

USDA ANNOUNCES \$12.7 MILLION IN ECONOMIC DEVELOPMENT FUNDING

Funds will Spur Economic Development, Create and Retain Jobs

WASHINGTON, April 17, 2009 – Agriculture Secretary Tom Vilsack today announced that 20 organizations in 15 states have been selected to receive \$12.7 million in loans to spur economic development and create or save nearly 2,000 jobs.

“Investing in local businesses is one of the most effective ways to ensure that rural communities continue to be economically viable and attractive places to live and work,” Vilsack said. “The funding announced today reflects President Obama’s commitment to stimulate rural economies.”

The loans are being made through USDA Rural Development’s Intermediary Relending Program. The funds are provided to community development or regional planning groups who then re-lend them to local businesses. Loans must be used to start new businesses, expand existing ones, or create or retain jobs.

For example, in North Dakota, the North Dakota Housing Finance Agency, Bismarck, N.D., has been selected to receive a \$600,000 loan to help finance housing development projects in a nine-county area. These loans will help provide gap financing to developers building homes in rural North Dakota. Such financing is critical – and often unavailable – in many rural areas where construction costs exceed the value of the home.

Also in North Dakota, the Lewis and Clark Regional Development Corporation, Bismarck, N.D., has been selected to receive a \$750,000 loan, along with \$250,000 from the city of Mandan, to form a \$1 million revolving loan fund to provide loans to businesses within a 10-mile radius of Mandan, Morton County, N.D. This is the second IRP loan to Lewis and Clark to create a revolving loan fund. Roughly, 200 jobs will be created along with 75 jobs saved, as the result of Rural Development’s assistance.

Maryland Capital Enterprises, Salisbury, Md., has been selected to receive \$750,000 to provide loans to more than 20 businesses that are in various stages of counseling, mentoring and business plan development. Maryland Capital trains business owners on how to create budgets, become more cost effective and develop successful business plans. After the businesses complete this training, they will be able to qualify for startup or expansion loans from Maryland Capital. Local economic development officials estimate that each new job created as a result of the technical assistance and loan funding will affect five additional businesses and expand the local tax base.

The Midwest Assistance Program Inc., Columbia, Mo., has been selected to receive \$500,000 to form a revolving loan fund to provide financial assistance for clean drinking water, wastewater and similar public infrastructure projects in economically disadvantaged

communities in 14 northern Missouri counties. Many area residents do not have clean water or working wastewater systems and live in communities that cannot afford to build systems or repair existing ones without the Rural Development assistance.

The following is a complete list of groups selected to receive Intermediary Relending Program awards.

Intermediary Relending Program

Borrower	State	Award Amount
Colusa County Partnership	CA	\$500,000
Arcata Economic Development Corporation	CA	\$750,000
First State Community Loan Fund	DE	\$500,000
Georgia Cities Foundation, Inc.	GA	\$750,000
Clearwater Economic Development Association, Inc.	ID	\$300,000
Maryland Capital Enterprises	MD	\$750,000
Midwest Assistance Program, Inc.	MO	\$500,000
Prospera Business Network	MT	\$500,000
Lumbee River Electric Membership Corporation	NC	\$750,000
Advancement Regional Business Lenders, Inc.	NC	\$750,000
North Dakota Housing Finance Agency	ND	\$600,000
Lewis and Clark Regional Development Council	ND	\$750,000
North Country Alliance	NY	\$750,000
Tioga County Local Development Corporation	NY	\$300,000
Tulsa Economic Development Corporation	OK	\$750,000
Northeast Oregon Business Development	OR	\$750,000
Greater Berks Development Fund	PA	\$500,000
Williamsburg County Development Corporation	SC	\$750,000
Community Development and Improvement Corporation	SC	\$750,000
South Dakota Economic Development Finance Authority	SD	\$750,000

Funding of individual recipients is contingent upon their meeting the terms of the loan agreement.

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 creation of critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA Rural Development's web site at <http://www.rurdev.usda.gov>.