



Rural Business Opportunity Grant (RBOG) Program

Grants for innovative, “strategic” economic development projects in distressed rural communities

The RBOG program provides grant funds for *strategic* technical assistance, training, and planning activities that promote “best practices” in sustainable economic development for rural communities with exceptional needs (i.e., those that have experienced recent natural disaster or structural changes, or long term poverty, population decline or job deterioration). Since 2010, RBOG projects that feature a strong regional approach (“**Great Regions**”) have been favored.

Funds available

In FY2011, **\$1,488,000** was allocated for award via a nationwide competition. (There is no Oregon state allocation.)

Grant size: Up to \$250,000

Another \$990,000 was earmarked to assist Native American communities. There is no grant size restriction on these funds.

Applications are accepted once-a-year, as announced in a Federal Register notice, with awards announced in late summer.

Eligible applicants

Public bodies, nonprofit corporations, tribes, & rural cooperatives – with sufficient financial strength & expertise to conduct the proposed activity. ***This is not a grant for individuals or businesses.***

Authorized purposes

Only *rural* communities (outside the urbanized periphery of cities with a population of 50,000) may be assisted.

RBOG’s may be used for the following project types that have a reasonable prospect for economic development success:

- Technical assistance – for analyzing & identifying business opportunities; for developing feasibility studies & business plans; for the creation of new businesses using rural resources; for export market opportunities
- Training – for existing or prospective rural entrepreneurs & managers; for rural leadership development
- Planning – for local or multi-county economic development
- Business support centers – for the creation of new businesses; for training in technology (including interactive communications technologies) & trade development (including international trade)
- Reasonable fees for professional services necessary to conduct the above activities

The activity must be consistent & coordinated with local & area economic development plans.

Other program features

- Grant limitations – RBOG funds may *not* be used for real estate acquisition or development; grant application costs; costs incurred prior to the grant award; or political activities.
- Matching funds – There is no matching requirement, but priority points are awarded to projects with higher leveraging.
- Project timeframes – RBOG funds may be used for a project period not to exceed 2 years. If a project will require more than 2 years to complete, no more than a single year’s costs may be funded at a time with RBOG funds.
- Grant disbursement – RBOG funds may be disbursed on either an advance or reimbursement basis.

Priority Point System

RBOG applications are competitively chosen for funding based on how well they meet the following selection criteria:

Max Points	Grant selection criteria
10	Sustainability of the project without further subsidy
10	Prospect for economic development success
30	Leverage: RBOG <20% of project (30 pts); 20-49% (20 pts); 50-74% (10 pts); >75% (0 pts)
40	Community need: recent disaster (15 pts); recent structural change (15 pts); long-term poverty (10 pts); long-term population decline (10 pts); long-term job deterioration (10 pts)
10	Usefulness as a new “best practice”
15	USDA State Director discretionary points
20	USDA Administrator discretionary points

Helpful RBOG links

Detailed information about the RBOG program is available on-line at: www.rurdev.usda.gov/or/rbog.htm