



United States  
Department of  
Agriculture

Rural Development



# USDA Rural Development

MICHIGAN 2015 PROGRESS REPORT



## ***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,

A handwritten signature in black ink, appearing to read "Thomas J. Vilsack". The signature is fluid and cursive, with a long horizontal stroke at the end.

**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.

Our employees work hard each day to support the needs of the 46 million rural Americans who provide the food, fiber, fuel and durable goods the rest of the nation, and the world, depend upon. In Fiscal Year (FY) 2015, Rural Development invested more than \$29.7 billion nationwide in loans, loan guarantees, and grants for a diverse range of worthwhile projects in rural communities.

For example, we:

- Helped grow approximately 12,500 rural businesses through about \$1.5 billion in targeted investments.
- Awarded \$900 million in direct single-family housing loans and made more than \$18.6 billion in guaranteed loans to provide homes to more than 141,000 families in rural America.
- Celebrated a major milestone in partnership with many of you – 50 years of USDA’s Mutual Self-Help Housing Program and 50,000 homes built through it.
- Provided a record level of support – \$1.8 billion – to support the needs of rural communities through our Community Facilities program, helping to build more than 970 essential healthcare centers, schools, libraries, public safety facilities and more across rural America.
- Improved rural electric infrastructure for 5.5 million customers, protected the health of about 2.3 million people through water and wastewater system improvements, and provided more than \$343 million in guaranteed loans and grants to support renewable energy and energy efficiency.
- Invested nearly \$3 billion in 254 projects through the Recovery Act to provide high-speed broadband access to nearly six million rural residents, workers, and businesses.

Each of these investments in rural communities is an investment in our country’s future. More importantly, however, each investment has a direct and lasting impact on the quality of life of the rural people living and working in the American heartland. USDA Rural Development is a lending agency that cares deeply about the rural people and communities we serve. I am proud of the difference we make in the lives of rural Americans, and delighted to share [insert state name’s] successes with you.

Sincerely,

**Lisa Mensah**  
Rural Development Under Secretary



## ***Looking Forward and Back***

*“The purchase of a home may not be as dramatic as a grand opening or ribbon-cutting, but it is every bit as important to the life of the community.”*

In Fiscal Year 2015, USDA Rural Development invested more than \$1 billion in rural housing, business, community development, and infrastructure projects for rural Michigan. This report illustrates how we are making rural Michigan stronger. It also provides a guide on how other communities can benefit from our programs.

One of the most significant achievements last year was our Single Family Housing program closing its 75,000<sup>th</sup> guaranteed loan.

To put that in perspective, that number would house the populations of Marquette, Traverse City, Sault Ste. Marie, Alpena and Big Rapids – with room to spare. In economic terms, that represented a \$7.1 billion investment in the rural Michigan housing economy since the program was established in 1991.

It is easy to focus on the numbers, but consider what that means to the individual families who now have achieved the American dream of homeownership. At a time when many rural communities are suffering from population loss, a home purchase is a vote of confidence in the local area’s future. The purchase of a home may not be as dramatic as a grand opening or ribbon-cutting, but it is every bit as important to the life of the community.

Many of our other projects are not immediately apparent, but nevertheless have a big impact on rural communities. Renewable energy and energy efficiency improvements reduce costs and make Michigan more self-sufficient. Water and sewer projects protect Michigan’s incomparable natural resources and ensure clean water for future generations. Community facilities provide essential public safety, medical and recreational support for the areas they serve.

Put it all together and one can start to see the regional approach USDA Rural Development is now taking within Michigan, reaching out not just to a township or village, but to an entire area, helping them to work together to achieve prosperity.

As you read through this guide, I ask you to look at what we have done but also consider what we can do to help your rural community.

Sincerely,

**James J. Turner**

Michigan State Director, USDA Rural Development

# Rural Business and Cooperative Programs

In Fiscal Year 2015, USDA Rural Development invested \$24.6 million in Michigan's rural businesses, supporting 133 projects. Business and Cooperative Programs serve Michigan 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.

## Mount Pleasant Native Farmers Market Bolsters Local Growers

On June 16, USDA Rural Development State Director James J. Turner joined Saginaw Chippewa Indian tribal leaders and local officials to break ground for the Mt. Pleasant Native Farmers Market. USDA Rural Development provided a \$200,000 Rural Business Development Grant to construct a permanent pavilion and adjacent parking lot.

Almost exactly two months later on Aug. 18, Turner was present to cut the ribbon at the grand opening. The success of the Mt. Pleasant Native Farmers Market shows how USDA Rural Development is improving the quality of life and bringing economic growth to rural areas by helping residents help each other.

## Business & Industry Loan Guarantees

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

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.

## Value Added Producer Grants

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

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.



Above: The groundbreaking in June. Below: The ribbon cutting in August.



# Single Family Housing Programs

USDA Rural Development improved rural housing in Michigan with \$782 million in loans and grants to build, repair, rehabilitate, and purchase homes that ultimately improve the quality of life in rural Michigan. In Fiscal Year 2015, the agency obligated 272 direct loans and 6,693 guaranteed loans to finance homes for rural Michigan families.

## Michigan Commemorates 75,000th Guaranteed Home Loan

In June 2015, USDA Rural Development closed on its 75,000th home loan.

Brian Ellison's home in Cedar Springs was the 75,000th purchased through USDA Rural Development's Single Family Guaranteed Home Loan program and certificates were presented to him, lender Mortgage 1, Inc. and Home Run Real Estate.

Established in 1991, the program has provided more than \$7.1 billion for home loans in Michigan. Since 2009, an average of 6,600 Michigan families per year have received a Guaranteed Home Loan through USDA Rural Development.

## Single-Family Housing Direct Home Loans

This program helps very-low- and low-income individuals and families buy, build and improve homes

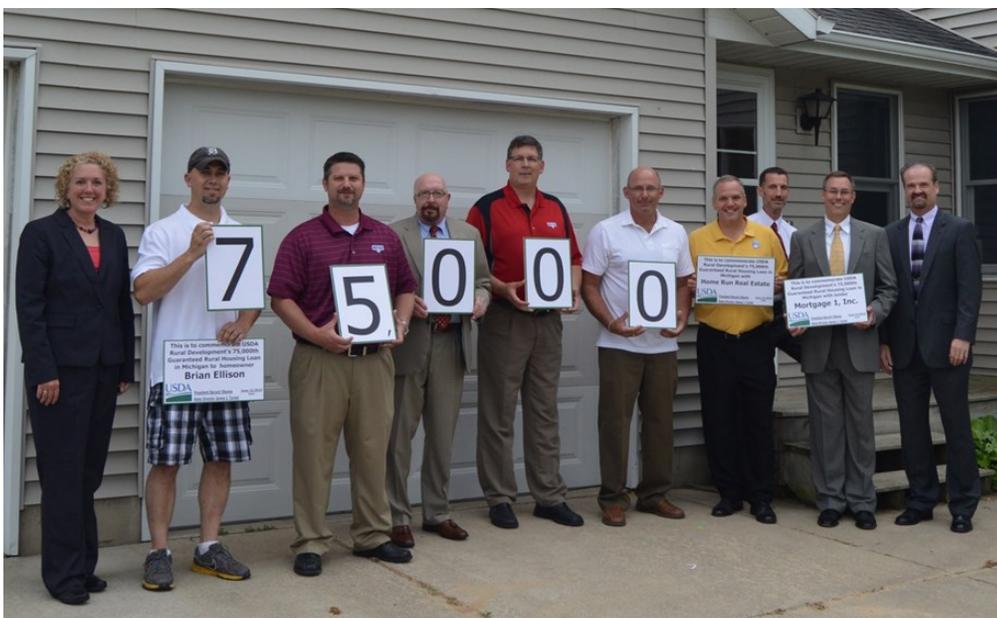
in rural areas. Payment assistance, a type of subsidy, may be provided for very-low-income applicants — based on their adjusted household income — to help them afford the monthly mortgage loan payments.

## Single-Family Housing Loan Guarantees

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

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.



From left: USDA Area Specialist Amanda Griffes; new homeowner Brian Ellison; Mortgage 1, Inc. Senior Loan Officer Shawn Beatty; USDA State Director for Michigan James J. Turner; Mortgage 1, Inc. Senior Vice President and Branch Manager Daniel Grzywacz; Home Run Real Estate Realtor Jeff Newberg; Home Run Real Estate Broker Lloyd Reed; USDA Rural Development Single Family Housing Director Rick Anderson; Mortgage 1, Inc. Senior Vice President and Branch Manager Scott DeWolf; USDA Rural Development Mason Area Office Director Kevin Smith.

# Multi-Family Housing Programs

USDA Rural Development provides funding for apartments for lower-income families or the elderly, and housing for farm laborers. In Fiscal Year 2015, the agency obligated 2 direct loans totaling \$1.1 million through the Multi-Family Housing program.

## A New Day for Sunrise Apartments

Sunrise Apartments is an off-farm labor housing project located in Keeler, a Van Buren County community in southwest Michigan.

Sunrise Apartments has 22 seasonal housing units, two of which were added during the current rehabilitation. USDA Rural Development provided a \$1,208,624 grant and \$134,292 loan under the Section 514/516 Farm Labor Housing program to support the project.

Off-farm housing is important because it allows workers to have more flexibility in terms of employers and types of crops. It is different from most farm labor housing, which is provided by the employing farmer and therefore limits workers' options.

Although Sunrise Apartments only has 22 units, it is expected to serve 40 families or more as they rotate through the various Michigan harvests. These workers support Michigan's most important fruit region, providing apples, peaches, grapes and pears as a major crop and strawberries, raspberries, blueberries, and muskmelons as important specialty crops.

## Multi-Family Housing Direct Loans

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.

## 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.

## Rental Assistance

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.

## 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

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

# Community Programs

During Fiscal Year 2015, USDA Rural Development invested \$72 million in rural Michigan through community facilities loans and grants. 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. USDA Rural Development also invested \$157 million during Fiscal Year 2015 to provide reliable and clean drinking water, waste treatment systems, electric power, and telecommunications services in rural Michigan



Sewage treatment facilities like this one in Clare are vital to the health of the community and protecting the environment.

## Providing Essential Infrastructure

Though not as visible as the township or village hall, water and sewer systems are critical for the health and well-being of rural communities.

Located near Cadillac in Wexford County, the Village of Mesick received a \$1,732,000 loan and \$1,155,000 grant to improve its existing sewer system.

The project will upgrade the pump station, lagoon and irrigation pumping system as well as add sewer lines and two new pump stations. The upgraded system will serve 87 residential and 48 commercial customers.

Mesick is one of 26 communities to benefit from investments in water and sewer systems.

## Community Facilities Loans and Grants

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.

## Water and Waste Disposal Program

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

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.

Program	Amount	Projects
Business Program Loans	\$20,620,494	8
Renewable Energy	\$2,398,482	94
Business Grants	\$785,000	23
Value Added Producer Grants	\$851,030	8
SFH Direct Loans	\$26,679,209	272
SFH Guaranteed Loans	\$753,773,740	6,693
SFH Repairs	\$1,899,824	352
SFH Self-Help Grants	\$239,200	1
MFH Guaranteed Loans	\$1,150,000	2
Rental Assistance	\$30,299,752	366
Community Facility Direct Loans	\$66,311,000	26
Community Facility Guaranteed Loans	\$5,226,969	4
Community Facility Grants	\$1,117,300	43
Water and Waste Direct	\$56,656,000	27
Water and Waste Grants	\$15,822,000	13
Telecommunications	\$976,587	3
Electric	\$84,000,000	2
All Other Programs	\$1,418,209	343
	<b>\$1,070,224,795</b>	<b>8,280</b>

# 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
<b>Business and Industry Loan Guarantees</b>	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.
<b>Rural Business Development Grants</b>	Assist the startup or expansion of small and emerging private businesses and/or non-profits in rural communities. <b>Note:</b> 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.
<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 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.
<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.

# 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
<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 Direct Loans and Loan Guarantee</b>	Deployment of broadband service to eligible rural communities. <b>Note:</b> 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.
<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 under 5,000.	Direct loan or loan guarantee.	Interest rates are established in accordance with 7CFR 1714. Contact RUS at <a href="http://www.rd.usda.gov">www.rd.usda.gov</a> 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 populations up to 20,000.	Grant.	Awards range from \$50,000 to \$500,000. A minimum of 15% in matching funds is required.
<b>Community Connect Grants</b>	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.
<b>Rural Housing and Community Facilities Programs</b>					
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					♦
<b>Rural Business and Cooperative Programs</b>					
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					
<b>Rural Utilities Programs</b>					
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	♦	♦	♦	♦	

## INSIDE BACK COVER

December 2015

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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;

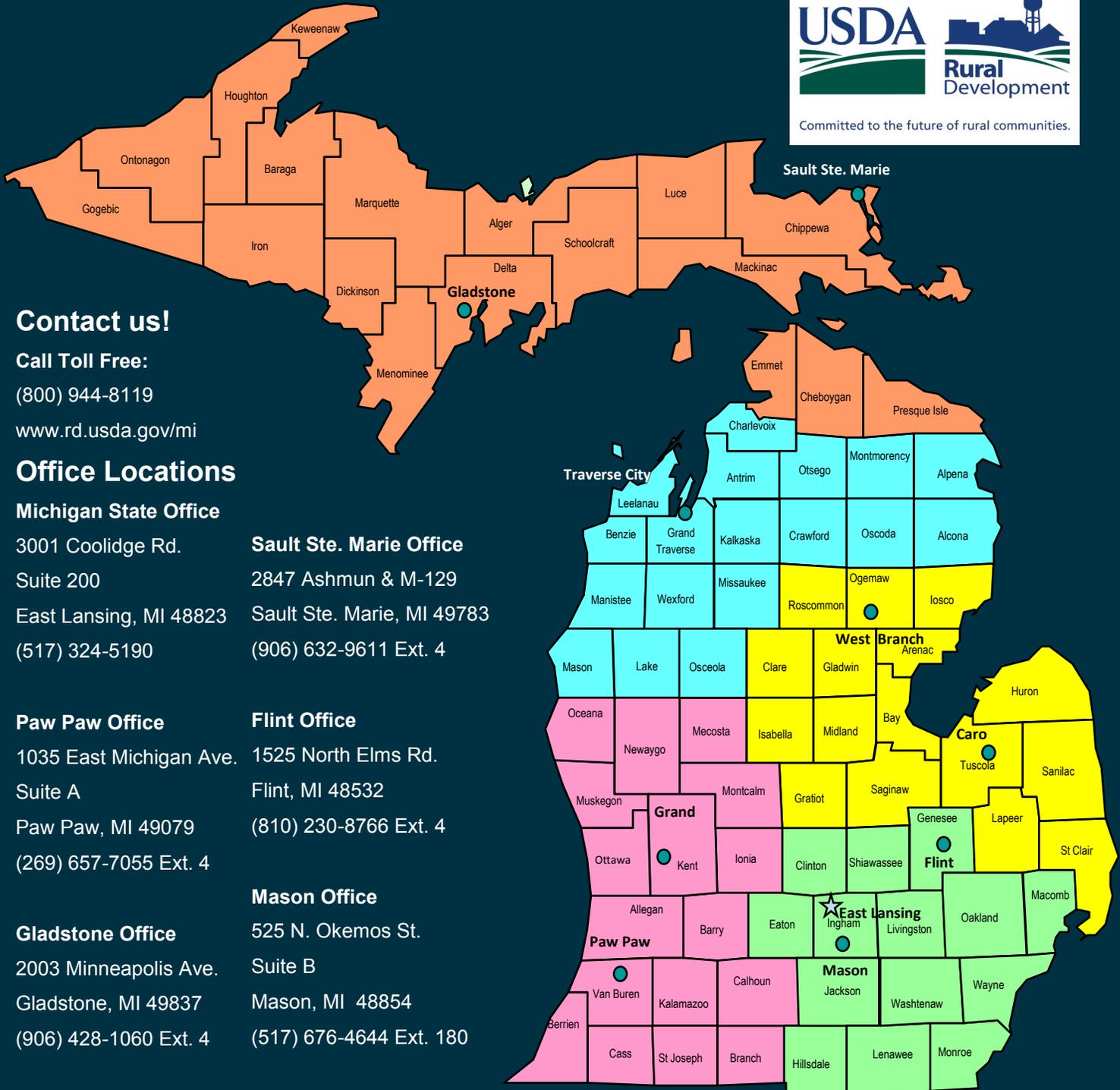
(2) fax: (202) 690-7442; or

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

USDA is an equal opportunity provider, employer and lender.

Contact us to learn more at:  
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Mail Stop 0107  
1400 Independence Avenue SW Washington, DC 20250-0107  
1 (800) 670-6553 (toll free)  
**[www.rd.usda.gov](http://www.rd.usda.gov)**

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**United States  
Department of  
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**Rural Development**

*USDA Rural Development is committed to the future of rural communities.*