



The Rural Business Development Grant Information for prospective Ohio applicants

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The long-awaited Rural Business Development Grant [regulations](#) are now available.

We anticipate Ohio's allocation to be approximately \$700,000. Completed applications are due in the state office (address above) no later than close of business **June 1, 2015**.

If you're considering submitting an application and have been consulting the recently retired Rural Business Enterprise Grant or Rural Business Opportunity Grant regulations, here are some key changes brought about by the 2014 Farm Bill:

- The rural area definition has changed
- Up to 10 percent of the funds may be used for projects that would have been Rural Business Opportunity Grant projects.
- Changes to the scoring criteria now include more quantitative measures:
 - ❖ Revolving loan funds no longer get extra points
 - ❖ There's no longer a requirement to be part of the local Economic Development Plan
 - ❖ Projects that do not request grant funds to cover indirect costs **will** receive points

As you write your work plan and the description of the need for the project, be sure to include information that addresses the economic situation of the service area. Has the area suffered a large business closure (economic distress)? A natural disaster in the past three years? Long-term poverty or a decline in population? Applications supported by such statistics will score better.

Here are some resources to help document the economic situation:

- ❖ Ohio Labor market Information <http://ohiolmi.com/laus/laus.html>
- ❖ Census Data <http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>
- ❖ Natural Disaster declarations <https://www.fema.gov/disasters/grid/year>
- ❖ Worker Adjustment Retraining Notification <http://jfs.ohio.gov/warn/index.stm>

Because this grant is focused on assistance to small and emerging businesses, applicants will again be asked to document this assistance. For the purposes of this program, the definition of "small and emerging businesses" is a business with 50 or fewer employees and less than \$1 million in gross sales (total revenue minus cost of goods sold for a retailer, and total sales minus cost of production for a manufacturing business). As you may have guessed, this category is very important and the scoring will now reflect that. Each letter from a documented small and emerging business will add five points (up to 25 points) to your score. Letters must indicate the number of jobs saved or created. The importance of small businesses will also be reflected in the number of jobs created or saved per grant dollar requested.

In an effort to assist as many businesses as possible, there is a change to the priority points awarded for the size of grant requested. Priority will be broken down into three steps: grants under \$100,000; those between \$100,000 and \$200,000, and those for more than \$200,000.

As in the past, there are discretionary points that the Rural Development Administrator may use to ensure the geographic distribution of funds, meet the Secretary of Agriculture's initiatives, and meet state strategic goals. To that point – if your project is working with Local Foods or Renewable Energy, or located in Appalachia, please ensure that information is presented in your application. This will help us make the argument for discretionary points.

If you have additional questions please feel free to contact our staff:

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