



United States
Department of
Agriculture

Rural Development



USDA Rural Development

IOWA 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,

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

Making a Difference in Rural Iowa



There is a campaign underway by a nationally-known non-profit using the Twitter tag #ThisPlaceMatters. The campaign seeks to highlight the importance of community-based places and their ultimate preservation.

It occurred to me the campaign could easily apply to USDA Rural Development. Everything we do impacts life in that “place” known as rural. From a place to live, to a place for a good job, to a place with strong community, USDA Rural Development is impacting the lives of people who live in small towns, unincorporated areas and rural settings.

And in 2015 the impacts of our \$643 million investment of guaranteed loans, direct loans and grants were significant and far-reaching:

- \$246 million in guaranteed and direct mortgage loan funds to assist more than 2,300 rural Iowa families and individuals in purchasing homes.
- \$132 million to help rural electric cooperatives make general infrastructure and system enhancements
- \$113 million to help hundreds of rural Iowa communities make a variety of facility improvements such as new hospitals and fire stations.
- \$65 million to help create and retain jobs in rural Iowa
- \$40 million to independent rural telephone companies to expand services such as broadband to their customers
- \$21 million to help 32 communities and areas improve their water and wastewater systems

What place could exist without people, without clean water, without access to health care or education?

Rural residents may choose to drive miles for hours to access the opportunities that exist in big cities. But sometimes they have no choice. USDA Rural Development programs provide alternatives to long drives and distant urban hubs. Our rural housing programs give families access to mortgages that allow them to buy a house in a small town. Our water and environmental programs ensure residents have access to clean water. Business programs support employers, empower entrepreneurs and open doors to capital markets that might not exist otherwise.

But there is more to rural development than distributing loans and grants. Places need more than dollars and cents to be sustainable.

That's why USDA Rural Development works with elected officials, business owners and residents to help develop economic and community strategies, as well as train a new generation of leaders or identify other partners necessary to solidify that place. That role of facilitator and community developer is something the Rural Development team thrives on, and the communities with whom we work are seeing the impact of our involvement.

Inside you will see examples of how our funding is continuing to have a dramatic impact on rural communities across Iowa. Since 2009, our investment in the state is approaching \$4 billion on essential public facilities, small and emerging businesses, water and sewer systems, and housing opportunities for Iowa families.

These investments have impacted cities, counties and regions. They have assisted home buyers and renters. Direct and guaranteed loans have helped some businesses get started and assisted others poised for growth. Indeed, USDA Rural Development dollars have made Iowa's rural places stronger and more vibrant.

Sincerely,

Bill Menner

Rural Development State Director in Iowa

Business and Cooperative Programs

In Fiscal Year 2015, USDA Rural Development invested \$65 million in Iowa's rural businesses, supporting 191 projects. Business and Cooperative Programs serve Iowa 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

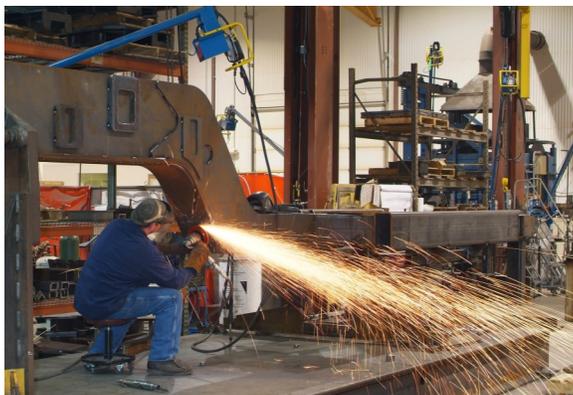
Helping community leaders identify ways to improve economic opportunities in rural America is a leading emphasis at USDA Rural Development.

Through a variety of job-creation programs the agency partners with private and community-based organizations to create and preserve quality jobs in rural communities and move America forward.

USDA Rural Development's Business and Industry (B&I) guaranteed loan program helps back the business of rural America by providing protection and incentives to lenders. In turn, businesses benefiting from a loan guarantee have a better chance of receiving the financing and terms they need so they can thrive.

USDA Rural Development has a long-standing initiative that assists rural electric and telephone cooperatives and community-development organizations in their efforts to improve the rural economy.

The agency also assists small businesses and producers through its Rural Energy for America Program that provides financial assistance when energy-efficiency improvements are made to reduce energy costs or when renewable energy systems such as wind turbines, geothermal and solar are installed.



FY 2015 Highlights

- \$65 million was awarded through USDA Rural Development Business Programs
- \$45 million in loan guarantees were awarded to lenders who were assisting 17 rural businesses with expansion and job-creation initiatives.
- \$11 million in rural economic development loans and grants were awarded to rural electric cooperatives to local businesses, organizations and communities with a variety of projects.
- Nearly 140 rural Iowa businesses were able to install renewable energy systems or make energy-efficiency improvements.



Matt (left) and David (right) Reinhart with Stuart Hometown Foods received Rural Energy for America Program funds to replace open-air coolers with new energy efficient ones.

Housing Programs

USDA Rural Development improved rural housing in Iowa with \$270 million in loans and grants to build, repair, rehabilitate, and purchase homes that ultimately improve the quality of life in rural Iowa. 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, the agency obligated 2,368 direct and/or guaranteed loans to finance homes for rural Iowa families.

USDA Rural Development has two low-interest, no-down-payment loan programs to help eligible families living in rural communities and areas purchase new or existing homes. Loans, and some grants, are also available to help families make needed repairs to their homes.

Eligible homes must be located in a rural area and/or community of generally less than 20,000. In most cases, a family of four with an adjusted annual income of up to \$75,650 may qualify for the agency's guaranteed home loan program. If that same family of four's adjusted annual income is less than \$49,450 they may also qualify for a direct loan from the agency. These income limits increase in communities located near metro areas.

USDA Rural Development also provides financing for more than 430 apartment complexes in rural Iowa. These complexes provide rural residents with access to 8,796 apartment units. Rent in the apartments is based on income, and rental assistance may be available depending on the income of the tenant.

FY 2015 Highlights

- \$246 million in guaranteed and direct mortgage loan funds assisted more than 2,300 rural Iowa families and individuals in purchasing homes.
- \$22 million in rental assistance helped many times elderly residents living in USDA-financed apartment complexes.



Community Programs

During Fiscal Year 2015, USDA Rural Development invested \$113 million in rural Iowa through community facilities loans and grants. The 21 projects, including funding for schools and fire safety equipment, was used to benefit more than 74,895 rural Iowa residents. Community Facilities programs help build, expand, rehabilitate, purchase, and support the development of police and emergency fire stations and equipment, museums, child care centers, hospitals, clinics, schools, and more.



USDA Rural Development funding assisted the Gilbert/Franklin Township Fire and Emergency Response Agency with the construction of a new fire station. The building also provides the City of Gilbert with municipal office space and a community hall.

Community Programs offers direct and guaranteed loans and grants to finance and facilitate the development of many different types of essential community facilities and infrastructure.

These include water and wastewater systems, hospitals, nursing homes, health clinics; police, fire or rescue facilities, equipment or vehicles, libraries, municipal or county buildings.

Applicants must have the legal authority to borrow and repay loans, to pledge security for loans, and construct, operate, and maintain the facilities. They must also be financially sound and able to organize and manage the facility effectively.

Contact Rural Development for information about programs and advice on how to assemble information to determine engineering feasibility, economic soundness, cost estimates, organization, financing and management matters.

FY 2015 Highlights

- \$134 million in loans and grants helped hundreds of rural Iowa communities make a variety of improvements to their services, infrastructure and facilities.
- \$113 million was used for such activities as helping build new hospitals and fire stations in rural Iowa.
- \$21 million helped 32 communities and areas to improve their water and wastewater systems.
- Awarded 13 grants of less than \$25,000 to assist with smaller community-improvement projects

City of Manning Top Place for Small Businesses

With a population of around 1,500 residents, leaders in the southwest Carroll County community of Manning are not striving to become one of the biggest cities in western Iowa, just one of the best.

City of Manning Iowa's Small Business Community of the Year

Ongoing efforts to support the creation and growth of small and emerging businesses in the City of Manning were recognized when it was named 2015 Iowa SBA Small Business Community of the Year.

"There has always been something special about Manning and its residents," said Bill Menner, USDA Rural Development State Director in Iowa. "Several years ago I chaired the Iowa Great Places commission and was astonished at the vision of the community's leaders. Manning has been acknowledged for all of its positive activities far more often than other communities its size during my six years with USDA."

Manning was selected for this award by demonstrating an ideal collaborative environment for small business success, utilizing revolving loan funds, tax increment financing (TIF), Main Street program, Iowa Challenge Grants, tax abatement policies, funding from local utilities, community block grant programs and local community foundations.

Manning's leveraging of federal, state and local government programs, along with higher education and community resources was also recognized for helping the community create an ideal small business culture.

City leaders identified cultural, health care and education initiatives as critical resources for small business success.

One year ago Manning celebrated the opening of a new hospital for the community, replacing a facility that was built in 1927 and in need of significant facility upgrades. USDA Rural Development provided a \$21 million direct loan to assist with the new hospital in the community.

"The new Manning Regional Healthcare Center has been transformational for the community," Menner said. "Healthcare is a critical element in rural communities, and Manning now has a facility that is state-of-the-art. Residents in that area can count on quality care and anyone looking to live in that area cannot help but be impressed."

USDA Rural Development financing programs have also been used to help establish multiple revolving loan funds in Manning as well. As the original loan funds are paid back to the local fund administrators new loans are made to support additional projects and ventures in the community.

"Helping to establish revolving loan funds is an important way USDA helps improve economic opportunities in rural Iowa," Menner added. "There is no limit to the number of businesses that can be assisted as these funds are continually revolved and lent back out."



The City of Manning was named 2015 Iowa SBA Small Business Community of the Year.

SE Iowa's Regional Economic Development Focus

USDA's Stronger Economies Together (SET) program is helping to strengthen the capacity of southeast Iowa communities and counties to work together to develop and implement an economic development blueprint that strategically builds on the current and emerging economic strengths of the region.

USDA Programs Help Expand Regional Collaboration Efforts in Southeast Iowa

This past summer an application from Henry, Jefferson and Washington Counties, as well as the Mississippi and Des Moines Rivers Confluence Regions were the first two in Iowa to be approved for SET program assistance.

"USDA Rural Development's SET program helps establish a state resource team that will bring the talents and resources of key state and federal agencies, extension programs, and other organizations together to provide coaching and technical assistance to each of the regional teams," said Bill Menner, USDA Rural Development State Director in Iowa. "Rural communities that work through regional and strategic partnerships can complement and draw upon the resources of another to create jobs and strengthen economies."

Today, more than 1.7 million Iowans live in rural communities and areas, and nearly half of the state's communities have fewer than 500 residents. In fact, 75 counties in Iowa have less than 25,000 residents, with 24 being less than 10,000. These smaller rural populations make regionalization efforts extremely important.

Leaders in Henry, Jefferson and Washington Counties plan to use the SET program to develop an extensive regional economic development plan to create new partnerships and opportunities for such communities as Fairfield, Mount Pleasant and Washington.

Participants in the Mississippi and Des Moines Rivers Confluence Regions (Lee County in Iowa, Clark County in Missouri and Hancock County in Illinois) will use the SET planning process to further drive the

development and construction of river, rail and road infrastructure to increase the region's competitiveness on the world market.

Along with SET, another way USDA is committed to enhancing regional, rural economic opportunities is through the "Strategic Economic and Community Development" provision in the 2014 Farm Bill which gives priority scoring to projects that support the implementation of regional and/or multi-jurisdictional strategic economic development plans.

"The new regional development priority policy will make it easier for rural communities to access resources to invest in long-term community development efforts by giving priority to applications for USDA Rural Development programs that include regional partnerships and strategies," Menner said. "When communities come together to share resources, ideas and expertise, they can develop a cohesive economy strategy and invest in their future."



USDA's Stronger Economies Together (SET) Program is helping to expand regional collaboration efforts in southeast Iowa.

Rural Iowa Investments FY 2015

Program	Amount	Award
Business and Industry Guaranteed Loans	\$45,968,767	17
Renewable Energy and Energy Efficiency Loans and Grants	\$3,710,108	139
Rural Economic Development Loans and Grants (REDLG)	\$11,329,880	17
Rural Business Development Grants	\$336,200	6
Ag Marketing Resource Center Grants	\$2,672,752	1
Intermediary Relending Program Loans	\$200,000	1
Value-Added Producer Grants	\$1,415,070	10
Single Family Housing Direct Loans	\$9,068,353	104
Single Family Housing Guaranteed Loans	\$237,102,900	2,264
Home Repair Loans and Grants	\$998,752	203
Housing Preservation Grants	\$46,350	2
Multi-Family Housing Voucher Assistance Program	\$968,471	283
Rental Assistance	\$22,177,838	7,350 units
Community Facility Direct Loans, Guaranteed Loans and Grants	\$112,891,760	21
Water and Environmental Program Loans and Grants	\$21,881,550	32
Telecommunications Loans and Grants	\$40,918,000	6
Electric Loans	\$132,173,000	6
Total	\$643,859,751	10,462

Housing and Community 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.

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.

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.

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	♦	♦	♦	♦	

January 2016

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

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

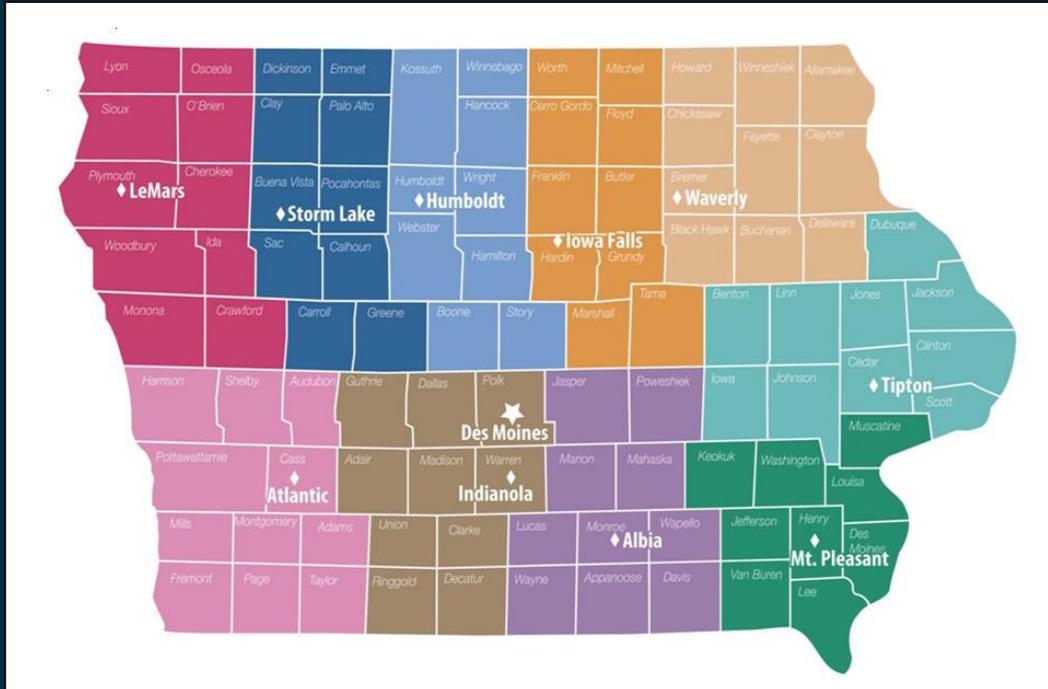
(2) fax: (202) 690-7442; or

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

USDA is an equal opportunity provider, employer and lender.

Contact us to learn more at:
USDA Rural Development National Office
Mail Stop 0107
1400 Independence Avenue SW Washington, DC 20250-0107
1 (800) 670-6553 (toll free)
www.rd.usda.gov

USDA Rural Development Iowa Contacts



State Office

210 Walnut Street, Room 873
 Des Moines, Iowa 50309
 Phone: (515) 284-4663
www.rd.usda.gov/ia
 Twitter: @RD_Iowa

Iowa Falls Area Office

Phone: (641) 648-5151 Ext. 4

Waverly Area Office

Phone: (319) 352-1715 Ext. 4

Tipton Area Office

Phone: (563) 886-6006 Ext. 4

Mt. Pleasant Area Office

Phone: (319) 986-5800 Ext. 4

Albia Area Office

Phone: (641) 932-3031 Ext. 4

Indianola Area Office

Phone: (515) 961-5365 Ext. 4

Atlantic Area Office

Phone: (712) 243-2107 Ext. 4

Le Mars Area Office

Phone: (712) 546-5149 Ext. 4

Storm Lake Area Office

Phone: (712) 732-1851 Ext. 4

Humboldt Area Office

Phone: (515) 332-4411 Ext. 4



United States
 Department of
 Agriculture

Rural Development

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