

**United States
Department of Agriculture
Rural Development**

**INVESTMENTS IN MARYLAND
FISCAL YEAR 2014**



Committed to the future of rural communities.

*Dr. Bill McGowan
State Director
Maryland - Delaware*

Dear Friends:

Now and in the future, prosperity for our rural communities depends on ensuring residents have a wide range of economic opportunities to build strong economies and to improve their quality of life. USDA Rural Development strives to build strong partnerships with communities as they build their capacity and economy.

Through our community economic development work Rural Development turns outward. This means we work hard at understanding the aspirations and challenges of the communities we serve. We strive to work from a perspective in which the community understands we know their hopes and dreams and works accordingly. We are not just a lending institution. We see ourselves as an organization that listens, learns, and makes connections. We can learn from each other by sharing our knowledge, skills, talents and stories.

Across Delaware and Maryland there are numerous places/communities I call “small jewels”; rich in history and character that are looking for ways to solve problems. USDA Rural Development and our partners work alongside you with technical and financial help in carrying out the hopes and aspirations for your community.

With the support of dedicated staff, the Delaware and Maryland Congressional delegation, and our many partners, we are truly committed to the future of your community.



William A. McGowan, Ed.D
State Director
Delaware and Maryland

USDA RURAL DEVELOPMENT

The U.S. Department of Agriculture Rural Development mission area was created by the 1996 Farm Bill; it consists of three services: the Rural Housing Service (RHS); Rural Utilities Service (RUS); and the Rural Business-Cooperative Service (RBS).

VISION

A rural America that is a healthy, safe, and prosperous place to live and work.

MISSION

To assist rural communities in creating prosperity so they are self-sustaining and economically thriving through investments that create ladders of opportunity, build regional resilience, and support the growth of emerging markets.

During fiscal year 2014, the following USDA Rural Development investments were made in Maryland:

	<u>FY 2013</u>	<u>FY 2014</u>
Water and Waste Disposal Loans and Grants	\$ 21,328,000	\$ 36,003,000
Predevelopment Planning Grants	\$ 0	\$ 18,000
SEARCH* Grant	\$ 30,000	\$ 180,000
Business and Industry Guaranteed Loans	\$ 8,615,000	\$ 8,944,000
Rural Microentrepreneur Assistance Program	\$ 18,402	\$ 500,000
Rural Business Enterprise Grants	\$ 197,000	\$ 995,000
Rural Energy for America Program	\$ 838,846	\$ 177,419
Value Added Producer Grant	\$ 255,875	\$ 700,341
Distance Learning and Telemedicine	\$ 0	\$ 840,998
Rural Housing Direct Loans	\$ 3,713,723	\$ 7,277,912
Rural Housing Guaranteed Loans	\$ 550,401,635	\$ 450,629,713
Home Improvement and Repair Loans and Grants	\$ 228,224	\$ 318,525
Housing Preservation Grants	\$ 50,000	\$ 91,896
Rural Rental Housing Loans	\$ 3,300,391	\$ 6,396,994
Rental Assistance	\$ 13,096,080	\$ 16,378,560
Self-Help Technical Assistance Grant	\$ 0	\$ 319,995
Voucher Program	\$ 14,268	\$ 14,268
Community Facilities Loans and Grants	\$ 14,761,190	\$ 8,551,200
TOTAL ASSISTANCE TO MARYLAND:	\$616,848,634	\$538,337,821

*Special Evaluation Assistance for Rural Communities and Households (SEARCH)

Delaware and Maryland Rural Development programs are administered through the State Office in Dover, DE; one Area Office in Hagerstown, MD and two Satellite Offices located in La Plata, MD and Upper Marlboro, MD. Office information can be found at the back of this report.

Rural Utilities – FY 2014 Investments \$37,041,998

USDA Rural Development’s utility programs are the primary financial source for infrastructure investment for rural America. Rural utility programs help provide modern telecommunications, electricity, clean water and wastewater disposal facilities. In addition to water and wastewater, the program can fund solid waste disposal facilities and storm drainage systems.

Water and Waste Disposal Loans and Grants develop water, waste and storm drainage systems in rural areas and towns with populations up to 10,000. This program provides safe, clean drinking water and sanitary wastewater facilities in rural America. Funds are available to public entities such as towns, counties, special-purpose districts, Indian tribes and non-profit corporations. Rural Development also guarantees loans made by banks or other lenders. The same types of applicants are eligible for both grants and loans. This program addresses basic unmet needs of health and infrastructure in rural areas.

<u>NAME</u>	<u>TYPE</u>	<u>LOAN AMOUNT</u>	<u>GRANT AMOUNT</u>	<u>OTHER FUNDING SOURCE</u>	<u>CONNECTIONS</u>
Allegheny County Commissioners (Wrights Crossing)	Sewer	\$ 3,000,000	\$ 732,000	\$ 0	985
Allegheny County Commissioners (Rawlings)	Water	\$ 0	\$ 450,000	\$ 3,361,000	345
Dorchester County Council (Old Beulah Landfill)	Solid Waste	\$ 1,500,000	\$ 1,000,000	\$ 5,989,000	
Town of Emmitsburg	Sewer	\$ 1,001,000	\$ 1,000,000	\$ 10,579,000	1,226
Fahrney-Keedy Memorial Home Inc. Boonsboro	Water	\$ 885,000	\$ 291,000	18,000	495
Town of Galena	Sewer	\$ 694,000	\$ 2,083,000	\$ 3,693,000	348
Town of Greensboro	Sewer	\$ 100,000	\$ 1,000,000	\$ 5,571,000	800
Kent County Commissioners (Delta Heights Housing)	Water	\$ 476,000	\$ 950,000	\$ 0	30
Kent County Commissioners (Areas between Georgetown & Galena)	Sewer	\$ 1,163,000	\$ 3,368,000	\$ 0	108
La Vale Sanitary Commission	Water	\$ 954,000	\$ 0	\$ 100,000	2,440

Water and Waste Disposal Loans and Grants (continued)

<u>NAME</u>	<u>TYPE</u>	<u>LOAN AMOUNT</u>	<u>GRANT AMOUNT</u>	<u>OTHER FUNDING SOURCE</u>	<u>CONNECTIONS</u>
Town of Lonaconing	Water	\$ 668,000	\$ 265,000	\$ 1,860,000	2,008
Town of Oxford	Sewer	\$ 1,964,000	\$ 1,935,000	\$ 4,238,000	767
Town of Pittsville	Water	\$ 575,000	\$ 0	\$ 0	750
Town of Queenstown	Sewer	\$ 621,000	\$ 500,000	\$ 2,453,459	532
Town of Rock Hall	Water	\$ 100,000	\$ 225,000	\$ 517,000	1,092
Town of Westernport	Water	\$ 0	\$ 200,000	\$ 1,500,000	1,181
Commissioners of Talbot County (St. Michaels)	Sewer	\$ 1,452,000	\$ 3,743,000	\$ 0	1,628
The West Nottingham Academy (Colora)	Sewer	\$ 258,000	\$ 0	\$ 25,000	183
Wicomico County (Morris Mills)	Water	\$ 1,100,000	\$ 1,500,000	\$ 3,000,000	273
Worcester County Commissioners (Mystic Harbour)	Sewer	\$ 250,000	\$ 0	\$ 0	800
Totals:		\$16,761,000	\$19,242,000	\$42,904,459	15,991



Morris Mill Community – Fruitland
 Left to right: Bill McGowan, USDA Rural Development State Director; Richard Pollitt, Jr., Wicomico County Executive; and Tony Hernandez, USDA Rural Development Administrator highlight Earth Day by announcing \$2.6 million in a USDA low interest loan and grant to extend public water to the Morris Mill community.

Special Evaluation Assistance for Rural Communities and Households (SEARCH) Program is designed to make predevelopment planning grants for feasibility studies, design assistance, and technical assistance to financially distressed communities in rural areas with populations of 2,500 or fewer inhabitants for water and waste disposal projects.

<u>NAME</u>	<u>GRANT AMOUNT</u>	<u>OTHER FUNDING SOURCE</u>	<u>PURPOSE</u>
Town of Accident	\$30,000	\$0	To be used for the cost of a Preliminary Engineering Report (PER) and an Environmental Report (ER) for the wastewater Treatment Plant operation
Town of Chesapeake City	\$30,000	\$0	To fund the cost of a PER and ER to evaluate alternatives of construction for a new Wastewater Treatment Plant
Dorchester County Sanitary District, Inc	\$30,000	\$0	To be used for the cost of a PER & ER for wastewater Treatment facilities for Bonnie Brook Road.
Town of Oakland	\$30,000	\$0	To find the cost of a PER and ER for wastewater treatment facilities for the Town of Oakland.
Town of Port Deposit	\$30,000	\$0	To fund the cost of a PER and ER for wastewater treatment facilities for the Town of Port Deposit.
Somerset County Sanitary District	\$30,000	\$0	To fund the cost of a PER and ER for wastewater treatment facilities for Smith Island.
Totals:	\$180,000	\$0	

Predevelopment Planning Grants for Water and Waste Disposal Projects help pay costs associated with developing an application for water and waste disposal projects that can be funded by Rural Development. Major cost items are the Preliminary Engineering Report (PER) and the Environmental Report.

<u>NAME</u>	<u>GRANT AMOUNT</u>	<u>OTHER FUNDING SOURCE</u>	<u>PURPOSE</u>
Allegany County Commissioners (Biers Lane)	\$18,000	\$7,000	To complete a PER to eliminate septic tanks and convert to a more traditional wastewater system
Totals:	\$18,000	\$7,000	

Distance Learning and Telemedicine program helps rural communities use the unique capabilities of telecommunications to connect to each other and to the world, overcoming the effects of remoteness and low population density. For example, this program can link teachers and medical service providers in one area to students and patients in another.

<u>RECIPIENT</u>	<u>GRANT AMOUNT</u>	<u>PURPOSE</u>
San Mar, Inc. (Boonsboro)	\$450,883	To finance video conferencing equipment to join the San Mar children's Home in Boonsboro and the Maryland Department of Juvenile Services regional offices, for therapy/counseling, education and coordination.
Crisfield Clinic	\$390,115	To link two primary care clinics with six remote rural schools to provide telehealth and community services.
Total	\$840,998	

Rural Business - FY 2014 Investments \$11,316,760

USDA Rural Development's rural business programs help provide financial assistance, business planning, technical assistance, research, education, and information to cooperatives and rural businesses in cooperation with public and private community-based organizations.

Business and Industry Guaranteed Loans help finance development or improvements to business and industry to enhance employment opportunities and improve the economic and environmental climate in rural communities. This is achieved through bolstering existing private credit through guaranteeing quality loans which foster lasting community benefits. This assistance is available to businesses located in rural areas and towns with populations up to 50,000.

<u>BUSINESS</u>	<u>PURPOSE</u>	<u>LOAN AMOUNT</u>	<u>ANTICIPATED JOBS CREATED/SAVED</u>
Lila Enterprises, LLC (Salisbury)	To refinance a hotel loan	\$6,245,000	14 saved
Ruby Delmar, LLC (Delmar)	To purchase the Country Hearth Inn and Suites.	\$1,299,000	7 created/saved
Shenandoah Family Farms Cooperative, Inc. & Valley Pride, LLC (Hagerstown)	To complete renovations and purchase machinery and equipment for the dairy processing facility.	\$1,400,000	58 saved
Totals		\$8,944,000	79 created/saved

Rural Microentrepreneur Assistance Program provides direct loans, technical assistance grants, and technical assistance-only grants to microdevelopment organizations to support the development and ongoing success of rural microentrepreneurs and microenterprises. **Maryland Capital Enterprises, Inc.** received a \$500,000 loan to capitalize a Rural Microloan Revolving Fund to make microloans to rural microentrepreneurs and microenterprises.

Rural Business Enterprise Grants (RBEG) are made to finance and facilitate development of small and emerging private business enterprises in rural areas of places up to 50,000 population with priority to applications for projects in rural communities and towns of 25,000 and smaller, and economically distressed communities. This program includes grants made to third party lenders to establish revolving loan programs. *Beginning in FY 2015, refer to the Rural Business Development Program that was created through the 2014 Farm Bill.*

<u>RECIPIENT</u>	<u>GRANT AMOUNT</u>	<u>TYPE OF ASSISTANCE</u>	<u>ANTICIPATED JOBS CREATED OR SAVED</u>
Allegany Museum, Inc. (Cumberland)	\$ 200,000	To assist with cost of first floor renovations, which will allow for additional exhibit/display square footage.	3
Bainbridge Development Corporation (Port Deposit)	\$ 75,000	For creation of a feasibility study and conditions assessment to evaluate the Tome School campus to develop plan for utilization which will provide positive economic impact to the area.	1
Delmarva Community Services, Inc. (Cambridge)	\$ 65,410	For creation of Greenhouse and Horticultural Training Center, to provide training to individuals, including those with developmental disabilities.	23
Enchanted Haven Horse Rescue, Inc. (Ridgely)	\$ 79,590	To fund equine management program, this includes contracting for services, purchasing supplies and equipment, and related costs of training and services.	6
Friends of the Grape, Inc. (Denton)	\$ 375,000	For the development of a kitchen incubator at the Chesapeake Culinary Center.	20
Hagerstown Community College (Hagerstown)	\$ 150,000	To create an Energy House to serve as a laboratory/job training facility for students in the Alternative Energy Technology and Digital Instrumentation/ Process Controls Programs.	30
Maryland Capital Enterprises, Inc. (Salisbury)	\$ 50,000	To provide technical assistance and training to maintain an extensive network of partnerships supportive to ensure successful micro-enterprise development and growth.	50
Totals:	\$ 995,000		133 created/saved

Rural Energy for America Program (REAP) was authorized as part of the 2008 Farm Bill to assist farmers, ranchers, and rural small businesses develop renewable energy systems and make energy efficiency improvements to their operations.

<u>RECIPIENT</u>	<u>GRANT AMOUNT</u>	<u>PURPOSE</u>
An Otherwise Perfect Farm, Inc. (Upperco)	\$ 29,275	Renewable energy -solar Equestrian Center
Bruning Farms, LLC (Snow Hill)	\$ 19,945	Renewable energy - solar Grain farm
Fritz Farm, LLC (New Windsor)	\$ 23,175	Renewable energy – solar Dairy farm
Jeffrey Engle Farm (Keymar)	\$ 45,850	Renewable energy - solar Dairy farm
Richardson Farms, Inc (Willards)	\$ 16,824	Renewable energy - solar Grain farm
John N. Sussman (Westminster)	\$ 22,350	Renewable energy –solar Grain farm
Somerset Well Drilling Co., Inc. (Westover)	\$ 20,000	Renewable energy - solar Well business
Total:	\$ 177,419	

Advanced Biofuel Payment Program provides payments to producers to support and expand production of advanced biofuels refined from sources other than corn kernel starch. The Program supports and helps to ensure the expanding production of advanced biofuels by providing payments to eligible advanced biofuel producers. **Enviva, LP (headquartered in Bethesda, MD) is receiving a \$115,287 payment.** They have facilities in Mississippi, North Carolina and Virginia which are engaged in the business of manufacturing wood pellets. Manufactured wood pellets are sold to and used by third parties for industrial and utility scale energy applications.

Value-Added Producer Grants A competitive grant program for agricultural producers that add value to their products through processing, segregation, or other means. Funds may be used for feasibility studies or business plans, working capital for marketing value-added agricultural products and for farm-based renewable energy projects. Eligible applicants include independent producers, farmer and rancher cooperatives, and agricultural producer groups. Value-added products are created when a producer increases the consumer value of an agricultural commodity in the production or processing stage.

<u>BUSINESS</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
Scott Budden (Chestertown)	\$ 15,000	To pay for packaging, labeling, and marketing, as well as, labor costs to postharvest process and market premium half-shell oysters.
Butterbee Farm, LLC (Pikesville)	\$ 8,571	To assist with marketing, sales, and delivery of their sustainably grown herbs to local businesses.

Value-Added Producer Grants (continued)

<u>BUSINESS</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
Chesapeake Bay Dairy, LLC (Pocomoke City)	\$ 200,000	To pay for consulting and educational expenses as well as packaging and labeling materials needed to produce cheese, milk and butter products on the farm.
Chesapeake Fields Farmers Cooperative, Inc (Chestertown)	\$ 33,370	To hire a Coop Manager, to expand customer base and increase the coop's membership base.
Elk Run Vineyards, Inc. (Mt. Airy)	\$ 180,000	To expand market by placing product at farmer's markets, on-site and off-site events, festivals, and by multi-media marketing.
Fiore Winery, Inc. (Pylesville)	\$ 200,000	To pay for marketing, and processing of wine and distilled spirits, to expand sales.
Garrett Growers Cooperative, Inc. (Mt. Lake Park)	\$ 16,115	To hire a coordinator and delivery personnel to expand market area and promote new services.
Golden Leaf Farms / Romano Winery & Vineyard (Brandywine)	\$ 8,285	To expand marketing and advertising.
Groundworks Farm, LLC (Pittsville)	\$ 39,000	To pay for marketing and distribution of organic farm products.
Total:	\$ 700,341	

Rural Housing - FY 2014 Investments \$481,427,863

USDA Rural Development's housing programs help provide rural Americans with decent, safe, sanitary and affordable housing. The housing programs are designed for rural Americans whose incomes range from very low to moderate.

Home Ownership Loans are available in two types: guaranteed and direct. The purpose is to provide financing with no down payment and at favorable rates and terms to rural residents living in communities with a population of 35,000 people or less and is rural in character. A guaranteed loan is made by a private financial institution and is guaranteed against most loss if there is a default. Loans are for the purchase, construction, rehabilitation, or relocation of a dwelling and related facilities.

<u>DIRECT LOANS</u>	<u>GUARANTEED LOANS</u>	<u>NUMBER OF HOMES</u>
\$7,277,912	\$450,629,713	2,238
Total FY 2014 Home Ownership Loans: \$457,907,625		



Home Improvement and Repair Loans and Grants enable very low-income rural homeowners to remove health and safety hazards from their homes and to make homes accessible for people with disabilities. Loans have a maximum interest rate of one percent. Grants are available for people 62 years old and older who cannot afford to repay a loan.

<u>GRANTS</u>	<u>LOANS</u>	<u>NUMBER OF HOMES REPAIRED</u>
\$235,559	\$82,966	41

Total FY 2014 Home Improvement & Repair Loans and Grants: \$318,525

Housing Preservation Grants provided to non-profit groups and public bodies to help very low- and low-income homeowners repair and rehabilitate their homes. Rental property owners can use them to repair and rehabilitate their units if they agree to make such units available to low- and very low-income families.

<u>ORGANIZATION</u>	<u>GRANT AMOUNT</u>
Garrett County Community Action Committee, Inc. (Oakland)	\$45,948
Shore Up!, Inc. (Salisbury)	\$45,948
Totals:	\$91,896

Self-Help Technical Assistance Grants are made to a public body or a public or private non-profit corporation to provide supervisory assistance to low-income families who repair and rehabilitate their own homes in rural areas. Under the program, a group of six or eight families work together to repair and rehabilitate their own homes. The families work on each other's house and no family can move in until all the houses are complete. Each family receives a regular homeownership (502) direct loan.

<u>NAME</u>	<u>AMOUNT</u>	<u>PURPOSE</u>
Interfaith Housing Alliance Incorporated (Frederick)	\$319,995	Funds will be used for recruitment, screening, loan packaging and construction technical assistance to self-help housing applicants in constructing their homes. 20 families will be assisted.
Total:	\$319,995	

Rural Rental Housing Direct and Guaranteed Loans provide apartment living for people who cannot afford to purchase and maintain their own home. Loans are made for site development and construction of apartments for people with very low, low and moderate incomes. Some units are reserved for people age 62 and over, and people with disabilities age 18 and over. **Farm Labor Housing loans and grants** provide decent and safe living quarters for migrant or year-round farm workers. Loans are available to farmers, public or private nonprofit organizations and units of state and local governments. Rental Assistance helps reduce rents for lower income households.

<u>NAME OF PROJECT</u>	<u>TYPE</u>	<u>GUARANTEED LOAN</u>	<u>DIRECT LOAN</u>	<u>OTHER FUNDING SOURCES</u>
Leonardtwn Village (Leonardtwn)	For repair/rehab of a 35-family unit affordable rental housing complex.		\$ 1,335,477	\$ 5,000
Snow Hill Citizens for Decent Housing, Inc. (Snow Hill)	For a partial rehab of 28-family units at "New Hope Village" apartments.		\$ 565,841	\$ 30,000

Rural Rental Housing Direct and Guaranteed Loans (continued)

<u>NAME OF PROJECT</u>	<u>TYPE</u>	<u>GUARANTEED LOAN</u>	<u>DIRECT LOAN</u>	<u>OTHER FUNDING SOURCES</u>
North East Apartments, LLC (North East)	For construction of a 72-family unit affordable rental housing complex "New East Crossing."	\$ 2,715,676	\$ 0	\$ 11,473,982
Parklands at Cecilton (Cecilton)	For construction of a 62-family unit affordable rental housing complex.	\$ 1,780,000		\$ 10,947,567
Totals:		\$ 4,495,676	\$ 1,901,318	\$ 22,456,549

USDA also provided **\$16,378,560** in servicing and renewal rental assistance that will serve 2,904 rental units. Over the years, Overall, USDA Rural Development provides continuous monitoring, guidance and servicing of 156 properties in Maryland consisting of 5,356 units.

Rural Development Voucher Program is intended to offer protection to eligible multifamily housing tenants in properties financed through Rural Development's Section 515 Rural Rental Housing Program (515 property) who may be subject to economic hardship through prepayment of the Rural Development mortgage. When the owner of a 515 property pays off the loan prior to the loan's maturity date (either through prepayment or foreclosure action), the Rural Development affordable housing requirements and rental assistance subsidies generally cease to exist. Rents may increase, thereby making the housing unaffordable to tenants. Through this program, **\$14,268** was made available to provide housing rent assistance to tenants living in a Rural Development rental housing property where the owner has prepaid the existing Rural Development mortgage.

Community Facilities Loans and Grants - FY 2014 Investments \$8,551,200

Community Facilities direct and guaranteed loans help provide essential services in rural areas and towns with a population of 20,000 or less. Direct loan funds are available to public entities such as municipalities, counties, special-purpose districts and non-profit corporations. Rural Development also guarantees community facility loans made by banks or other lenders. The Community Facilities program is very versatile -- projects can range from libraries, museums, schools, police and fire equipment, jails, civil defense buildings, streets and sidewalks to hospitals, animal shelters, dental clinics, nursing homes and child care facilities.

<u>NAME/LOCATION</u>	<u>PURPOSE</u>	<u>LOAN/GRANT AMOUNT</u>	<u>LEVERAGED FUNDS FROM OTHER SOURCES</u>
Chesapeake Charter School Alliance, Ltd. (Lexington Park)	To purchase a building and expand its operations from 360 students to 540 over the next several years.	\$ 7,200,000 loan	\$ 0
Crossroads Community, Inc. (Centreville)	To replace the HVAC system, phone system, bathrooms, flooring, painting and adding parking spaces.	\$ 86,000 loan \$ 19,000 grant	\$ 201,000
Delmarva Community Services, Inc. (Cambridge)	To cover construction cost for a new three story multi-purpose intergenerational center.	\$ 500,000 loan	\$ 12,195,000

Community Facilities Loans and Grants (continued)

<u>NAME/LOCATION</u>	<u>PURPOSE</u>	<u>LOAN/GRANT AMOUNT</u>	<u>LEVERAGED FUNDS FROM OTHER SOURCES</u>
Delmarva Community Services, Inc. (Cambridge)	To provide a building addition to the Goodwill Avenue facility. The facility provides resources for housing services and vocational programming.	\$ 66,000 loan	\$ 700,000
Mayor and Council of Federalsburg	For an LED digital sign board that will display municipal and emergency related messages to residents and visitors.	\$ 17,100 grant	\$ 13,700
Mayor and Council of Federalsburg	To purchase surveillance cameras for the Federalsburg Police Department	\$ 37,500 grant	\$ 12,500
Garrett County Commissioners (Accident)	To construct an addition to the HART Animal Center Building.	\$ 250,000 grant	\$ 250,000
Maryland Broadband Cooperative, Inc. (Salisbury)	To extend broadband service to the Somerset County Department of Roads and the Department of Health.	\$ 37,000 grant	\$ 13,000
Maryland Broadband Cooperative, Inc. (Salisbury)	To connect broadband services to McCready Hospital and the Crisfield Library.	\$ 50,000 grant	\$ 50,000
Maryland Rural Development Corporation (Greensboro)	To make improvements to the MRDC Greensboro Center; specifically to alleviate water infiltration issues.	\$ 81,600 loan \$ 50,000 grant	\$ 43,100
Parsonsborg VFC, Inc.	To purchase a traffic control unit.	\$ 50,000 grant	\$ 26,200
Town of Princess Anne	To purchase a fully equipped K-9 vehicle for the Police Department.	\$ 49,500 grant	\$ 16,500
Town of Union Bridge	To purchase a one ton plow and dump truck to be used as the primary public works vehicle.	\$ 37,500 grant	\$ 12,500

Community Facilities Loans and Grants (continued)

<u>NAME/LOCATION</u>	<u>PURPOSE</u>	<u>LOAN/GRANT AMOUNT</u>	<u>LEVERAGED FUNDS FROM OTHER SOURCES</u>
Western MD Resource Conservation & Development Council, Inc. (Hagerstown)	To assist with the costs associated with the construction of a multi-purpose training and research building that will be used in conjunction with the "Frostburg Grows" project at Frostburg State University	\$ 20,000 grant	\$ 20,000
Totals:		\$ 8,551,200	\$ 13,553,500



HART Animal Center – Accident

Left: May 2014, Grand Opening of the HART Animal Center that received USDA support for construction in 2012-2013.

Below: This year’s grant in the amount of \$250,000 to Garrett Commissioners will help with the construction of the Animal Adoption Center.



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Rural Development – Housing and Community Facilities Programs

Program	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.	Buy, build, improve, repair or rehabilitate a rural home as the applicant's permanent residence.	Rural areas with populations of up to 35,000.	Direct loan.	Up to 100% of market value or cost. Loan term of 33/38 years. Applicant may be eligible for payment assistance (subsidy) on the loan.
Single Family 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 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.	Non-profits and public bodies.	Technical assistance to help small groups of families to build each other's homes.	Rural areas with populations of up to 35,000.	Grant.	Grant agreement.
Rural Rental Housing Direct Loans	Safe, well-built, affordable rental housing for very-low-income individuals and families.	Individuals, trusts, associations, limited partnerships, for-profit and non-profit entities, Tribes, public bodies.	New construction or substantial rehabilitation of rental housing.	Rural areas with populations of up to 35,000.	Direct loan.	Up to 100% of total development cost (non-profits); 97% (for-profits); 95% (for-profits with Low-Income Housing Tax Credits). 30-year term with up to 50-year amortization.
Rural Rental Housing Loan Guarantees	Provides loan guarantees on loans to build or preserve affordable housing for very-low to moderate-income tenants.	For profit and non-profit lenders.	Build or rehabilitate affordable rental housing.	Rural areas with populations of up to 35,000.	Loan guarantee.	At least 25-year term with fixed interest rate. Loan guarantees up to 90% of the principal.
Housing Preservation Grants	Repair and rehabilitate housing owned or occupied by very-low and low-income rural families.	Public bodies and non-profit organizations.	Operation of a program which finances repair and rehabilitation activities for single-family and small rental properties.	Rural areas with populations of up to 35,000.	Grant.	Grant agreement.
Farm Labor Housing Loans and Grants	Safe, well-built affordable rental housing for farmworkers.	Individuals, public and private non-profit 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, non-profits, and Federally recognized Indian Tribes.	Construct, enlarge or otherwise improve essential community facilities, such as public safety, fire and rescue, telecommunications, schools, libraries, hospitals, other health care facilities, etc. This may include furnishings, fixtures and other required equipment.	City, town or unincorporated area of not more than 20,000 in population. Facilities must primarily serve rural residents.	Direct loan, loan guarantee or grant.	Up to 100% of market value. Term is for useful life of the facility or equipment, the state statute, or 40 years. Maximum grant 75% of project cost. Grant eligibility based on income, population and need.
Rural Community Development Initiative	To facilitate housing, community facility and community and economic development projects.	Private non-profit or public organizations, philanthropic foundations, low-income communities.	Technical assistance grants of \$50,000 to \$300,000 to develop the capacity and ability of the awardees to carry out needed projects.	City, town or unincorporated area of not more than 50,000 in population.	Grant.	Matching funds required for grant.

Direct Loans and Grants: Apply to Rural Development. Loan Guarantees: Apply to participating intermediaries such as approved banks, mortgage companies, etc.

Rural Development – Business and Cooperative Programs

Program	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 Development Grants	Assist the startup or expansion of small and emerging private businesses and/or non-profits in rural communities. Note: This program combines the former Rural Business Enterprise Grant and Rural Business Opportunity Grant programs and was created through the 2014 Farm Bill.	Public bodies, government entities, non-profit entities, and Federally recognized Indian Tribes.	Acquire or develop land, buildings, plants and equipment; build or improve access roads, parking areas, utility extensions, and water and waste disposal facilities; provide technical assistance; establish revolving loan funds; and to support rural distance learning programs that provide educational or job training.	All areas rural in character except cities over 50,000 and their contiguous urbanized areas.	Grant.	Refer to the new rules, when available, for grant terms and 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 50,000.	Direct loan.	The intermediary makes loans to businesses from its revolving loan fund on terms consistent with security offered. Intermediary pays 1% for 30 years.
Rural Microentrepreneur Assistance Program	Establish revolving funds to target assistance to small rural enterprises.	Microenterprise Development Organizations (MDOs).	Loans, technical, and capacity-building assistance to businesses with 10 or fewer employees and sole proprietorships.	All areas except cities over 50,000 and their contiguous urbanized areas.	Loans, grants.	Rural microenterprises apply directly to the intermediary.
Rural Economic Development Loans and Grants	Finance economic development and job creation in rural areas.	Rural Utilities Service-financed electric and telephone utilities.	Business startups or expansion projects that create rural jobs.	Rural areas with priority to places with populations of 2,500 or less.	Direct loan or grant to establish revolving loan fund.	Intermediary makes loans to for-profit or non-profit businesses and public bodies. Loans are 0% for 10 years.
Rural Cooperative Development Grants	Establish/operate centers for cooperative development.	Non-profits and institutions of higher education.	Establish centers to provide technical assistance, training, applied research, and collection and interpretation of data, for the purpose of cooperative 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.
Socially Disadvantaged Groups 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.

Rural Development – Business and Cooperative Programs (Cont'd.)

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Rural Energy for America Program (REAP) Loan Guarantees and Grants	Provide assistance for energy efficiency improvements or purchase of a renewable energy system for operations.	Rural small businesses and agricultural producers.	Energy efficiency improvements, renewable energy systems, land acquisition and working capital.	Cities, towns, unincorporated areas with population less than 50,000. (Population limits do not apply to agricultural producers)	Loan guarantee and/or grant.	Grants up to 25% of project costs not to exceed \$250,000 for energy efficiency projects and \$500,000 for renewable energy. Loan guarantees up to 75% of project cost not to exceed \$25 million.
REAP Audit/Development Grants	Provide grant to entity to pass through to a small business or agricultural producer for 75% of the cost of an energy audit or renewable energy development assistance.	State, Tribal or local government institutions of higher education; rural electric cooperatives; or public power entities.	\$100,000 grant to entities, smaller ones to small business and agricultural producers for 75% of energy audit or renewable energy development assistance.	Cities, towns, unincorporated areas with population less than 50,000.	Grant.	\$100,000 to entities and up to 75% of the cost of energy audit for renewable energy development assistance.
Biorefinery Assistance Program Loan Guarantees	Provide loan guarantees for the development and construction of commercial-scale biorefineries or to retrofit facilities using eligible technology for the development of advanced biofuels.	Individuals, Indian Tribes, State or local governments, corporations, farm cooperatives, associations of agricultural producers, national laboratories, higher learning institutions, rural electric co-ops, public power entities, consortiums of any of the entities.	Loan guarantees to develop and construct commercial-scale biorefineries or retrofit facilities to use eligible technology for the development of advanced biofuels.	No restrictions.	Loan.	90% (maximum) guarantee on loans up to \$125 million; 80% (maximum) guarantee on loans less than \$150 million; 70% (maximum) guarantee on loans of \$150 million but less than \$200 million; 60% (maximum) guarantee on loans of \$200 million up to \$250 million.
Repowering Assistance Program	Provide payments to biorefineries to replace fossil fuels with biomass.	Biorefineries.	Grant to biorefineries, including ethanol and biodiesel plants that use electricity generated from natural gas and coal and require this for the fermentation process.	No restrictions.	Grant.	As funds are available. Complete applications submitted to National Office for review.
Advanced Biofuel Payment Program	Provide payments to producers of advanced biofuels.	Eligible producers of advanced biofuels.	Grant to producers of advanced biofuels (non-commercial-based).	No restrictions.	Grant.	As funds are available. Complete applications submitted to National Office for review. Grant awards determined by National Office.

Direct Loans and Grants: Apply to Rural Development. Loan Guarantees: Apply to participating intermediaries such as eligible banks, etc. Revolving Funds (RMAP, IRP, REDLG): Intermediaries apply to Rural Development, others to the intermediaries.

Rural Development – Utilities Programs

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Water and Waste Disposal Loans and Grants	Provide infrastructure for rural areas.	Public entities, Indian Tribes and non-profit corporations.	Build, repair and improve public water systems and waste collection and treatment systems.	Rural areas, and towns with up to 10,000 population.	Direct loan and grant.	Repayment period is a maximum of 40 years. Grant funds may be available.
Water and Waste Disposal Loan Guarantees	Provide infrastructure for rural areas.	Public entities, Indian Tribes and non-profit corporations.	Construct, repair and improve water supply and distribution systems and waste collection and treatment systems.	Rural areas, and towns with up to 10,000 population.	Loan guarantee.	Eligible lenders obtain up to a 90% guarantee on loans they make and service.
Solid Waste Management Grants	Provide technical assistance and/or training to those who operate and maintain active landfills.	Public bodies, private non-profit organizations, Indian Tribes, academic institutions.	Technical assistance and training to improve landfill conditions and protect against threats to nearby water resources.	Rural areas, and towns with up to 10,000 population.	Grant.	Applications accepted year-round. Complete applications submitted to National Office for review.
Technical Assistance/ Training/Circuit Rider	Provide technical assistance and training.	Public, private, and non-profit organizations.	Provide technical assistance and training to assist with management of water and waste projects.	Rural areas and towns with up to 10,000 population.	Grant.	As funds are available. Complete applications submitted to National Office for review.
Rural Broadband Loan and Loan Guarantee	Deployment of broadband service to eligible rural communities. Note: The 2014 Farm Bill revises program provisions. New rules are expected to be published in FY 2015.	Entities seeking to provide broadband services in rural areas.	Finance the construction, improvement and acquisition of facilities and equipment to provide broadband service in eligible rural communities.	Refer to the new rules, when available, for population limits.	Refer to the new rules, when available, for loan details.	Refer to the new rules, when available, for loan terms and conditions.
Electric and Telecommunications Loans	Assist rural communities in obtaining affordable, high-quality electric and telecommunications services.	Non-profit and cooperative associations, public bodies, and other utilities.	Generation, transmission facilities and distribution of electric power, including alternative, renewable, conservation and energy efficiency programs. Enhance 911 emergency service, digital switching equipment, and fiber optic cable, along with traditional main system telecommunications service.	Electric: areas served by an existing rural electric borrower, or rural areas other than a city or town of more than 20,000. Telecommunications: areas cities with population over 5,000.	Direct loan or loan guarantee.	Interest rates are established in accordance with 7CFR 1714. Contact RUS at www.rd.usda.gov or 1 (800) 670-6553.
Distance Learning and Telemedicine	Development and deployment of advanced telecommunication services throughout rural America to improve education and health care.	Incorporated entities, including municipalities, for-profit, and non-profit corporations that operate rural schools, libraries, health care clinics and other educational or health care facilities.	To provide end-user equipment and programming that delivers distance learning and telemedicine services into eligible areas.	Rural areas outside incorporated or unincorporated cities with population over 20,000.	Grant.	Awards range from \$50,000 to \$500,000. A minimum of 15% in matching funds is required.

Water and Electric Programs: Contact the Rural Utilities Service Administrator; All others: Contact the Rural Development State or local office.

Summary of Rural Development Program Purposes

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

* 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.

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