

**Rural Economic Development  
Loan and Grant (REDLG)  
Program**



Committed to the future of rural communities.

**Fact Sheet**

**Purpose**

- To provide financing to eligible intermediaries to promote rural economic development and job creation projects.

**Applicant Eligibility**

- Rural Utilities Service (RUS) borrowers currently in debt under the Rural Electrification Act
- RUS former borrowers under the Rural Electrification Act
- Non-profit utility eligible for RUS loan under the Rural Electrification Act
- Financially sound organization
- Current on all Federal debts

**Type of Assistance:**

**Loan or Grant**

- **Loans** – pass through to ultimate recipient
- **Grants** – establish RLF

**Loan or Grant Amount:**

**(per application)**

- Loans** - \$740,000 max and \$10,000 min
- Grants** - \$300,000 max and \$10,000 min

**Type of Project**

**REDL**

- Start up venture costs, including but not limited to financing fixed assets such as real estate, buildings (new or existing), equipment, or working capital;
- Business expansions
- Business incubator projects
- Technical assistance
- Project feasibility studies
- Advanced telecommunications and computer networks for medical, educational, and job training services
- Community facilities projects
- Other projects eligible under 4280.21 –
  - o Facilities and equipment to provide education and training to residents of rural areas that will facilitate economic development;
  - o Facilities and equipment to provide medical care to residents of rural areas;

**REDG**

- Community development or Community Facility projects that will create or save employment and are open to and serve all rural residents and are owned by the ultimate recipient
- Business incubators
- Facilities and equipment to provide education and training to residents of rural areas that will facilitate economic development
- Facilities and equipment to provide medical care to residents of rural areas. Equipment and facilities may be funded to enable eligible entities to provide medical training and related professional health care skills to rural health care providers
- Projects that utilize Advanced Telecommunications, or computer networks to facilitate medical or educational services or job training
- Project feasibility studies and Technical Assistance

## Application Process

- Application may be submitted to the USDA Rural Development State Office—see address below.
- Applications are selected on a quarterly basis as part of a Nationwide competitive process.

## Selection Factors

- Nature of the project
- # of direct F/T jobs created or saved within 3 yr.
- Supplemental funds.
- Unemployment rate for parish where project is physically located
  - o Comparison to national
  - o Comparison to state
- Per capita personal income for parish where project is physically located
  - o Comparison to national
  - o Comparison to state
- Rural Area location
- Decline in population
- Cushion of Credit payments – Account balance amount
- Initial loan and grant
- If first REDLG financed in the parish
- Business Plan
- Discretionary Points

## For More Information

USDA Rural Development State Office  
3727 Government Street  
Alexandria, Louisiana 71302  
Telephone: (318) 473-7960  
e-mail: [judy.meche@la.usda.gov](mailto:judy.meche@la.usda.gov).