



Committed to the future of rural communities.

North Dakota—Rural Business & Cooperative Service

Community Building

City of Buffalo Job Development Authority Receives USDA Rural Development Business Grant

Outline Of Need:

The City of Buffalo faced the loss of its only grocery store when the previous owner wanted to close the location after failing to make a profit in five years. The local Job Development Authority purchased the building from the private owner, but it was in need of renovations and upgrades.

How Rural Development Helped:

The Job Development Authority (JDA) in the City of Buffalo received a \$70,000 Rural Business Enterprise Grant (RBEG) from USDA Rural Development. The grant will be used to remodel the building and to purchase equipment for the grocery store.

These improvements include: making handicap accessible renovations, installing a cash register system with new training software, and making roof repairs. To be more energy efficient, updated equipment such as a cooler, freezer, and a new heating and cooling system will also be purchased. The remaining funds will be used to pay off debt that was incurred by the JDA when the entity originally bought the building.

The Results:

In efforts to keep the store open, residents rallied to keep the store open, raising \$50,000 worth of stock in less than a month to buy the store's inventory. A citizens' group



Pictured in front of the Buffalo Food Market during a recent tour are (from left): Jerry Melvin, Buffalo Food Market LLC board president, USDA Rural Development program specialist Kathy Coyle, USDA Rural Development director Jasper Schneider and Liane Stout, Buffalo Food Market investor. Stout and Melvin worked together to write the USDA grant.

was formed as the Buffalo Food Market, LLC and bought the business from the private owner and now rents the building from the JDA to operate the business.

The USDA grant will put the JDA in a better position to move forward and encourage more job growth in the City of Buffalo.

“This grant will enable the JDA, as the recipient, to enhance the progress of a successful business in Buffalo,” said Jerry Melvin, president of the board of directors for the Buffalo Food Market, LLC. Melvin also extended his appreciation to USDA Rural Development. “We thank Director Jasper Schneider and his staff for helping us achieve success.”

The new owners opened their doors on June 1, 2011 and employ one full-time manager and three part-time employees as well as supplementing their staff with donated labor from citizens who invested in the grocery store operation. The JDA provided a \$30,000 match for the \$99,000 project..

August 2011

Fast Facts

Program: Rural Business-RBEG

Investment: \$70,000 in grant funds

Partners: City of Buffalo Job Development Authority
Rural Population — about 220

District: At-large (Rep. Berg)

Impact:

- Potential for surrounding communities to use store
- 1 full-time, 3 part-time employees
- The store provides convenience, a friendly staff, short check-out lines and the money stays in the community.

