



NEWS RELEASE

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Agriculture Deputy Secretary Merrigan Announces Microloan Funding to Boost Business Lending, Job Creation and Provide Off-Farm Income Opportunities in Rural Areas

LEXINGTON, Ky. – Oct. 28, 2010 - Agriculture Deputy Secretary Kathleen Merrigan today announced that USDA has selected recipients in 36 states to receive funds to make loans to boost small business development, create jobs, and strengthen rural communities. The Deputy Secretary made the announcement in Lexington, Kentucky, with one of the recipients. The funding is being provided through the Rural Microentrepreneur Assistance Program (RMAP), which was authorized by the Food, Conservation, and Energy Act of 2008 (Farm Bill).

"This program provides direct support for small business formation and offers technical assistance and training to small rural businesses," Merrigan said. "This initiative continues the effort of the Obama Administration to rebuild and revitalize rural communities. In many cases, an entrepreneur needs only a small amount of money, a microloan, to get started. This program creates opportunities for small businesses to prosper by giving them access to capital and it also helps to create new off-farm income opportunities that help to support owners of small and mid-sized farm operations.

In West Virginia, Mountain CAP of WV, Inc., was selected to receive a \$500,000 loan and a \$104,106 grant. "We congratulate Mountain CAP on their award of funding to expand their programs for providing assistance to small businesses in Barbour, Braxton, Clay, Fayette, Gilmer, Lewis, Nicholas, Randolph, Roane, Upshur and Webster Counties," stated Bobby Lewis, State Director of USDA Rural Development.

In Lexington, Community Ventures Corporation was selected to receive a \$500,000 loan and a \$105,000 grant to provide financial and technical assistance and training to rural microentrepreneurs. The organization serves rural businesses in 10 counties that have been designated as Appalachian Regional Commission (ARC) communities, which are characterized by high unemployment rates, poverty and low per capita income.

The Kentucky Highlands Investment Corporation in London, Ky. was selected to receive a \$500,000 loan and a \$100,000 grant to provide employment opportunities in southeastern Kentucky through investments, training and management assistance. The corporation has administered micro-loans funds since 1992.

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."

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Merrigan said microlending programs can make a substantial difference by leveraging comparatively small amounts of money. For example, earlier this year she visited Momence, Ill, a town of about 3,000 located 50 miles south of Chicago. Merrigan toured several businesses that received financing thanks to a \$100,000 USDA grant provided to "Main Street Momence," a preservation and volunteer based economic development program, to help establish a revolving, low-interest loan fund. So far, four businesses have taken out small loans. As a result, these businesses have created 27 new full time jobs and saved another 21 positions.

The purpose of RMAP is to support the creation, development and ongoing success of rural microentrepreneurs and microenterprises. Under the program direct loans and grants are made to Microenterprise Development Organizations (MDOs). The MDO uses the loan funds to establish, or recapitalize an RMAP-funded rural microloan revolving fund.

Eligible applicants may include microenterprises defined as a sole proprietorship located in a rural area or a business entity, located in a rural area, employing 10 people or fewer that are in need of \$50,000 or less in business capital and/or in need of business based technical assistance and training. A microentrepreneur is defined as an owner and operator, or prospective owner and operator, of a microenterprise who is unable to obtain sufficient training, technical assistance, or credit other than under the RMAP. For more information visit http://www.rurdev.usda.gov/BCP_RMAP.html

The following is a complete list of the 75 organizations that have been selected to receive funding under RMAP. Funding is contingent upon the recipient meeting the terms of the grant and loan agreement.

Arizona

- PPEP Microbusiness and Housing Development Corporation– \$500,000 loan; \$105,000 grant

California

- Alliance for Workforce Development, Inc. – \$75,000 grant
- Fresno Community Development financial Institution –\$500,000 loan; \$105,000 grant
- Valley Small Business Development Corporation – \$500,000 loan;\$105,000 grant
- Yuba-Sutter Economic Development Corporation – \$130,000 grant

Colorado

- Region 9 Economic Development District of Southwest Colorado – \$300,000 loan;\$75,000 grant

Florida

- North-South Institute, Inc. – \$281,250loan; \$70,312 grant

Georgia

- Appalachian Community Enterprises, Inc. – \$500,000 loan; \$105,000 grant
- Small Business Assistance Corporation – \$400,000 loan; \$100,000 grant

Hawaii

- Center for Social Ecology & Public Policy –\$130,000 grant
- Pacific Gateway Center – \$400,000 loan; \$100,000 grant

Idaho

- Clearwater Economic Development Association, Inc. – \$400,000 loan; \$100,000 grant
- Panhandle Area Council, Inc. –\$500,000 loan; \$105,000 grant

Illinois

- Southern Central Illinois Regional Planning and Development Commission – \$300,000 loan; \$25,000 grant
- Southern Five Development Corporation – \$500,000 loan; \$105,000 grant
- Southern Illinois Coal Belt Champion Community, Inc. –\$500,000 loan; \$105,000 grant
- Stark County Economic Development Partnership – \$150,000 loan; \$37,500 grant

Iowa

- Northern Iowa Area Community College – \$130,000grant
- Iowa Foundation for Microenterprise & Community Vitality –\$500,000 loan; \$105,000 grant

Kansas

- South Central Kansas Economic Development District – \$500,000 loan; \$105,000 grant

Kentucky

- Community Ventures Corporation– \$500,000 loan; \$105,000 grant
- Kentucky Highlands Investment Corporation – \$500,000 loan; \$100,000 grant

Maine

- Androscoggin Valley Council of Governments – \$250,000 loan; \$62,500 grant
- Coastal Enterprises, inc. –\$500,000 loan; \$100,000 grant
- MaineStream Finance (MSF) – \$500,000 loan; \$105,000 grant
- Northern Maine Development Commission, Inc. – \$500,000 loan; \$105,000 grant

Maryland

- Maryland Capital Enterprises, Inc. – \$500,000 loan; \$105,000 grant

Massachusetts

- Cape & Islands Community Development, Inc. – \$500,000 loan; \$105,000 grant
- Quaboag Valley Business Assistance – \$131, 250 loan; \$32,812 grant

Michigan

- Northern Economic Initiatives Corporation – \$400,000 loan; \$100,000 grant

Montana

- Great Northern Development Corporation –\$200,000 loan; \$43,000 grant
- Lake County Community Development Corporation – \$250,000 loan; \$62,500 grant
- Montana Community Development Corporation – \$130,000 grant

Nebraska

- The Center for Rural Affairs – \$400,000 loan; \$100,000 grant
- Nebraska Enterprise Fund –\$300,000 loan; \$75,000 grant
- Northeast Economic Development, Inc. – \$500,000 loan; \$105,000 grant

Nevada

- Rural Nevada Development Corporation – \$500,000 loan; \$103,000 grant

New Jersey

- Cooperative Business Assistance Corporation – \$500,000 loan; \$105,000 grant

New York

- PathStone Enterprise Center, Inc. – \$400,000 loan; \$100,000 grant

North Carolina

- North Carolina Rural Economic Development Center – \$130,000 grant
- Mountain Microenterprise Fund–\$500,000 loan; \$105,000 grant

Ohio

- The Ohio State University – \$130,000 grant

Oklahoma

- Citizen Potawatomi Nation – \$500,000 loan; \$105,000 grant
- Rural Enterprises Incorporated – \$500,000 loan; \$105,000 grant

Oregon

- Klamath-Lake Regional Housing Center – \$200,000 loan; \$50,000 grant
- Lane MicroBusiness – \$300,000 loan; \$75,000 grant

Pennsylvania

- Altoona-Blair County Development Corporation –\$300,000 loan
- Community First Fund –\$400,000 loan; \$100,000 grant
- Fay-Penn Economic Development Council – \$500,000 loan; \$105,000 grant
- Lawrence County Economic Development Corporation –\$100,000 loan; \$25,000 grant
- MetroAction , Inc.–\$300,000 loan; \$75,000 grant
- Saint Francis University – \$85,000 grant

South Carolina

- Appalachian Development Corporation (ADC) – \$400,000 loan; \$100,000 grant

South Dakota

- The Lakota Funds, Inc – \$500,000 loan; \$105,000 grant
- Mobridge Economic Development Corporation –\$120,000 loan; \$30,000 grant
- Northeast South Dakota Economic Corporation –\$500,000 loan; \$100,000 grant
- West River Foundation for Economic Development and Community Development – \$250,000 loan; \$62,500 grant

Tennessee, Arkansas, Mississippi

- Alt. Consulting – \$400,000 loan; \$100,000 grant

Texas

- Cen-Tex Certified Development Corporation – \$500,000 loan; \$105,000 grant
- Neighborhood Housing Services of Dimmit County – \$130,000 grant

Virginia

- Middle Peninsula Business Development Partnership – \$70,000 grant
- People Incorporated Financial Services – \$500,000 loan; \$100,000 grant
- Staunton Creative Community Fund – \$50,000 grant
- Virginia Foundation for Agriculture, Innovation & Rural Sustainability – \$99,500 grant

Washington

- Seattle Economic Development Association – \$500,000 loan; \$105,000 grant
- ShoreBank Enterprise Group– \$500,000 loan; \$105,000 grant

West Virginia

- Mountain CAP of WV, Inc. – \$500,000 loan; \$104,106 grant

Wisconsin

- ADVOCAP, Inc. – \$150,000 loan; \$37,500 grant
- CAP Services, Inc. – \$500,000 loan; \$95,404 grant
- Fond du Lac County Economic Development Corporation – \$450,000 loan; \$37,500 grant
- Impact Seven, Inc. – \$500,000 loan; \$95,215 grant
- Washburn County Economic Development Corporation – \$200,000 loan; \$50,000 grant
- Wisconsin Women's Business Initiative – \$400,000 loan; \$100,000 grant

Wyoming

- Wind River Development Fund – \$250,000 loan; \$62,500 grant
- Wyoming Women's Business Center – \$200,000 loan; \$50,000 grant

Through its Rural Development mission area, USDA administers and manages more than 40 housing, business and community infrastructure and facility programs through a network of 6,100 employees located in the nation's capital and 500 state and local offices. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers, and ranchers and improve the quality of life in rural America. Rural Development has an existing portfolio of more than \$142 billion in loans and loan guarantees.

Rural Development serves as the lead Federal entity for rural development needs and administers program assistance through its housing, business, community and infrastructure programs. The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.)

Further information on USDA Rural Development may be obtained by visiting USDA's web site at <http://www.rurdev.usda.gov>. In West Virginia, call 1-800-295-8228 to be put in touch with the appropriate personnel serving your county. Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202.720.2600 (voice and TDD).

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