available. It also will help residential, commercial, agricultural and industrial consumers in rural Vermont reduce energy use and meet state and national energy goals”

- USDA Secretary Tom Vilsack

Mobile Home Pilot Project



The Energy Efficient Manufactured Home Pilot Program will enable perspective mobile home park residents to use a fixed, low-interest, 30-year home loan to purchase an energy efficient manufactured home and place it in a mobile home park. This new program allows park residents to invest in higher quality mobile homes with the benefits of traditional home financing.

“With this pilot program, the USDA aims to reduce the monthly mortgage and energy costs of park residents. Older manufactured homes are notorious energy hogs. By encouraging the purchase of a

newer, energy efficient home, USDA can save the homeowner money, reduce the risk of default and fight climate change.”

- USDA Rural Housing Service
Administrator Tony Hernandez

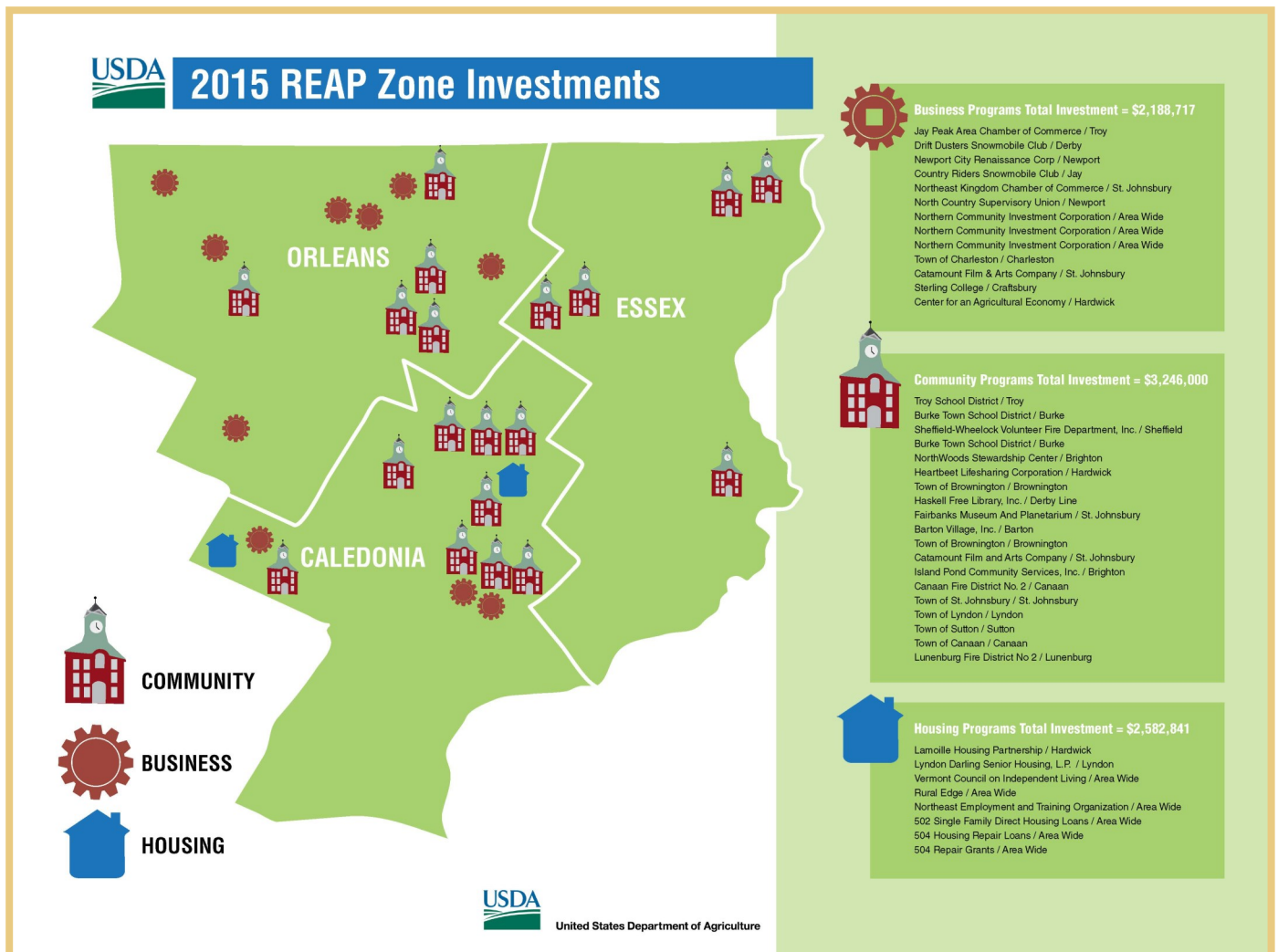
Community Economic Development

Northeast Kingdom Rural Economic Area Partnership Zone and The Strategic Economic and Community Development Initiative

“The Rural Economic Area Partnership Zone inspires the USDA to build strong local relationships and, together with those partners, pursue an economic development strategy which integrates housing, community and business development to tackle challenges in this uniquely rural region. This pilot program, championed by Senator Patrick Leahy and Vermont’s Congressional Delegation, has helped grow the nationwide Strategic Economic and Community Development Initiative, which seeks to emulate this model on a broader scale by prioritizing projects with a regional scope.”



-Ted Brady, State Director-Vermont and New Hampshire



Vermont: Art is Paramount

Energy and Technology Transform Downtown Theatre

Outline Of Need:

The Paramount Theatre strives to prioritize moving with the times and serving the needs of Rutland. The theatre's programming has evolved to meet the community's changing needs, but the century old building has proven less able to modernize. High energy bills and aging technology have jeopardized the theatre's ability to entertain and engage the Rutland community.

How Rural Development Helped:

To ensure that this facility continues to be a community asset, USDA RD awarded the Paramount Theatre Community Facility Loans and Grants totaling \$60,800 to install a solar array on the building and install a modern heating system. In addition, the theatre received a \$12,500 Rural Business Development Grant to create an online ticketing system and make much-needed theater equipment upgrades.

Fast Facts

Programs and Investments:

Community Facility Direct Loans—\$31,300

Community Facility Grants—\$29,500

Rural Business Development Grant—\$12,500



The Results:

To date, roughly 8,900 community members, many without television service at their homes, have gathered to watch national sporting events at the Paramount Theatre, all free of charge. Others have travelled to the town to see quality performances and to attend community social events hosted by the theatre. The historic theatre draws people to Rutland's downtown where the new energy generated by the theater's renaissance is shared among local businesses.

Partners: Green Mountain Power, Same Sun of Vermont

Demographics: Rutland County, Persistent Poverty Community.

New Hampshire: A Community's College

College Campus Reopens, Provides Workforce Training

Outline Of Need:

One week before the start of its Fall 2014 semester, Lebanon College canceled its classes and shut its doors. The closure of the college left students without access to local affordable education and businesses without the customers which they had grown accustomed to over the college's 50 years of tenancy in the heart of downtown Lebanon.

How Rural Development Helped:

A \$1.6 million Rural Development loan allowed nearby River Valley Community College, which had accepted Lebanon students after the school's closure, to expand its operations into Lebanon filling not only the vacant building, but the educational need in the community.

The Results:

In the Fall of 2016, River Valley Community College of Lebanon plans to provide affordable education to 500 residents of Vermont and New Hampshire's Upper Valley.

Fast Facts

Program: Community Facilities

Investment: \$1.6 million Direct Loan



River Valley Community College is working closely with area businesses to design educational opportunities to prepare Upper Valley residents for employment, and provide them with continuing education so they can advance within the workforce. The City of Lebanon is excited to engage the college in their community visioning process to ensure mutual support between the institution and its new home town.

Partners: Community College System of New Hampshire, River Valley Community College, City of Lebanon

Demographics: Grafton County in West Central New Hampshire.

Rural Housing and Community Facilities Programs

	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Single-Family Housing Direct Loans (including Self-Help Loans)	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.
Single-Family Housing Loan Guarantees	To assist moderate-income applicants/ household in buying their homes by guaranteeing loans made by private lenders.	Families and individuals.	Purchase new or existing homes and refinance existing Rural Development guaranteed or direct loans.	Rural areas with populations of up to 35,000.	Loan guarantee.	30-year, fixed. The 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.
Single-Family Repair Loans and Grants	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.
Self-Help Technical Assistance Housing Grants	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.
Rural Rental Housing Direct Loans	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.
Rural Rental Housing Loan Guarantees	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.
Housing Preservation Grants	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.
Farm Labor Housing Loans and Grants	Safe, well-built affordable rental housing for farm-workers.	Individuals, public and private non-profit organizations.	New construction or substantial rehabilitation of rental housing.	Not applicable.	Direct loan and grant.	Up to 102% of total development cost. Up to 33 years to repay at 1% interest.
Community Facilities Loans and Grants	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.
Rural Community Development Initiative	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.

For Direct Loans and Grants, apply to Rural Development. For Loan Guarantees, apply to participating intermediaries such as approved banks, mortgage companies, etc.

Rural Business and Cooperative Programs

	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Business and Industry Loan Guarantees	Create jobs/stimulate rural economies by providing financial backing for rural businesses.	Lenders/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.
Rural Business Development Grants	Assist the startup or expansion of small and emerging private businesses and/or non-profits in rural communities. Note: This program combines the former Rural Business Enterprise Grant and Rural Business Opportunity Grant programs and was created through the 2014 Farm Bill.	Public bodies, government entities, non-profit entities, and Federally recognized Indian Tribes.	Acquire or develop land, buildings, plants and equipment; build or improve access roads, parking areas, utility extensions, and water and waste disposal facilities; provide technical assistance; establish revolving loan funds; and to support rural distance learning programs that provide educational or job training.	All areas rural in character except cities over 50,000 and their contiguous urbanized areas.	Grant.	Grants are awarded on a competitive basis.
Intermediary Relending Program Loans	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 50,000.	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.
Rural Microentrepreneur Assistance Program	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.
Rural Economic Development Loans and Grants	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.
Rural Cooperative Development Grants	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	All areas except cities over 50,000 and their contiguous urbanized areas.	Grant.	Minimum 25% fund match (5% for 1994 Institutions). Grants awarded competitively.

Rural Business and Cooperative Programs (continued)

	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Socially Disadvantaged Groups Grants (formerly the Small, Socially Disadvantaged Producer Grant Program)	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.
Value-Added Producer Grants	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.
Rural Energy for America Program (REAP) Loan Guarantees and Grants	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.
REAP Audit/Development Grants	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.
Biorefinery, Renewable Chemical, and Biobased Product Manufacturing Assistance Program Loan Guarantees (formerly the Biorefinery Assistance Program)	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 \$125 million; 80% (maximum) guarantee on loans less than \$150 million; 70% (maximum) guarantee on loans of \$150 million but less than \$200 million; 60% (maximum) guarantee on loans of \$200 million up to \$250 million.
Repowering Assistance Program	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.
Advanced Biofuel Payment Program	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.

For Direct Loans and Grants, apply to Rural Development. For Loan Guarantees, apply to participating intermediaries such as eligible banks etc. For Revolving Funds (RMAP, IRP, and REDLG), intermediaries apply to Rural Development, others to the intermediaries.

Rural Utilities Programs

	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Water and Waste Disposal Loans and Grants	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.
Water and Waste Disposal Loan Guarantees	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.
Solid Waste Management Grants	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.
Technical Assistance/ Training/Circuit Rider	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.
Rural Broadband Direct Loans and Loan Guarantee	Deployment of broadband service to eligible rural communities. Note: The 2014 Farm Bill revises program provisions. New rules are expected to be published in FY 2015.	Entities seeking to provide broadband services in rural areas.	Finance the construction, improvement and acquisition of facilities and equipment to provide broadband service in eligible rural communities.	Refer to the new rules, when available, for population limits.	Refer to the new rules, when available, for loan details.	Refer to the new rules, when available, for loan terms and conditions.
Electric and Telecommunications Loans	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 under 5,000.	Direct loan or loan guarantee.	Interest rates are established in accordance with 7CFR 1714. Contact RUS at www.rd.usda.gov or 1 (800) 670-6553.
Distance Learning and Telemedicine	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 populations up to 20,000.	Grant.	Awards range from \$50,000 to \$500,000. A minimum of 15% in matching funds is required.
Community Connect Grants	Provide public access to broadband in otherwise unserved 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 Notices of Funding Availability and may vary.

Electric and Telecom Programs: Contact the Rural Utilities Service Administrator; Water Programs: Contact the Rural Development State Office.

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	♦				
Self-Help Housing Technical Assistance 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 Development Grants	♦	♦	♦	♦	♦
Intermediary Relending Program Loans	♦	♦	♦		
Rural Microentrepreneur Assistance Program	♦	♦	♦	♦	♦
Rural Economic Development Loans and Grants	♦	♦	♦	♦	♦
Rural Cooperative Development Grants				♦	♦
Socially Disadvantaged Groups Grants					♦
Value-Added Producer Grant			♦	♦	♦
Rural Energy for America Program Loan Guarantees/Grants	♦	♦		♦	♦
Biorefinery, Renewable Chemical, and Biobased Product Manufacturing 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					♦
Technical Asst./Training/Circuit Rider					♦
Rural Broadband Direct Loans and Loan Guarantees	♦			♦	
Electric and Telecommunications Direct Loans/Loan Guarantees	♦	♦		♦	
Distance Learning and Telemedicine Loans/Grants		♦		♦	
Community Connect Grants	♦	♦	♦	♦	

February 2016

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(1) mail: U.S. Department of Agriculture,
Office of the Assistant Secretary for Civil Rights,
1400 Independence Avenue, SW, Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov (link sends e-mail).

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Rural Development

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