

COMMUNITY ECONOMIC DEVELOPMENT





Colleen Callahan
Illinois State Director

Some time back, a small book of short essays titled “All I Really Need To Know I Learned in Kindergarten” became an instant classic. Applying simple childhood lessons to the complexities of adult life was a refreshing reminder of familiar and enduring wisdom.

In reflecting on the work of Rural Development in 2015, especially as it relates to community economic development, one of the lessons mentioned in that book came to mind: **“When you go out into the world, watch out for traffic, hold hands, and stick together.”**

The world is big, change is fast, and getting left behind and overlooked can happen all too easily. Especially when you’re rather small, as are so many of our rural communities.

We’re more visible when we’re in a group. We have more resources. We can share reward and divide risk more easily when we’re connected. These things are as important now that we are adults, navigating our families, businesses and communities through life, as they were when we were navigating through childhood.

This 2016 Rural Development calendar highlights just a few of the many valuable relationships, some old and some new, that we have across Illinois to help strengthen our rural communities. We hope reading about some of them will help you think of new ways we can hold hands, stick together ... and navigate the future with USDA Rural Development!

Rurally,

A handwritten signature in black ink that reads "Colleen Callahan".



Agriculture Secretary
Tom Vilsack



Under Secretary
Lisa Mensah
USDA Rural Development

Cover photo caption: Children at play at the Robin’s Nest Learning Center in Carterville, IL.

Cover photo credit: USDA Rural Development



Rural Development

2015

BY THE NUMBERS

Statewide

- 2¢ in administrative cost for every dollar distributed
- \$476 million invested in support of Rural Illinois
- \$1.3 million delivered each and every day in Illinois

Business

- 76 loans and grants awarded
- 579 jobs created or saved
- \$13.1 million invested in Illinois
- 7 local foods projects financed

Housing

- \$378 million invested in Illinois
- 3,680 families helped to purchase their home or refinance into an affordable loan
- 335 very low income homeowners assisted with repair loans or grants
- 6,923 very low income households assisted with rent support
- 47% of supported rental units served the elderly or disabled

Community

- 26 community projects financed
- 373,100 rural residents enjoying community improvements
- 162,228 rural families to get safe water
- 51 funded water and waste projects

2015 Rural Development Investment *in Illinois*

Business Programs

Business and Industry Guaranteed Loans	\$6,048,420
Rural Business Development Grants (Enterprise)	\$420,000
Rural Business Development Grants (Opportunity)	\$42,000
Intermediary Relending Program	\$1,000,000
Rural Energy for America Program Grants	\$1,656,148
Advanced Biofuel Payments	\$435,809
Rural Economic Development Loans	\$2,550,000
Rural Cooperative Development Grants	\$200,000
Rural Microentrepreneur Assistance Grants	\$119,234
Value-Added Producer Grants	\$630,459

Total

\$13,102,070

Housing Programs

Single Family Guaranteed Rural Housing Loans	\$326,498,466
Single Family Direct Housing Loans	\$19,676,072
Single Family Repair Loans and Grants	\$2,179,187
Multi-Family Rural Rental Housing Rehab Loans	\$1,400,785
Multi-Family Preservation Revitalization Program	\$1,542,160
Multi-Family Rental Assistance	\$26,840,664
Multi-Family Rental Vouchers	\$661,093
Housing Preservation Grants	\$54,973

Total

\$378,853,400

Community Programs

Direct Water and Waste Loans	\$33,583,000
Guaranteed Water and Waste Loans	\$8,440,000
Water and Waste Grants	\$11,899,150
Direct Community Facilities Loans	\$3,797,900
Community Facilities Grants	\$239,800
Economic Impact Initiative Grants	\$99,800
Emergency Community Water Assistance Grants	\$603,620
Water and Waste SEARCH Grants	\$99,000
Water and Waste PPG Grants	\$81,250
NP Indiv Owned Water Well Grant	\$50,000

Total

\$58,893,520

Nationally Delivered Utility Programs

Electric Loans	\$25,000,000
Telecommunications Loans and Grants	\$154,497

Total

\$25,154,497

Grand Total

\$476,003,487



In Illinois, the Annual Review of Rural Development's contribution to our rural communities is presented in the form of a calendar for the following year – because we want to keep our focus on the future.

Every project is as unique as the people it serves, and we encourage you to think about how the programs represented on the following pages might be used to make a difference in your life, your business and your community in 2016.



Photo credit: iStock Photo

Creating, attracting and retaining jobs in a single rural county in isolation from other, nearby counties is becoming increasingly ineffective. The Stronger Economies Together (SET) program is one way communities and counties in rural America can work together in developing and implementing an economic development blueprint, one that strategically builds on the current and emerging economic strengths of that region.

In FY2015, two regions in Illinois were approved for participation. The northern region is comprised of Marshall, Putnam and Stark counties. The southern, Greater Wabash region, is made up of Crawford, Edwards, Lawrence, Richland, Wabash, Wayne and White counties. Also in Illinois, Hancock County is participating in a multi-state SET region that includes Clark County in Missouri and Lee County in Iowa.

Benefits of the SET program include:

- Step-by-step coaching to guide the design and implementation of a practical and viable regional economic development plan.
- In-depth data tailored to the region, describing its current and emerging clusters, comparative economic advantages; detailed demographic and socio-economic information; and tools to uncover local assets and resources that can advance the region's economic strategies.
- Technical assistance from University of Illinois Extension educators, USDA RD state staff, the Regional Rural Development Centers, and the Purdue Center for Regional Development to guide the initial stages of implementation of regional goals and strategies.

Launched in 2010 by USDA Rural Development and the nation's four Regional Rural Development Centers and their land-grant university partners, this exciting initiative is now in place in more than 50 regions in 28 states.

January

Stronger Economies Together (SET) through Strategic Planning

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>Prior to beginning the strategic planning process, each SET region holds a Civic Forum to obtain a wide range of input from different community audiences and encourage participation in the planning process.</i>					1 <small>NEW YEAR'S DAY</small>	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18 <small>MARTIN LUTHER KING, JR. BIRTHDAY FEDERAL HOLIDAY</small>	19	20	21	22	23
24 31	25	26	27	28	29	30



Photo credit: USDA Rural Development

Business development and related community economic development activities can be part of any rural community - even those without full-time, dedicated staff. One way that happens in Illinois is through the Peace Corps Fellows (PCF) program available through Western Illinois University's Illinois Institute for Rural Affairs (IIRA) and supported by Rural Development.

The PCF program is an opportunity for returning Peace Corps volunteers to serve in full-time graduate internships in rural communities. They provide technical assistance to small business enterprise initiatives and lead and implement community and economic development projects. This may include downtown revitalization, business retention and expansion, tourism development, health education, volunteer management and more. In turn, their work in the community contributes to the completion of their Master's degree.

A symbolic check presentation for a \$96,000 Rural Business Development Grant (RBDG) for the PCF program was recently held in Lanark, who is currently participating in the program as part of their business and economic development efforts.

Communities participating in the 2015-16 PCF program include: Strasburg, Windsor, Findlay and Shelbyville in Shelby County; LaHarpe in Hancock County; Hillsboro in Montgomery County; and the Savanna Historical Society and Lanark, both in Carroll County. Since 2010, with support from USDA Rural Development, WIU's Peace Corps Fellows have assisted 429 small businesses and helped create or retain 33 jobs in Illinois communities.

February

Business Development and the Peace Corps Fellows

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15 <small>PRESIDENT'S DAY FEDERAL HOLIDAY</small>	16	17	18	19	20
21	22	23	24	25	26	27
28	29	<i>Lexie Woodward demonstrates using the Lanark telepharmacy as Andrea McElroy, pharmacy technician and manager, looks on. In a telepharmacy, technicians dispense prescriptions which are inspected and verified by an off-site registered pharmacist. Woodward, in her role as Peace Corps Fellow, will be working with the pharmacy and other businesses in Lanark to strengthen the community's economic development.</i>				

Ongoing relationships provide a framework for success in advancing community economic development. One rural example is found in Clinton and DeWitt County.

In FY2015, Dr. John Warner Hospital in Clinton worked with Rural Development to fund modifications, renovations and expansion projects - all improvements to the same hospital that earlier funding from Rural Development helped build. Several years ago, Rural Development worked closely with the DeWitt-Piatt Bi-County Health Department board to construct a new Health Department facility located in Clinton. The new building added more space for clients along with a dental program.

Many people from surrounding communities use the rural hospital and the Bi-County Health Department facility. As a result, they come to Clinton for reasons beyond medical care; to shop, eat at restaurants, and patronize other businesses in town.

Additionally, the DeWitt County Development Council (DCDC) was awarded a Rural Business Development Grant (RBDG) to establish a revolving loan fund assisting small businesses in DeWitt County with start-up and expansion. Over the last four years, three small businesses obtained a small loan from DCDC. While two of the businesses are doing well and repaying their loans, one business has completely repaid their loan and had great successes with their business.

Since 2009, Rural Development has also awarded more than \$1.95 million in single family housing loan and repair funds to Clinton and DeWitt County homeowners.



Photo credit: USDA Rural Development

March

A Framework for Success

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>Looking forward to the future... photo taken during the construction of the DeWitt - Piatt Bi-County Heath Department.</i>		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
DAYLIGHT SAVINGS TIME BEGINS						
20	21	22	23	24	25	26
27	28	29	30	31		



Photo credit: USDA Rural Development

To be an attractive place to live and work, communities need businesses that provide essential services. That's one way Rural Development, through its work with intermediaries such as Champion Community Investments (CCI) of Du Quoin, contributes to community economic development.

For example, the Robin's Nest Learning Center in Carterville provides parents with daycare, before-and after-school and summer programs for children. Their start-up and expansion was funded through several rounds of investment with CCI. Another example is McPherson Automotive in Du Quoin, who worked with CCI for the first time in 2015 to expand their long-time business into rail truck service, and can now service more consumer vehicles.

In FY2015, Rural Development awarded \$1 million to the Champion Community Investment relending program. It is the most recent award to this intermediary that has become an increasingly important source of lending capital in the southern Illinois counties it serves.

- Since 2006, CCI has closed over 80 loans, mostly to southern Illinois small businesses.
- Starting with an initial \$94,000 Rural Development grant, CCI has received multiple infusions of lending capital from Rural Development for its Intermediary Relending Program (IRP).
- Additionally, CCI established a nationally recognized Rural Development Rural Micro-entrepreneur Assistance Program (RMAP) of \$1 million
- Now designated a Community Development Financial Institution (CDFI), CCI has also received funding from the Department of the Treasury, providing additional resources to create more lending programs.

April

A Flow of Capital for Business and Community Growth

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>Rex Duncan, Champion Community Investments (CCI) President of the Board of Directors, shakes hands with Paul McPherson, owner of McPherson Automotive, as McPherson's son works on a rail truck.</i>					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

Apartments are “home sweet home” for countless Illinoisans; from those who are beginning their careers and seeking independence to others who are retiring and seeking to downsize. Affordable multi-family housing is also a valuable component of community economic development, ensuring adequate housing to meet the workforce needs of existing and future businesses. USDA Rural Development is a financial partner in nearly 550 affordable multi-family housing apartment communities throughout rural Illinois.

Another partner is the Rural Rental Housing Association of Illinois, who works with USDA Rural Development, management agents, and other government agencies to improve the quality of life for rural residents across Illinois through industry updates and training opportunities. In 2015, our Agency recognized the following individuals for their valuable contributions making USDA multi-family programs successful:

- Business Manager and Site Manager, Brian Telander received the Rural Development 2015 Site Manager of the Year Award. Brian has managed East Elm Apartments, Inc. of Canton, IL, which is a not-for-profit faith-based organization formed in 1980 by area churches to provide affordable elderly housing.
- Sam Bradshaw with Shawnee Enterprises received the Rural Development 2015 Maintenance Person of the Year Award. Shawnee manages affordable properties financed by USDA in Anna, Benton, Cairo, Carmi, Centralia, DuQuoin, Energy, Harrisburg, Herrin, Metropolis, Marion, Salem, and West Frankfort.



Photo courtesy of Shawnee Enterprises

May

Housing to Meet Workforce Needs

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
8 MOTHER'S DAY	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30 MEMORIAL DAY FEDERAL HOLIDAY	31	<i>Crestwood Estates, one of the Shawnee Enterprises multi-family housing units.</i>			



Photo credit: USDA Rural Development

Community economic development includes attracting and retaining homeowners. Home ownership provides a strong foundation to help build household wealth, start a business or fund education through home equity – impacts that benefit the family, their community and our entire society. Rural Development works closely with Realtors® and local lenders, helping families achieve home ownership through programs that get them into a home, and programs that help them stay there.

In FY2015, Rural Development helped 3,680 families either purchase their home or refinance into an affordable loan; and assisted 335 homeowners with repairs so they could remain in their home. Behind every number are real people, real families and real stories of challenge and success.

Rural Development can help through the following programs:

- Direct loans for lower income applicants can help reduce the effective interest rate to as low as one percent.
- Loan guarantees for moderate income applicants can help obtain a fixed rate mortgage with no down payment.
- Repair loans are available to help rural residents make improvements or repairs – from roofing and siding to heating and cooling to health and safety issues such as accessibility, wiring or plumbing. Repair grants are available to homeowners who are 62 and older when they cannot afford to repay a one percent interest rate loan.

June

Strengthening the Foundation of Home Ownership

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>When her front porch was sinking and unsafe to use, Karen was able to obtain an affordable loan from Rural Development to make repairs.</i>			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
FATHER'S DAY						
26	27	28	29	30		



Photo credit: USDA Rural Development

Access to quality medical care is a priority for Rural Development in its efforts to improve the rural quality of life. Healthcare is a priority shared with communities as they seek to attract businesses, companies as they seek to attract workforce and individuals as they seek their place to live and work.

A \$488,364 Delta Health Care Services Grant from USDA Rural Development was awarded in FY2015 to Southern Illinois Healthcare (SIH), who will work with additional hospitals and health care organizations to create a Southern Illinois telemedicine initiative. The funds will allow SIH to purchase equipment and make physical upgrades for a peer-to-peer network. The network will initially connect six rural hospitals, including three critical access hospitals, to improve the accessibility and quality of patient care. Participating organizations will be able to deliver education, perform diagnosis or prescribe medicine between remote locations via

telecommunications in "real time."

The initial work will involve bringing advanced stroke diagnosis and treatment to each of the organizations in the telehealth network and simultaneously create structure for additional significant needs in a variety of specialties ranging from fetal ultrasound to behavioral health.

Community economic development recognizes that beyond the familiar infrastructure of electricity, broadband is an equally important technological infrastructure that rural communities need to remain successful and competitive. Ensuring rural access to connectivity, distance learning and telemedicine represents increased opportunity for healthy residents and an educated workforce.

July

Healthcare is a Rural Priority

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>A demonstration at Herrin Hospital of immediate stroke diagnosis and treatment using telemedicine shows how this technology is improving accessibility and quality of patient care.</i>					1	2
3	4 <small>INDEPENDENCE DAY FEDERAL HOLIDAY</small>	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24 31	25	26	27	28	29	30



Photo courtesy of EJ Water

Drinking water and waste disposal are essential to basic community infrastructure, and Rural Development has a variety of loan and grant programs to ensure that need – along with technical assistance and training – is met.

Rural Development can also help when the basic infrastructure needs to be enhanced as part of community economic development. For example Pinnacle Foods, one of the major employers in St. Elmo, wanted to expand their existing plant to produce another line of product. The expansion was expected to generate nearly 90 jobs – and a significant increase in water demand. That increase was greater than St. Elmo and its supplier, Fayette Water Company,

could generate.

However, EJ Water has a plant relatively close to St. Elmo and agreed to an interconnect with Fayette Water Company in order to meet the need of the manufacturing expansion. Rural Development provided nearly \$1.28 million in loans and \$427,000 in grants to finance the water lines from EJ Water to Fayette Water and from Fayette Water to St. Elmo and Pinnacle Foods.

The new partnership was celebrated with toasts and a ribbon cutting – and a reminder that working together can accomplish what cannot be done alone.

August

Water: Beyond the Basics

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31	<i>Celebrating a new partnership and new opportunities.</i>		



Photo courtesy of the Great River Economic Development Foundation

The Tri-State area of Western Illinois, Northeast Missouri and Southeast Iowa learned the importance of working relationships, even beyond state boundaries, when the 1993 flooding on the Mississippi River wreaked havoc in the Midwest and threatened the common transportation network that was their economic lifeline. That shared crisis was the catalyst for the first Tri-State Development Summit, focusing on economic development based on additional shared elements: a common workforce, area educational and healthcare facilities and exchanging of goods and services.

In acknowledgement of the Tri-State regional approach to creating economic opportunity and job creation in rural communities, the United States Department of Agriculture designated the Tri-State area as a Great Region. The designation encourages the development of projects that could have a regional impact, enhancing partnerships and increasing economic development in the area. And, when seeking

USDA grants, the designation adds additional points on Rural Development project applications from participating areas in the region.

That designation paid dividends when The Great River Economic Development Foundation (GREDF) was awarded a \$58,900 Rural Business Development Grant (RBDG) to provide technical assistance to small businesses throughout Adams, Brown, Pike and Schuyler counties. The assistance includes business counseling, business plan development and review, financial analysis and planning, marketing analysis, sponsoring training events and hosting forums and workshops. In FY2015, 16 new jobs were created by businesses in these four counties who received these services.

September

Multiplying Opportunity and Dividing Risk

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>Originally an annual networking and education event started by a committee of five, the Summit has evolved into an ongoing economic development initiative now serving over 600,000 people throughout 35 counties.</i>				1	2	3
4	5 <small>LABOR DAY FEDERAL HOLIDAY</small>	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

Cooperatives play an important role in community economic development, whether it is a large business with hundreds of millions of dollars in sales or a small, grassroots effort organized to meet a need in its community. Cooperatives are key to providing needed services, creating jobs and generating capital investment in rural areas.

In FY2015, USDA Rural Development awarded a \$200,000 Rural Cooperative Development Grant (RCDG) to the Illinois Cooperative Development Center (ICDC), part of the Illinois Institute for Rural Affairs at Western Illinois University. The grant allows the ICDC to help start and retain cooperatives and other community-owned businesses in Illinois. In testament to their spirit of partnership, cooperatives often go on to help each other.

For example, both the Macomb Food Cooperative and McDonough Telephone Cooperative have worked with ICDC to succeed and better serve their member-owners. Now, McDonough Telephone is assisting the start-up of Macomb Food Co-op by providing a building for their online local food marketplace – and demonstrating the economic development snowball effect of technical assistance.

Norris Electric Cooperative is using another Rural Development program to contribute to economic development. They will be relending a \$102,845 Rural Economic Development Loan (REDL) to Ag Underground to construct an office and warehouse for its seed and chemical sales business – allowing the establishment of a new business in Cumberland County and helping local agricultural producers with their production and growth.



Photo courtesy of Western Illinois University

October

Cooperatives Support Community

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>Enjoying the selection at the Macomb Food Co-op.</i>						1
2	3	4	5	6	7	8
9	10 <small>COLUMBUS DAY FEDERAL HOLIDAY</small>	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					



Photo courtesy of Rustic Road Farm

Local and regional food is a pillar of USDA's work to help revitalize the rural economy and create jobs. A strong local or regional food system may require cold storage, an aggregation hub or coop, processing facilities, local distribution and cold chain networks, and retailers interested in selling local products – all within a specific region. Every link in the local and regional supply chain is an opportunity for job creation and community economic development; and USDA has programs that can support every link in the chain.

The Value Added Producer Grant (VAPG) is one of the most popular Rural Development programs used to support local foods. For example, Rustic Road Farm in Elburn began operations using a Community Supported Agriculture (CSA) model. Their 12-acre farm grows organic produce, heirloom pigs and goats and produces organic honey and organic eggs. In FY2015, the farm was awarded a \$141,079 VAPG to expand production and markets.

USDA Rural Development in Illinois works closely with USDA Food & Nutrition Service (FNS), Illinois Farm Bureau and other partners throughout the state to provide opportunities for increased education and interaction between those already involved in local foods, those who are seeking to participate and various funding sources. Established forums, such as the "Know Your Farmer Know Your Food" series held for the last four years in Chicago, are being joined by new conferences such as the March 2015 "Opportunities in Local & Regional Food" held in Godfrey in March 2015.

November

Local and Regional Foods

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>Local foods take fresh and healthy to a whole new level.</i>		1	2	3	4	5
6 <small>DAYLIGHT SAVINGS TIME ENDS</small>	7	8 <small>ELECTION DAY</small>	9	10	11 <small>VETERAN'S DAY FEDERAL HOLIDAY</small>	12
13	14	15	16	17	18	19
20	21	22	23	24 <small>THANKSGIVING DAY FEDERAL HOLIDAY</small>	25	26
27	28	29	30			



Photo courtesy of Jo-Carroll Energy

The term “bioeconomy” is a popular phrase used broadly in today’s energy conversation – and the bioeconomy creates jobs, particularly in rural areas.

USDA Secretary Tom Vilsack said, “When you combine traditional uses of crops and the new bio-economy -- where it’s not just foods and fuels, but plastics, chemicals, fabrics and fibers-- it is an amazingly optimistic future, and it is one we have to make for our young people.” USDA Rural Development has multiple programs to help rural businesses start up or expand their production of biobased products.

Rural Development also creates economic development opportunities for rural businesses by supporting renewable energy such as small and large

scale solar projects. Through the Rural Energy for America Program (REAP), individual farmers and rural business owners are able to decrease their energy expense, which allows them to increase their earnings. In FY2015, Rural Development in Illinois invested more than \$1.6 million to support energy projects through REAP.

A larger-scale example is the \$89,125 REAP grant to Jo-Carroll Energy for a community-solar project under Four County Renewable Energy, LLC. The project will result in the generation of 176,600 kwh, which equates to the amount of electricity it takes to power 16 homes.

December

An Amazingly Optimistic Future

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
<i>The South View Solar Farm, a community solar farm located at the Jo-Carroll Energy headquarters in Elizabeth.</i>				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
CHRISTMAS DAY	CHRISTMAS DAY (OBSERVED) FEDERAL HOLIDAY					NEW YEAR'S EVE



**United States
Department of
Agriculture**

Program Summary

Rural Development *in Illinois*

HOUSING PROGRAMS: Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to intermediary (approved banks, mortgage companies)

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Single Family Housing Direct Loans (502)	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 35,000 or less.	Direct loan	Up to 100% of market value or cost, whichever is less. Loan term of 33/38 years, fixed rate. Applicant may be eligible for payment assistance (subsidy) on the loan.
Single Family Housing Guaranteed Loans (502)	Assist moderate-income applicants / households 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 35,000 or less.	Loan guarantee	30 year, fixed rate. Interest rate negotiated between lender and borrower. Loans up to 100% of market value plus a guarantee fee.
Single Family Housing Direct Repair Loans and Grants (504)	Help very low-income homeowners remove health and safety hazards or repair their homes.	Families and individuals who currently own their home.	Repair or replace roof, winterizing, purchase or repair heating system, structural repair, and water, sewage connect fees, etc.	Rural areas with populations of 35,000 or less.	Direct loan and grant	Loans up to 20 years at 1%; may not exceed \$20,000. Grants up to \$7500 only available to very-low-income applicants 62 or older unable to pay 1% loan.
Self-Help Technical Assistance Housing Grants (523)	Assist lower-income families in building their own homes.	Non-profits and public bodies.	Technical assistance to qualify and supervise small groups of families to build each other's homes.	Rural areas with populations of 35,000 or less.	Grant	Two year grant agreement. Homeowners must provide 65% of the necessary labor.
Rural Rental Housing Direct Loans (515)	Safe, well-built, affordable rental housing for very-low, low and moderate income individuals and families.	Individuals, trusts, associations, limited partnerships, for-profit and non-profit organizations, tribes, public bodies.	New construction or substantial rehabilitation of rental housing.	Rural areas with populations of 35,000 or less.	Direct loan; rental assistance	Non-profit up to 100% of total development cost; for-profit up to 97%. (30-year term with up to 50 year amortization.) For-profit organizations with Low-Income Housing Tax Credits: 95% of total development costs.
Rural Rental Housing Guaranteed Loans (538)	Provide 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 35,000 or less.	Loan guarantee	For-profit loan guarantees up to 90% of the principal. Repayment: 25 to 40 year fixed rates.
Housing Preservation Grants (533)	Repair and rehabilitate housing owned or occupied by very-low and low-income rural families.	Non-profits and public bodies.	Operation of a program which finances repair and rehabilitation activities for single family and small rental properties.	Rural areas with populations of 35,000 or less.	Grant	Two year grant agreement.
Farm Labor Housing Loans and Grants (514 & 516)	Safe, well-built affordable rental housing for farm workers.	Public and private non-for-profit (NFP) organizations, farm owners, farm partnerships, farm corporations and LLCs.	New construction or substantial rehabilitation of housing for farm workers and agricultural processing workers.	No population restriction.	Direct loan, grant	Loans up to 102% of total development cost at 1% for up to 33 years. Grants to NFPs for up to 90% of total development cost. Resident farm workers and processing workers must be permanent residents or US citizens.

BUSINESS PROGRAMS: Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to intermediary (approved lenders)

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Business and Industry Guaranteed Loans (B&I)	Create jobs and stimulate rural economies by providing financial backing for rural businesses.	Businesses apply through Federal or State chartered banks, credit unions, savings & loan associations.	Most legal business purposes except production agriculture. Uses include real estate, equipment, acquisition, start-up and expansion of businesses that create rural employment.	Any area or town that has a population of less than 50,000 inhabitants and/or is not contiguous to an urbanized area. Go to: http://eligibility.sc.egov.usda.gov Note: Exceptions to population criteria possible for local foods projects.	Loan guarantee	Lender and borrower negotiate terms. Variable interest rates must be tied to a published rate and may change no more often than quarterly.
Intermediary Relending Program Loans (IRP)	Capitalize revolving loan funds for the purpose of financing business facilities and community development projects in rural areas.	Public bodies, non-profit corporations, Native American tribes, and rural cooperatives. Apply to Rural Development.	Community development projects, establishment or expansion of businesses, creation or saving of rural jobs.	Any area or town that has a population of less than 50,000 inhabitants and/or is not contiguous to an urbanized area.	Direct loan	The intermediary makes loans to businesses from its revolving loan fund on terms consistent with security offered. Loan term to intermediary is 1% interest for 30 years.
Rural Business Development Grants (RBDG)	Finance and facilitate the development of small and emerging private business enterprises, and conduct economic development planning in rural areas.	Public bodies, private non-profit corporations, and federally recognized Native American tribal groups. Apply to Rural Development.	Buy and develop land, revolving loan funds, construct buildings, equipment, streets, parking areas, utility extensions, adult job training, rural distance learning networks, technical assistance, and economic development planning.	Same as above	Grant	Applicants must meet specific selection criteria. Grants are awarded on a competitive basis. There are no matching funds required for this program, though matching funds will improve competitive scoring.
Rural Economic Development Loans and Grants (REDLG)	Finance economic development and job creation in rural areas.	Electric and telephone utilities eligible for financing from the Rural Utilities Service Apply to Rural Development.	Promote rural economic development and/or job creation projects by financing private businesses or economic development projects.	Same as above	Direct loan and revolving loan fund grant	The intermediary (electric or telephone utility) makes loans to for-profit or non-profit businesses and public bodies for rural economic development and/or job creation projects. Loan term to intermediary is 0% interest for 10 years.
Rural Cooperative Development Grants (RCDG)	Establish & operate centers for cooperative development benefitting the economic condition of rural areas through the development of new & improvement of existing cooperatives.	Non-profit corporations and institutions of higher education. Apply directly to Rural Development.	To conduct feasibility studies, business plans, and applied research as well as provide training and other technical assistance to new and existing cooperatives and businesses.	Same as above	Grant	Applicants must meet specific selection criteria, including a minimum 25 percent fund match. Grants are awarded on a competitive basis.
Section 9007, Rural Energy for America Program (REAP)	Finance the purchase of renewable energy (RE) systems, make energy efficiency improvements (EEI), and provide energy audits and renewable energy development assistance.	Agricultural producers & rural small businesses for RE & EEI. Energy audit & renewable energy assistance applicants are public bodies, institutions of higher learning, rural electric co-ops & others. Apply directly to Rural Development.	Renewable energy projects, energy efficiency improvement projects, and energy audit & renewable energy development assistance.	Same as above Agricultural production projects may be located in urban areas as well as rural areas.	Loan guarantee and grant	Applicants must meet specific selection criteria. Loans cannot exceed 75 percent of eligible project costs. Grants are awarded on a competitive basis. Grant cannot exceed 25 percent of eligible project costs.
Value-Added Producer Grants (VAPG)	Assist agricultural producers to enter into activities that add value to their commodities.	Independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures. Apply directly to Rural Development.	Planning purposes such as feasibility studies, business plans, or marketing analyses; or as working capital to help cover the post-harvest operating costs of a value-added venture.	No population restriction.	Grant	Applicants must meet specific selection criteria. 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.

COMMUNITY PROGRAMS: Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to Intermediary (approved lenders)

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
CF- Community Facilities Direct Loans and Grants	Improve, develop, or finance essential community facilities for rural communities.	Public bodies, non-profit organizations, and Federally recognized Indian tribes.	Construct, enlarge or otherwise improve essential community facilities, such as public safety, fire and rescue, telecommunications, early warning systems, schools, libraries, hospitals, other health care facilities, etc. May include furnishings, fixtures, equipment.	Rural area, communities with population of 20,000 or less. Facilities must primarily serve rural residents.	Direct loan, loan guarantee, grant	Direct - up to 100% of market value. Term is useful life of facility or equipment, State statute or 40 years. Grant - maximum 75% of project cost. <u>Guarantee</u> - up to 90% of lender's total loan to the borrower; rate set by lender; useful life not to exceed 40 years.
GCF Guaranteed Community Facilities Loans	Guarantee CF loans made by private lenders	Grant eligibility based on income, population and need.				
RCDI- Rural Community Development Initiative	Help recipients develop the capacity to undertake housing, community facility or economic development projects.	Private, non-profit, philanthropic or public organizations (legally organized for at least 3 years) with experience working with non-profit organizations and low-income communities.	Grants of \$50,000 to \$300,000 to work with an Intermediary providing technical and financial assistance to develop the capacity and ability of the awardees to carry out needed projects.	All areas with less than 50,000 residents and not contiguous or adjacent to an urban area.	Grant	Grants are awarded on a competitive basis. Three year grant agreement; matching funds required.
ECWAG - Emergency Community Water Assistance Grants	Help eligible communities prepare for, or recover from, an emergency threatening the availability of safe, reliable drinking water	Most State and local governmental entities, non-profit organizations, Federally recognized tribes.	Construction of waterline extensions, repairs to breaks or leaks in existing water distribution lines and related maintenance. Construction of a new water source, intake and/or treatment facility.	Rural areas, towns and tribal lands with population of 10,000 or fewer, and qualifying median household income.	Grant	Water transmission line grants up to \$150,000. Water source grants up to \$500,000.
Water and Waste Disposal Loans, Grants & Guarantees	Provide clean, reliable drinking water and wastewater infrastructure for rural areas.	Public entities, special purpose districts, non-profit corporations and Indian tribes.	Build, repair, and improve public water, waste collection and treatment systems, and related costs.	Rural areas, cities and towns with population up to 10,000.	Direct loan; grant; loan guarantee	Low, fixed interest rates. Direct repayment - up to 40 years. Grant funds may be available. Guarantees up to 90% available to eligible lenders.
PPG- Predevelopment Planning Grants	Pay costs associated with developing an RD application for a proposed water or wastewater project.	Public entities and non-profit corporations.	Predevelopment costs, (e.g., preliminary engineering and environmental report)	PPG - Rural areas with population of 10,000 or less.	Grant	Median household income in the service area must be less than \$46,748. PPG - Grants up to \$30,000 or 75 percent of the project costs, SEARCH - Grants available up to 100% of eligible costs; \$30,000 maximum grant.
SEARCH- Special Evaluation Assistance for Rural Communities and Households			SEARCH uses include studies (PER, environmental) preliminary design and technical assistance.	SEARCH - Rural areas with population of 2,500 or less.		
SWMG- Solid Waste Management Grants	Reduce or eliminate pollution of water resources and improve solid waste sites.	Public bodies, private non-profit organizations, academic institutions, Indian tribes.	Provide technical assistance and training, improve planning and management of solid waste facilities for those operating active landfills.	Rural areas, cities and towns up to 10,000 population.	Grant	Projects are funded based on selection at the National level. Applications accepted year-round.
HWWS- Household Water Well System Grant	Ensure safe drinking water is available from individually-owned water wells in rural areas	Private non-profit organizations.	Establish / operate a revolving loan program that provides low-interest loans to eligible individuals to construct, refurbish and service the individuals' water well systems.	All areas except cities of more than 50,000 and their contiguous and adjacent areas.	Grant	Organizations must contribute at least 10% of the grant to capitalize the funds. Individuals may receive loans up to \$11,000 at 1% for 20 years. Cannot be used for sewer or septic systems.
DLT- Distance Learning and Telemedicine	Provide advanced telecommunication services to rural areas to improve education and health care delivery.	Incorporated entities (including cities, for-profit and non-profit entities) that operate rural schools, libraries, health care clinics and other educational or health care facilities.	End-user equipment that delivers distance learning and telemedicine services, (e.g., cameras, video monitors, computers and LAN, medical records programs, teleradiology.)	Rural areas outside incorporated or unincorporated cities with population of 20,000 or less.	Grant	Awards range from \$50,000 to \$500,000. A minimum of 15% matching funds is required.
Community Connect	Provide public access to broadband in otherwise unserved areas to benefit public safety and economic growth.	Public bodies, non-profit, for-profit and cooperative organizations, tribes. Apply directly to RD National Office.	Construct, acquire, or lease facilities to deploy broadband transmission services; and to improve, expand, construct or acquire a community center offering free public access to broadband for 2 years.	Rural areas with population of 20,000 or less.	Grant	Grants awarded on a competitive basis annually; minimum 15% matching contribution required; minimum award \$100,000; maximum \$3 million.
Rural Broadband Direct Loans	Bring broadband service to unserved and underserved communities.	Non-profit or for-profit organizations, cooperatives, state or local units of government, Indian tribes seeking to provide broadband services in rural areas.	Finance the construction, improvement and acquisition of facilities and equipment, land and buildings used to provide broadband service in eligible communities.	Eligible rural communities with population of 20,000 or less.	Direct loan	Refer to the new rules, when available, for loan terms and conditions.

Rural Development Program Purposes

	Land & Bldgs.	Mach. & Equip.	Working Capital	Infrastructure	Tech. Asst./Train.
Rural Housing 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	+			+	
Rural Business and Cooperative Programs					
Business and Industry Loan Guarantees	+	+	+	+	
Intermediary Relending Program Loans	+	+	+		
Rural Business Development Grants	+	+	+	+	+
Rural Economic Development Loans and Grants	+	+	+	+	+
Rural Cooperative Development Grants				+	+
Rural Energy for America Program Loan Guarantees/Grants	+	+		+	+
Value-Added Producer Grant			+	+	+
Community Facility and Rural Utilities Service Programs					
Community Facilities Direct Loans, Loan Guarantees, Grants*	+	+	+	+	
Rural Community Development Initiative					+
Water and Waste Disposal Direct Loans, Loan Guar., Grants	+	+		+	
Solid Waste Management Grants					+
Distance Learning and Telemedicine Loans/Grants		+		+	
Community Connect Grants	+	+	+	+	
Rural Broadband Direct Loans and Loan Guarantees	+			+	

* Initial operating expenses are eligible in conjunction with the financing of an eligible community facility project. However, grant funds may not be used to fund initial operating expenses.

Contact Information

Contact any USDA Rural Development office for more information about the agency's funding opportunities.

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