



Committed to the future of rural communities



COLORADO

Business & Community Programs

www.rurdev.usda.gov/co



Welcome to USDA Colorado Rural Development!

USDA Rural Development is the only agency in government which provides loan and grant funding to build a community from the ground up. Our 40 programs designed to assist rural communities with infrastructure, business and cooperative development, essential community facility, and housing needs.

We are an investment bank for rural America. Our programs increase economic opportunity and improve the quality of life for Colorado's rural residents. In Colorado, our employees are ready to provide that assistance in our six field offices across the state and our State Office in Lakewood.

This booklet highlights the programs offered. For more detailed program information visit our web page at <http://www.rurdev.usda.gov/co> or contact any of our

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Community Facilities Program

(Direct Loan, Guarantee Loan, and Grant)

The Community Facilities program provides opportunities to fund essential community facilities such as health care services, public safety, police and fire stations, adult and child day care, community, social or cultural services, purchase equipment, and to construct or relocate public buildings. Eligible areas include unincorporated rural areas, cities, and towns with populations less than 20,000

Direct Loans: Loans are made for 40 years maximum (rates are subject to change quarterly). Loans can be made up to 100% of market value and must be fully secured by a lien on the property financed or by a pledge of user revenues.

Guaranteed Loans: These loans are made by a lender to construct, enlarge, or improve an essential community facility. The maximum guarantee provided by Rural Development is 90%. Rates and terms are negotiated between the borrower and lender.

Grants: Grants of up to 75% of the cost of developing essential community facilities may be used to supplement funding. Funds can be used for real estate and equipment and may pay for 15-75% of the project cost based on the community's population & median household income. In Colorado, grant funds are limited and are distributed among grantees based on the ranking of the grantees' application.

Business and Industry Loan Guarantee

This program encourages commercial financing of rural businesses to save and/or create jobs and improve the economic climate of rural communities. Loan guarantees are available for up to 80% of the loan amount. Borrowers work with a local lender, who in turn seeks a guarantee from Rural Development. Businesses in areas with a population of less than 50,000 may be eligible for assistance. Funds can be used for real estate, equipment, working capital, and refinancing - for non farm businesses. Rates and terms are negotiated between the borrower and the lender. Businesses must have strong equity and collateral.

Rural Business Opportunity Grant

These grant funds are used to promote sustainable economic development by supporting local and regional economic development efforts in rural areas. Funds are available for technical assistance and planning activities to improve economic conditions in rural areas. Applicants must be located in rural areas, cities, and towns with populations less than 50,000. Eligible applicants include public bodies, Indian Tribes, non profit corporations, and cooperatives. Rural communities with exceptional economic needs are encouraged to apply

Rural Business Enterprise Grant

This program offers grants to non-profit corporations, Indian Tribes, and public bodies to finance and facilitate development of small and emerging private business enterprises in rural areas; with a population of 50,000 or less. Grant funding may be used for a revolving loan fund, technical assistance, or other infrastructure/construction projects.

Intermediary Relending Program

USDA Rural Development lends funds to intermediaries, which, in turn provide loans to finance business facilities and community development projects. Projects must be located in rural areas, unincorporated rural areas, cities, and towns with populations less than 25,000. Eligible entities include non-profit corporations, Indian Tribes, public bodies, and cooperatives. This program is designed to capitalize locally run revolving loan programs for small businesses unable to obtain adequate bank financing.

Rural Economic Development Loan and Grant

Loans and grants under this program are made to Rural Development Utilities Programs telecommunications and electric borrowers. Funding is used to promote rural economic development and/or job creation projects in rural areas. Eligible purposes include, but are not limited to, business start-ups and expansion, community development, incubator projects, medical and training projects, and feasibility studies. Loan funds can be used by cooperatives to relend funds to businesses, non-profits, and public bodies for community and business

development programs. Loans are made at 0% for 10 years. Grant funds are available to utility cooperatives to support economic development projects. Funds may be used to set up a revolving loan fund. These loans can be made to public or private entities.

Rural Cooperative Development Grant

USDA Rural Development encourages and helps develop effective cooperative organizations through this program. Grants are made to non-profit corporations and institutes of higher education to establish and operate centers for rural cooperative development and to improve the operations of existing co-ops. These centers can provide a wide range of assistance for people interested in forming new cooperatives from the initial feasibility study to the creation and implementation of a business plan. In addition funding can be used for technical assistance to existing cooperatives facing problems or challenges.

Value Added Agricultural Product Grant

This program helps producers expand the customer base for their products and ensure they receive a greater portion of revenues derived from the activity. Eligible applicants include independent producers, farmer or rancher cooperatives, agricultural producer groups, or a majority-controlled, and producer based business ventures (*producers must have more than 50% ownership and control*). Eligible purposes include feasibility studies and marketing plans, and working capital expenses for processing and marketing value-added ag products. Funding for this program is done through a Notice of Funding Availability (NOFA) published each year in the Federal Register

Renewable Energy Systems and Energy Efficiency Systems

This program provides grants and loan guarantees to eligible farmers, ranchers, and rural small businesses to assist in developing renewable energy systems and to make energy efficiency improvements. Examples include: biofuels, wind, solar, geothermal, and hydrogen based projects. Projects must be located in rural areas or rural communities with populations of 50,000 or less. Funding can be used to purchase and install equipment; construction or improvements; energy audits; permit fees; professional service fees; feasibility studies; business plans and retrofitting.

Water and Waste Disposal Direct Loan and Guaranteed Loan

This program assists rural areas in developing, upgrading, and/or repairing their water, sewer, and storm drainage facilities; as well as solid waste systems. Eligible applicants include public bodies, non-profits, and Indian tribes. Unincorporated rural areas, cities, and towns with populations less than 10,000 are eligible. Funding can be used for construction, equipment engineering, and legal expenses.

Direct Loan: The maximum loan repayment is 40 years. Interest rates are set quarterly and are based on index of current market yields for municipal obligations.

Guaranteed Loan: Banks and other commercial lenders are eligible participants for the guaranteed loan program. Loan guarantees are made up to 90% by USDA Rural Development and rates/terms are negotiated between the business and lender.

Water and Waste Disposal Grant

Grants funds can assist communities and rural areas identify and evaluate solutions to water or wastewater problems, improve facility operation and maintenance activities, or prepare funding applications for water or wastewater treatment facility construction projects. Funds are only available for the neediest applicants and may pay for up to 75% of the project depending on population and income.

Solid Waste Management Grant

This program supports rural areas with recycling education and solid waste planning. Funding is used to reduce or eliminate pollution of water resources in rural areas. It can also be used to improve planning and management of solid waste sites in rural areas. Eligible applicants include public bodies, Indian tribes, and non-profits. Eligible areas include unincorporated rural areas, cities, and towns with populations less than 10,000. Grant funds may be used to evaluate landfill conditions to determine threats to water resources; provide technical assistance and or training to help communities reduce the solid waste stream; enhance operator skills in operation and maintenance of active landfills, or assist operators of landfills which are closed, or will be closed soon, with the development and implementation of the plans for closing and future land use.

Rural Broadband Direct Loan and Loan Guarantee Program

Ensuring rural consumers have the same quality and range of telecommunications services available in urban and suburban communities is the primary goal of this program. Funding can be used for construction, improvement, and acquisition of facilities and equipment. An eligible entity may also use funds for the acquisition of another system, lines or facilities to furnish or improve rural broadband service. Funds may also be used to refinance an outstanding obligation on another telecommunications loan made under the Rural Electric Act.

Distance Learning and Telemedicine Loan and Grant

The program supports the development and deployment of advanced telemedicine and distance learning systems in rural areas. Eligible applicants include: rural schools, colleges, and universities, non-profit organizations, hospitals, libraries, health care clinics, Indian tribes, consortiums or partnerships, other incorporated organizations and related organizations which operate rural educational or health care facilities. Projects must be located in an areas with populations less than 10,000. Funding can be used for initial capital and hardware costs to enhance telecommunication capabilities for either public education or medical purposes. For more information on this program in Colorado contact: Teri Nilson Baird, P.O. Box 547, Franktown, Colorado 80116. Phone 303-646-5856, Voice mail (800) 485-4421, teri.baird@usda.gov

Rural Electric Program

Providing reliable, affordable electricity is essential to the economic well-being and quality of life for rural residents. USDA Rural Development's Electric Program provides leadership and capital to upgrade, expand, maintain, and replace America's vast rural electric infrastructure.

The program makes loans and loan guarantees to finance the construction of electric distribution, transmission and generation facilities, including system improvements and replacements required to furnish and improve electric service in rural areas, and for demand side management, energy conservation programs, and on-grid and off-grid renewable energy systems.

Loans are made to corporations, states, territories and subdivisions and agencies such as municipalities, people's utility districts, and cooperative, nonprofit, limited-dividend, or mutual associations that provide retail electric service needs to rural areas or supply the power needs of distribution borrowers in rural areas. Financial assistance is also available to rural communities with extremely high energy costs to acquire, construct, extend, upgrade, and otherwise improve energy generation, transmission, or distribution facilities.

For assistance with the Electric Program in Colorado, contact:

Howard W. Barnes

P.O. Box 1058

Loveland, CO 80539-1058

Phone 970-667-1605

FAX 970-667-9865

howard.barnes@usda.gov

Preserve America Initiative

The Preserve America initiative, announced by Mrs. Laura Bush on March 3, 2003, is a White House effort to encourage and support community efforts for the preservation and enjoyment of America's priceless cultural and natural heritage. Communities which have received this designation will be considered for priority funding under the Rural Development Community Facilities program.

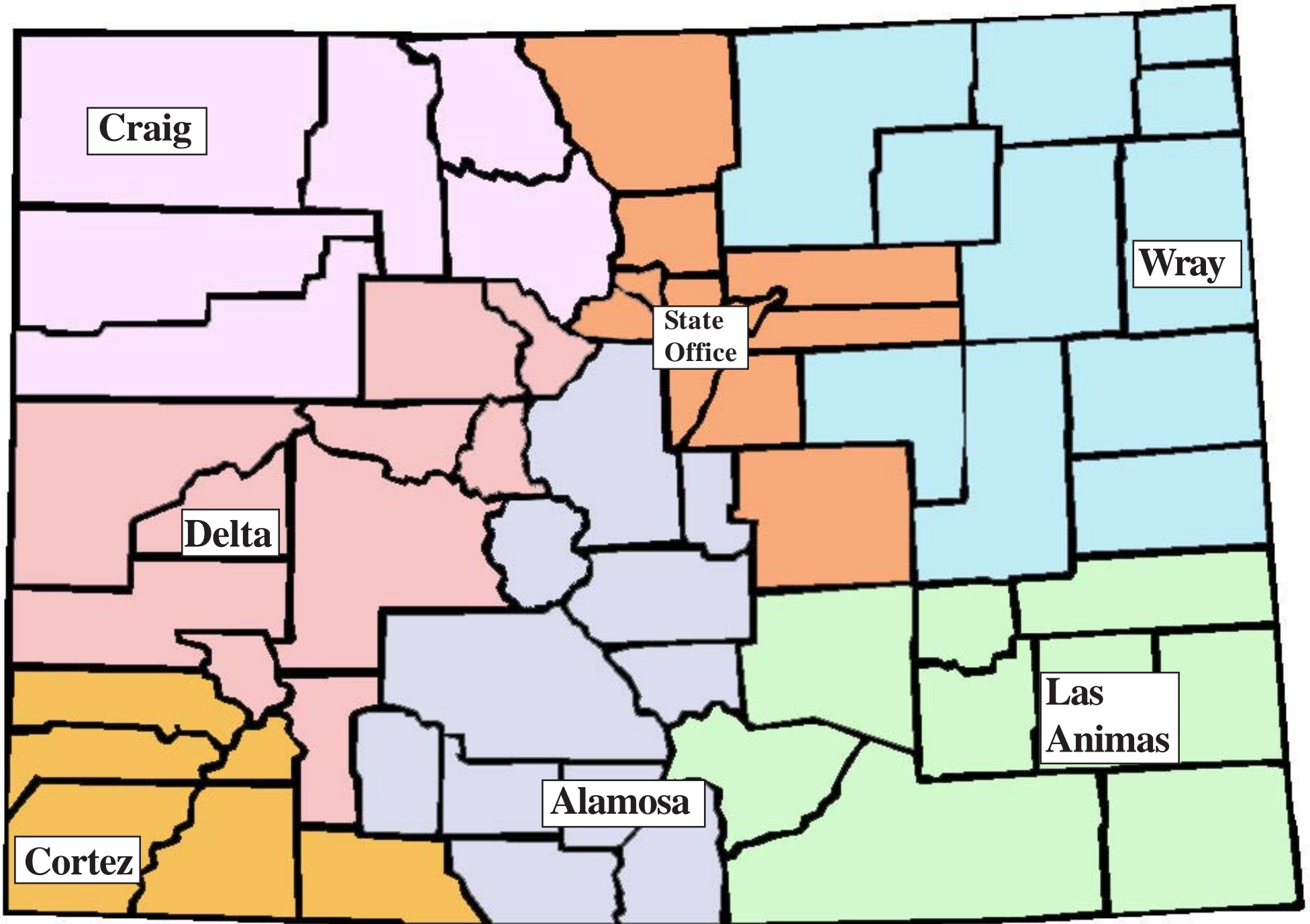
First Responders Initiative

Rural Development through its community facilities program, provides funding for the Rural Emergency Responders Initiative to specifically strengthen the ability of rural communities to respond to local emergencies. The community facilities program funds are used to support rural emergency responder efforts by financing needed equipment and services. These funds are available to public bodies, non-profit organizations, and recognized Indian tribes.

Critical Access Hospitals Initiative

Community Facility program funding is available to provide assistance with significant capital costs associated with the replacement or renovation of Critical Access Hospitals (CAH). A Critical Access Hospital is a hospital that is certified to receive cost-based reimbursement from Medicare. This reimbursement is intended to improve a hospital's financial performance and reduce closures. More than 40% of all rural hospitals are designated as a CAH and USDA Rural Development recognizes the importance of these facilities in rural communities.

Colorado Rural Development Office Locations



Lakewood State Office: 655 Parfet Street, Lakewood, CO 80215, (720) 544-2903.

***Alamosa:** 101 S. Craft Drive, Alamosa, CO 81101, (719) 589-5661, ext. 4.

**Office has Multi-Family Housing Staff*

Cortez: 628 West 5th Street, Cortez, CO 81321, (970) 565-8416, ext. 4.

Craig: 145 Commerce Street, Craig, CO 81625, (970) 824-3476, ext. 4.

***Delta:** 690 Industrial Blvd., Delta, CO 81416, (970) 874-5735, ext. 4.

**Office has Multi-Family Housing Staff*

***Las Animas:** 760 Bent Avenue, Las Animas, CO 81054, (719) 456-0120, ext. 4.

**Office has Multi-Family Housing Staff*

***Wray:** P.O. Box 405, 247 N. Clay Street, Suite #2, Wray, CO 80758,
(970) 332-3107, ext. 4. **Office has Multi-Family Housing Staff*