



United States Department of Agriculture



USDA Rural Development Kentucky

2014 Progress Report

Rural Development Leadership



“Will we accept an economy where only a few of us do spectacularly well? Or will we build an economy where everyone who works hard has a chance to get ahead? ... This country does best when everyone gets their fair shot, everyone does their fair share, and everyone plays by the same set of rules.”

-- President Barack Obama, January 2015.

President Barack Obama’s statement about equality and opportunity for all captures the purpose for USDA Rural Development. To make good on this vision, the President and Secretary Vilsack have charged our Mission Area with investing in rural communities and ensuring rural Americans have the opportunity to climb the economic ladder. I am proud to lead a Mission Area dedicated to leveraging the strengths of rural areas, building new markets to increase regional competitiveness, and expanding investment opportunities that create prosperous, sustainable communities.

With a total portfolio of more than \$200 billion and investments upwards of \$28 billion in 2014 alone, Rural Development is making lasting investments in rural communities. The Mission Area has a tremendous set of business, utilities, housing, and community development programs designed to ensure that rural Americans have access to safe, affordable homes and community facilities, jobs and business capital, and the benefits of drinking water, broadband, electricity and other essential services.

While the national economy is growing at a good pace, in rural America there remains a vital need for access to capital as well as for strong federal, state, local, and private sector partnerships. Rural Development is responding to that need with our portfolio of loans, loan guarantees, grants,

and a network of dedicated field staff that spans more than 400 offices across the country. The Obama Administration is committed to ensuring that rural communities are economically strong, sound and sustainable. Through Initiatives such as the StrikeForce for Rural Growth and Opportunity and Promise Zones, Rural Development is working with partners across USDA and across government to ensure federal support is directed to high-need areas, coordinated, and responsive to locally-identified community needs. The inter-agency Manufacturing Communities Partnership and The Made in Rural America Initiative along with USDA wide efforts around the bioeconomy and Know Your Farmer, Know Your Food build on economic opportunities that rural America is well suited to advance including agriculture, energy, and manufacturing. There are stories of Rural Development investments changing lives in every state. In my time as Under Secretary, I’ve had the opportunity to see some of them first-hand and to listen to the stories of the people who have become homeowners, accessed the Internet, and expanded their businesses because of the investments that USDA Rural Development provided.

Rural Development investments are informed by local priorities, focused on building economic growth and opportunity, and dedicated to making lasting impacts both in rural America and for our overall economy.

On behalf of USDA Rural Development, I look forward to continuing our mission and supporting investments that create economic prosperity and opportunity for rural Americans in the months and years to come.

Sincerely,

Lisa Mensah

Under Secretary of Agriculture
USDA Rural Development



I would like to share with you the Fiscal Year 2014 Annual Report for USDA Rural Development in Kentucky, which reflects a very successful year and highlights projects that are improving the lives of rural Kentuckians in communities across the Commonwealth.

This administration has long believed that “strong rural communities are

key to a stronger America” and that belief is the driving force behind Rural Development investment in communities across the Commonwealth. Last year, Rural Development invested more than \$832 million for a variety of Kentucky projects in the mission areas of housing, business, utilities and community facilities. USDA investment in these projects will have tremendous impact on the lives of rural residents

by creating opportunities for economic and community growth. Each day, Rural Development staff work hard to administer and deliver a multitude of programs that help provide people and communities access to essential community facilities such as hospitals, first responders and libraries, as well as home ownership opportunities, quality water and wastewater treatment systems and business development. We are equally proud that Rural Development has successfully utilized public-private partnerships to leverage its resources to create jobs, increase economic security, expand educational opportunities, increase access to quality, affordable housing and improve public safety.

Sincerely,

Thomas G. Fern

Kentucky State Director, USDA Rural Development

About USDA Rural Development



Investing in the Future of Rural Kentucky Communities

Rural Development is committed to helping improve the economy and quality of life in rural America. Through our programs, we help rural Americans in many ways. We offer loans, grants and loan guarantees to support essential services such as housing, economic development, health care, first responder services and equipment, and water, electric and communications infrastructure.

We promote economic development by supporting loans to businesses through banks, credit unions and community-managed lending pools. We offer technical assistance and information to help agricultural producers and cooperatives get started and improve the effectiveness of their operations. We provide technical assistance to help communities undertake community empowerment programs. We help rural residents buy or rent safe, affordable housing and make health and safety repairs to their homes. Now and in the future, prosperity in rural America depends on ensuring that residents have a wide range of economic opportunities.

Rural America’s historic strengths, agriculture and forestry, will continue as one part of the picture. Rural Development works to make sure that rural citizens can participate fully in the global economy – with technical assistance and programs that help rural Americans build strong economies to improve their quality of life. The more than 40 Rural Development programs from across the mission area are implemented at the local and national level through a network made up of one national office, 47 state offices, and nearly 450 regional and local offices, as well as a Centralized Service Center. In Kentucky in 2014, USDA Rural Development invested nearly \$796 million in loans and \$36.4 million in grants for a total of \$832.3 million.

Mission & History

To assist the country in addressing today’s challenges, Rural Development operates as a catalyst to impact the success of the Department’s lead goal: Assist rural communities to create prosperity so they are self-sustaining, re-populating, and economically thriving.

USDA Investments in KY

4,823 loans for \$795.9M
362 grants for \$36.4M

Business:

- Intermediary Relending Program – \$500,000
- Business and Industry Loan Guarantees – \$28.8M
- Value Added Producer Grants – \$212,065
- Rural Business Enterprise Grants – \$919,918
- Rural Microentrepreneur Assistance Program – \$1.03M
- Rural Energy for America Program – \$329,334
- Rural Cooperative Development Grants – \$200,000
- Other grants – \$1M

Utilities/Community Facilities:

- ♦ Water and Environmental – 52 loans/grants for \$76M
- ♦ Community Facilities – 37 loans/grants for \$73M
- ♦ Distance Learning and Telemedicine Grants – \$259,607
- ♦ Public TV Grants – \$656,750
- ♦ Distribution Loans – \$94.94M
- ♦ Other grants – \$341,037

Single-Family Housing:

- 287 Direct Loans – \$25.8M
- 4,254 Guaranteed Loans – \$492.9M
- 476 Repair Loans/Grants – \$2.78M

Multi-Family Housing:

- Housing Preservation Grants – \$106,330
- Rental Assistance – \$21.4M
- Preservation and Revitalization – \$3.2M
- Tenant Vouchers – \$138,228

Success Stories

USDA Helping University of Pikeville build Kentucky's First College of Optometry

"Here we grow again."

City leaders in Pikeville, Ky., are very fond of this expression, and with construction set to begin on another multi-million project in the downtown area, it is apropos for them to begin using it again.

Thanks to a \$40 million direct loan through USDA's Community Facilities program in 2014 and funding from other public and private partners, the University of Pikeville – referred to as UPike – announced plans to build a 7-story Health Professions Education Building.

The new state-of-the-art facility will house Kentucky's first-ever College of Optometry, as well as a nursing facility with labs, lecture halls and a food court. The project is part of a strategic plan to upgrade the comprehensive educational needs of Central Appalachia – specifically Eastern Kentucky – and meet the growing demand for optometrists.

The new education building is one of many projects USDA has helped finance in Pike County in the past few years. Thanks to additional funding provided by the American Recovery and Reinvestment Act of 2009, USDA provided a \$32 million to UPike for a new School of Osteopathic Medicine. The medical school is now fully operational and accepted its first group of students last year.

UPike is located in Pike County, which is part of the USDA StrikeForce Initiative for Rural Growth and Opportunity. This Community Facilities project is one of many being highlighted by the SOAR initiative (Shaping Our Appalachian Region), a collaborative effort of U.S. Rep. Hal Rogers and Kentucky Gov. Steve Beshear to boost Eastern Kentucky's economic development.



Eastern Kentucky Community Feeding Kids and Helping Farmers

August 2014 marked the 15th annual National Farmers Market Week and USDA celebrated the achievements of the more than 8,700 markets across the county. In rural eastern Kentucky, over the summer, a remarkable thing happened in the small community of Whitesburg. Local, state and federal officials all worked together to create the first-ever USDA "Summer Feeding Site" for children to be held at a local farmers market in Kentucky. The Summer Feeding Site project launched in Whitesburg is part of USDA's Summer Food Service Program that provides free meals to children from low-income households. Over the summer break, many of these kids and teens are in danger of not eating properly or going hungry because they don't have access to school meals. Children participating in Whitesburg's Summer Feeding Site program enjoyed healthy meals like breakfast wraps, fresh eggs and fruit smoothies that were served from a mobile kitchen donated by the Mountain Shrine Club. Local growers provided most of the food items for the meals. Letcher County is a persistent poverty county in the Appalachian region where residents are at higher risk for health concerns such as obesity, and approximately 60 percent of children are eligible for free or reduced price school lunches. The county is one of the areas targeted for assistance through USDA's StrikeForce for Rural Growth and Opportunity Initiative to combat the effects of rural poverty. It is also part of the Obama Administration's Promise Zone Initiative to increase Federal investments in economically distressed regions. USDA Rural Development partnered with a variety of public and private local, state and federal agencies to help fund and start the new summer meals program in Whitesburg.

Success Stories

Caverna Unveils New Medical Facility

Residents of Horse Cave had been waiting nearly a year for the opening of a new medical clinic that will provide expanded healthcare access to the many rural communities in Hart County. In May 2014, that dream was realized and the public turned out in force to highlight the grand opening of the new facility. The area's primary medical facility, Caverna Memorial Hospital, was built in 1967 and serves as a 25-bed Critical Access Hospital with two provider-based rural health clinics. One of Caverna's secondary clinics was housed in out-of-date rental space in the local community. The new clinic will replace that facility and contains significantly more space that should enable the hospital to increase physician practice revenues by more than 30 percent. In addition to the new clinic, the hospital will be able to increase other patient services, including implementation of a new prescription discount program and the offering of outpatient senior psychiatric services.



USDA Assists Casey County, City of Liberty with the Purchase of New Police Cruisers

Through its Community Facilities Program, Rural Development awarded a grant for \$36,196 to the city of Liberty for the purchase two new 2014 Dodge Charger police pursuit vehicles. Rural Development also awarded the Casey County Fiscal Court a Community Facilities grant for \$17,784 used to purchase a new 2014 Ford Police Interceptor vehicle for the sheriff's department in order to provide efficient and effective emergency and protection services to the residents of Casey County.



Norton Healthcare Receives Distance Learning and Telemedicine Grant

Norton Healthcare received \$241,951 through USDA's Distance Learning and Telemedicine (DLT) Program for the purchase of telemedicine equipment that will connect two rural Kentucky hospitals and one Indiana hospital with specialists from Norton Healthcare's five hospitals in Louisville. The hospitals are: Breckinridge Health in Hardinsburg, Kentucky; Westlake Regional Hospital in Columbia, Kentucky; and Scott Memorial Hospital in Scottsburg, Indiana. The DLT program delivers educational and medical opportunities that are urgently needed in remote, rural areas. These funds will ensure that residents of rural Kentucky and Southern Indiana have access to the same medical care that is available to residents in larger cities.



Special Initiatives



Agriculture Secretary Tom Vilsack visits Kentucky in January 2014 to announce USDA's Strikeforce for Rural Growth and Opportunity Initiative.

StrikeForce for Rural Growth and Opportunity

USDA's StrikeForce initiative supports rural counties suffering from persistent poverty through coordinated efforts that promote economic development. Through StrikeForce, USDA is leveraging resources and collaborating with more than 100 community organizations, businesses, foundations, universities and other groups to support more than 7,400 projects with more than \$500 million in USDA investments in rural Kentucky. USDA StrikeForce teams are actively rebuilding rural economies in 880 counties in 21 states and Puerto Rico.

In FY 2014, USDA Rural Development created, saved or retained more than 3,500 jobs in StrikeForce areas. For instance, the agency provided Superior Battery, a locally owned and operated manufacturer located in Russell Springs, Ky., with a \$10 million Business and Industry program loan guarantee in partnership with local lender Community Trust Bank. Superior Battery is using the funds to make its manufacturing processes more efficient to ensure that the company stays competitive, in an industry where hundreds of other battery manufacturers have gone out of business. Superior Battery's improvements are helping the firm save money and increase profits.

Made in Rural America Initiative

In February 2014, President Obama launched a new "Made in Rural America" initiative to help rural businesses and leaders take advantage of emerging investment opportunities, new customers and markets outside the U.S. by promoting rural-produced goods and services. RBS played a major role in helping Agriculture Secretary Tom

Vilsack carry out the initiative's objectives in 2014.

During the year, USDA and RBS hosted a series of regional forums with partners such as the National Association of Counties, the Delta Regional Authority and the Appalachian Regional Commission.

USDA and RBS officials informed rural business owners and community leaders about this new initiative and Federal resources that can increase rural business activity.

In October, USDA released a Made in Rural America report highlighting rural business, manufacturing and infrastructure development investments in each state.

Promise Zones

In January 2014, Southeastern Kentucky was named the nation's first rural Promise Zone by President Obama, and joined San Antonio, Philadelphia, Los Angeles, and the Choctaw Nation of Oklahoma as the first five Promise Zone designees. Each Zone put forward a plan on how each zone will partner with local business and community leaders to make investments that reward hard work and expand opportunity. President Obama announced the initiative to create a better bargain for the middle class partners businesses with hard-hit local communities to put people back to work and increase opportunity. Each Zone was asked to identify clear goals to revitalize their communities with a focus on creating jobs, increasing economic activity, improving access to education opportunities and quality, affordable housing, and reducing violent crime. Investing in and rebuilding hard-hit communities are important parts of the President's plan to restore the basic bargain at the heart of the American story.

Rural Housing Service



Glen Abbey Crossing in Dawson Springs highlights completion of a rehabilitation of a multi-family housing property with assistance from USDA's Rural Rental Housing program.

USDA's Rural Housing Service offers a variety of programs to build or improve housing and essential community facilities in rural areas. We and our partners are working together to ensure that rural America continues to be a great place to live, work and raise a family.

Single-Family Housing Programs

USDA's Single-Family Housing Programs provide direct loans or loan guarantees to help low- and moderate-income rural Americans buy safe, affordable housing in rural areas. USDA also offers loans and grants to help rural residents make health and safety repairs to homes.

Single-Family Housing Investments

In FY 2014, RHS helped more than 5,017 Kentucky families with modest, low and very low incomes buy or repair their homes through its direct and guaranteed single-family housing loan programs, including more than 287 low and very-low-income borrowers. More than 287 Kentucky families received affordable home loans through the Single-Family Housing Direct Loan Program, which awarded more than \$25.8 million during the fiscal year.

Nearly 18 Kentucky families helped to construct their own homes through the Mutual Self-Help Housing Program, one of RHS's single-family housing programs. Under this program, groups of families work together to build homes for one another, with guidance from a qualified construction supervisor. Their labor helps to reduce the overall cost of each participant's mortgage loan. The 18 families that participated in self-help housing projects in 2014 each built

about \$25,000 in equity in their brand-new homes.

Additionally, nearly 476 rural homeowners in Kentucky were able to repair their homes in 2014 through RHS's Single-Family Housing Repair Loan and Grant Program. The agency provided more than \$1.58 million in grants to help 251 very-low-income, elderly rural residents remove health and safety hazards from their homes. Through the Guaranteed Single-Family Housing Loan Program, RHS guarantees home loans made by private-sector lenders for rural families with moderate incomes. In 2014, the agency helped nearly 4,254 individuals and families in Kentucky become homeowners through the program, providing nearly \$493 million in loan guarantees.

Multi-Family Housing Programs

USDA's Multi-Family Housing Programs offer loans to provide affordable rental housing for very-low-, low- and moderate-income residents, the elderly, and persons with disabilities. Funds also may be used to buy and improve land and to provide necessary facilities such as water and waste disposal systems. In addition, USDA offers rental assistance to help eligible rural residents with their monthly rental costs.

Multi-Family Housing Investments

RHS' multi-family housing staff processed and oversaw more than 521 rental assistance payments that benefited rural residents totaling more than \$21.4 million. Kentucky staff also awarded more \$106,330 in Housing Preservation Grants, \$138,228 in tenant vouchers and oversaw nearly \$3.3 million for preservation and revitalization.

Rural Business-Cooperative Service



Superior Battery in Russell County was awarded a loan guaranteed through the Business and Industry Loan program.

USDA's Rural Business-Cooperative Service offers programs to support business development and job training opportunities for rural residents.

Our programs help provide the capital, technical support, educational opportunities and entrepreneurial skills that can help rural residents start and grow businesses or access jobs in agricultural markets and in the bio-based economy. USDA and our public and private partners are connecting rural residents to the global economy by:

- Supporting business growth and development;
- Facilitating sustainable renewable energy development;
- Developing regional food systems;
- Generating and retaining jobs through recreation and natural resource restoration, conservation, and management;
- Increasing access to broadband;

These investments support the nation's long-term prosperity by ensuring that rural communities are self-sustaining, repopulating and thriving economically.

Business Programs

Through its Business Programs, Rural Development helps provide much-needed capital in rural areas, often in partnership with private-sector lenders and community-based organizations. The capital may be in the form of loan guarantees, direct loans or grants to individuals, rural businesses, cooperatives, farmers and ranchers, public bodies, non-profit corporations, Native American Tribes and private companies. The funding is intended to help improve the quality of life in rural communities by enhancing economic opportunities.

Cooperative Programs

USDA's Cooperative Programs promote the understanding and use of the cooperative form of business. Cooperatives market and distribute agricultural products and supplies and provide other services such as electricity, telecommunications, credit and financial services, housing, food, hardware and building supplies.

USDA Rural Development helps rural residents form new cooperatives and improve the operations of existing ones through education, research, technical assistance, publications and funding. We collect financial and other data from farmer, rancher and fishery cooperatives every year. This data is published in several reports, including a listing of almost 1,500 marketing, supply, service, fishery and bargaining cooperatives.

Community Development Programs

USDA's Community Development Programs include programs, technical assistance and initiatives that help communities and regions to realize their strategic, long-term economic development goals.

Investing in Kentucky's Rural Communities

Last year, Rural Development invested more than \$33 million through the agency's Rural Business-Cooperative programs. For example, Superior Battery in Russell Springs received a \$10 million Business and Industry Guaranteed Loan through a local lender – Community Trust Bank – that made it possible for the company to finance efficiency improvements that are saving money, increasing profits and making it possible to save more than 160 jobs and create 25 new jobs. USDA's investment in Superior Battery is intended to help the company grow its business and improve the economic climate of the community.

Community Facilities



In August 2014, Hazard ARH Hospital highlighted completion of an expansion project that received funding through USDA's Community Facilities Program.

USDA's Community Facilities direct loans, guaranteed loans and grants to finance essential facilities in rural areas. Priority for funding is given for health care, education and public safety projects with a focus on communities that are small and high need.

Community Facilities assistance supports hospitals, health care clinics, schools, police and fire stations, food banks, community centers and many other community-based initiatives. The agency's Community Facilities program is a key part of Rural Development's overall community economic development efforts. In FY 2014, RHS helped hundreds of rural communities buy or build essential community facilities.

Agriculture Secretary Tom Vilsack has made access to quality

health care for rural Americans a top priority at USDA. Through the Community Facilities program, the agency helped provide health care services for nearly 4 million rural residents in FY 2014 in facilities ranging from mental health clinics to hospitals. The agency invested \$85 million for 34 rural mental health care projects in 23 states. In Kentucky last year, Rural Development awarded 12 loans and 25 grants, investing nearly \$73 million in rural communities across the Commonwealth. For example, the city of Somerset received a direct loan for \$850,000 to complete the construction of a new three-story building to house city administration departments and the police department, as well as a new energy center to manage the city's gas utility.

The Horse Cave Volunteer Fire Department was able to purchase a new brush truck with assistance from USDA's Community Facilities Program.



Rural Utilities Service



The city of Somerset in Pulaski County recently completed construction on a new water treatment, which was funded through USDA's Water and Environmental Program.

Rural Utilities Service

USDA's Rural Utilities Service (RUS) administers programs that provide much-needed infrastructure or infrastructure improvements to rural communities.

These include water and waste treatment, electric power and telecommunications services. All of these services play a critical role in helping to expand economic opportunities and improve the quality of life for rural residents. Utilities programs connect rural residents to the global economy by:

- Increasing access to broadband and 21st century telecommunications services;
- Funding sustainable renewable energy development and conservation;
- Financing reliable and affordable electric systems;
- Working to integrate electric smart grid technologies;
- Developing reliable and affordable rural water and wastewater systems.

These investments support the nation's long-term prosperity by ensuring that rural communities have the infrastructure to compete in the global economy.

Water and Environmental Programs (WEP)

WEP provides loans, grants and loan guarantees for drinking water, sanitary sewer, solid waste and storm drainage facilities in rural areas and cities and towns of 10,000 or less. Public bodies, non-profit organizations and recognized Indian

tribes may qualify for assistance. WEP also makes grants to non-profit organizations to provide technical assistance and training to help rural communities with their water, wastewater and solid waste problems.

Electric Programs

The Electric Program provides capital and leadership to maintain, expand, upgrade and modernize America's vast rural electric infrastructure. The loans and loan guarantees finance the construction or improvement of electric distribution, transmission and generation facilities in rural areas. The Electric Program also provides funding to support demand-side management, energy efficiency and conservation programs, and on-and off-grid renewable energy systems. Loans are made to cooperatives, corporations, states, territories, subdivisions, municipalities, utility districts and non-profit organizations.

Telecommunications Programs

The Telecommunications Program improves the quality of life in rural America by providing capital for the deployment of rural telecommunications infrastructure. USDA Rural Development is committed to ensuring that rural areas have access to affordable, reliable, advanced telecommunications services comparable to those available throughout the rest of the United States. With this access, rural America will see improved educational opportunities, health care, safety and security and ultimately, higher employment.

SUMMARY OF PROGRAM PURPOSES					
	Land & Bldgs.	Mach. & Equip.	Working Capital	Infrastructure	Tech. Asst./Train.
Housing and Community Facilities					
Single Family Housing Direct Loans (including Self-Help Loans)	•				
Single Family Housing Loan Guarantees	•				
Single Family Housing Repair Loans/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					•
Business and Cooperatives					
Business and Industry Loan Guarantees	•	•	•	•	•
Rural Business Enterprise Grants	•	•	•	•	•
Intermediary Relending Loans	•	•	•	•	•
Rural Microentrepreneur Assistance Program	•	•	•	•	•
Rural Economic Development Loans and Grants	•	•	•	•	•
Rural Cooperative Development Grants					•
Value-Added Producer Grant			•	•	•
Rural Business Opportunity Grants					•
Rural Energy for America Program Loan Guarantees/Grants	•	•		•	•
Biorefinery Assistance Program Loan Guarantees					
Repowering Assistance Program					
Advanced Biofuel Payment Program					
Utilities					
Water and Waste Disposal Direct Loans, Loan Guar., Grants	•	•	•	•	
Solid Waste Management Grants					
Rural Broadband Direct Loans and Loan Guarantees					
Electric and Telecommunications Direct Loans/Loan Guarantees					
Distance Learning and Telemedicine Loans/Grants					
Community Connect Grants					

USDA RURAL DEVELOPMENT SUMMARY OF PROGRAMS

Housing and Community Facilities

	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Single Family Home Ownership Direct Loans	Safe, well-built, affordable homes for rural Americans.	Families and individuals. Apply to Rural Development.	Buy, build, improve, repair, or rehabilitate the 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 Home Ownership Guaranteed Loans	To assist moderate income applicants(s)/ household(s) in buying their homes by guaranteeing loans made by private lenders.	Families and individuals.	Purchase new or existing home and refinance existing Rural Development guaranteed or direct loans.	Rural areas with populations of up to 35,000.	Loan guarantee.	30 year, fixed rate. 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 of 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.
Mutual Self-Help Housing Grants	Assist lower income families in building their own homes.	Nonprofits and public bodies.	Technical assistance to assist 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 nonprofit 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 (nonprofits); 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.	Approved lenders including 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 nonprofit 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.

	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Farm Labor Housing Loans and Grants	Safe, well-built affordable rental housing for farmworkers.	Individuals, public and private nonprofit organizations.	New construction or substantial rehabilitation of rental housing.	N/A.	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, nonprofits, 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 healthcare 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 nonprofit 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.

BUSINESS AND COOPERATIVES

	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.	Lender/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 Enterprise Grants	Finance and facilitate the development of small and emerging private business enterprises.	Public bodies, private non-profit corporations and Tribes.	Refinancing, land acquisition, revolving funds, construction, equipment, access streets and roads, utility and service extensions, and rural distance learning networks.	All areas except cities over 50,000 and their contiguous urbanized areas.	Grant.	Amount based on funding availability, funding priority and national goals.

	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
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 25,000.	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 development.	All areas except cities over 50,000 and their contiguous urbanized areas.	Grant.	Minimum 25% fund match (5% for 1994 Institutions). Grants awarded competitively.
Small Socially Disadvantaged Producer Grants	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.

	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
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 25,000.	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 development.	All areas except cities over 50,000 and their contiguous urbanized areas.	Grant.	Minimum 25% fund match (5% for 1994 Institutions). Grants awarded competitively.
Small Socially Disadvantaged Producer Grants	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.

Advanced Biofuel Payment Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
	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.
UTILITIES						
Water and Waste Disposal Loans and Grants	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
	Provide infrastructure for rural areas.	Public entities, Indian Tribes and nonprofit 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.
	Provide infrastructure for rural areas.	Public entities, Indian Tribes and nonprofit corporations.	Construct, repair, 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.
	Provide technical assistance and/or training to those who operate and maintain active landfills.	Public bodies, private nonprofit 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 nonprofit 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 Loan and Loan Guarantee	Deployment of broadband service to eligible rural communities.	Entities seeking to provide broadband services in rural areas. Individuals and partnerships and not eligible.	Finance the construction, improvement, and acquisition of facilities and equipment to provide broadband service in eligible rural communities; refinance RD telecommunications program debt.	Any area not located within a city, town, or incorporated area over 20,000 inhabitants; or an urbanized area contiguous to a city or town of greater than 50,000 inhabitants.	Direct loan and loan guarantee.	Loans are made at the Treasury rate; loan term is the expected economic life of the assets financed; guarantee cannot exceed 80% of the project amount.

Utilities	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Electric and Telecommunications Loans	Assist rural communities in obtaining affordable, high quality electric and telecommunications services.	Nonprofit 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, 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 over 5,000.	Direct loan or loan guarantee.	Interest rates are established in accordance with 7CFR 17145. 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 nonprofit 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 population over 20,000.	Direct loan and/or grant.	Matching funds are required.
Community Connect	Provide public access to broadband in otherwise un-served communities.	Public bodies, Tribes, cooperatives, nonprofits, limited dividend or mutual associations; corporations and other legally organized entities.	To build broadband infrastructure and establish a community center which 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 NOFAs and may vary.



**United States
Department of
Agriculture**

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To File an Employment Complaint

If you wish to file an employment complaint, you must contact your agency's EEO Counselor (PDF) within 45 days of the date of the alleged discriminatory act, event, or in the case of a personnel action. Additional information can be found online at http://www.ascr.usda.gov/complaint_filing_file.html.

To File a Program Complaint

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form (PDF), found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director,

Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or e-mail at program.intake@usda.gov.

Persons with Disabilities

Individuals who are deaf, hard of hearing or have speech disabilities and you wish to file either an EEO or program complaint please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish). Persons with disabilities who wish to file a program complaint, please see information above on how to contact us by mail directly or by email. If you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.), contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

Supplemental Nutrition Assistance Program

For any other information dealing with Supplemental Nutrition Assistance Program (SNAP) issues, persons should either contact the USDA SNAP Hotline Number at (800) 221-5689, which is also in Spanish or call the State Information/Hotline Numbers.

All Other Inquiries

For any other information not pertaining to civil rights, please refer to the listing of the USDA Agencies and Offices for specific agency information.

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