



NEWS RELEASE

1303 SW First American Place, Suite 100, Topeka, KS 66604-4040
Voice (785) 271-2701, FAX (785) 271-2708, WEB www.rurdev.usda.gov/ks

FOR IMMEDIATE RELEASE – August 5, 2009

Contact - Harold Alford (785) 271-2701

AGRICULTURE SECRETARY VILSACK ANNOUNCES \$1.7 BILLION IN LOAN ASSISTANCE AVAILABLE NOW TO HELP RURAL BUSINESSES

Loans Provided through Recovery Act Funds will Help Strengthen Rural Communities Throughout America

WASHINGTON, July 29, 2009 - Agriculture Secretary Tom Vilsack today announced that USDA is now accepting applications for up to \$1.7 billion to fund projects that help spur business activity and economic growth in rural communities. This infusion of money from the American Recovery and Reinvestment Act into rural business is designed to create and save jobs and help rural communities grow and prosper.

"The Recovery Act funds announced today will help businesses get access to the capital they need to launch and expand their businesses and help bring additional jobs to America's small cities and towns," said Vilsack. "President Obama and I are committed to building strong rural communities by helping businesses grow so we can put people back to work."

The funding announced today will be made available through USDA Rural Development's Business and Industry Guaranteed Loan program, which supports the development of private businesses. Eligible applicants include cooperative organizations, corporations, partnerships, nonprofit groups; federally recognized Indian tribes, public bodies and individuals. The funds will be targeted to creating and retaining quality jobs and serving difficult to reach populations, and areas hardest hit by the current economic downturn.

USDA will accept applications for this Business and Industry Guaranteed Loan program until Sept. 15, 2010, or until all funds are expended. Recovery Act funding will be available through Sept. 30, 2010. For information on eligibility criteria and for application assistance, please contact your state Rural Development office, or visit www.rurdev.usda.gov for a listing of all state offices.

An example of a project previously funded in Kansas under the Business and Industry Guaranteed Loan Program includes the funding of Altamont Grocery Store in Altamont, KS. The funding was used to fund site improvements, provide start up inventory, and purchase the needed machinery and equipment to reopen a much needed grocery store that serves a population of 1,092 (2000 census).

New owners purchased the store that had been closed for about 10 months. By reopening the store they were able to save the 4 jobs that were lost when the store closed and it provides the opportunity for future employment.

Projects such as Altamont Grocery Store are a great example of how partnerships are built and a community comes together. The project was financed with a USDA Rural Development Business and Industry Guaranteed Loan, a Network Kansas Grant and a grant from the Southeast Kansas Prosperity Foundation.

Gary Smith, Director, Business and Community Programs commented, "The Business and Industry Guaranteed Loan Program is a great tool for lenders and businesses in Kansas to stimulate economic growth and create jobs though out the State by working in partnership for the benefit of their communities."

More information about USDA's Recovery Act efforts is available at www.usda.gov/recovery.
More information about the Federal government's efforts on the Recovery Act is available at www.recovery.gov.

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development fosters growth in homeownership, finances business development, and supports the creation of critical community and technology infrastructure.

For additional information regarding USDA Rural Development and its programs, log onto the Agency's website at www.rurdev.usda.gov/ks or call the Agency's state office at 785-271-2700.

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