



Committed to the future of rural communities.

A faded background photograph of a town street. On the left, a building has a large window and an American flag hanging from its side. A sidewalk leads down the street, lined with trees. On the right, a white van is parked, decorated with colorful balloons and a pinwheel. The overall scene is bright and sunny.

***Loan and Grant Programs***

## Rural Development – Housing and Community Facilities Programs

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Single Family Home Ownership Direct Loans	Safe, well-built, affordable homes for rural Americans.	Families and individuals. Apply to Rural Development.	Buy, build, improve, repair or rehabilitate rural home as the applicant's permanent residence.	Rural areas with populations of 20,000 or less.	Direct loan.	Up to 100 percent of market value or cost, whichever is less. Loan amortized for 33/38 years. Applicant may be eligible for payment assistance (subsidy) on the loan.
Single Family Home Ownership Direct Repair Loans and Grants	To help very-low-income applicants remove health and safety hazards or repair their homes.	Families and individuals who currently own their home. Apply to Rural Development.	Repair/replace roof, winterizing, purchase or repair of heating system, structural repair, water/sewage connect fees, and similar uses.	Rural areas with populations of 20,000 or less.	Direct loan and grant.	Loan terms to 20 years at 1 percent. Assistance to individual may not exceed \$20,000. Grants only available to very-low-income applicants 62 years or older who cannot afford to pay 1 percent loan.
Single Family Home Ownership Guaranteed Loans	Assist eligible applicants in buying their homes by guaranteeing loans made by private lenders.	Families and individuals. Apply to lender.	Purchase new or existing home.	Rural areas with populations of 20,000 or less.	Loan guarantee.	30 year, fixed rate. Interest rate negotiated between lender and borrower. Loans to 100 percent of market value.
Mutual Self-Help Home Ownership Loans	Individual homes built by a group of applicants, with construction guidance of a non-profit organization.	Families and individuals. Apply to Rural Development. Loan applications are processed on an individual basis for each participating family.	Construction of a new home, in part by the applicant under supervision.	Rural areas with populations of 20,000 or less.	Direct loan.	Individual families receive a direct loan from Rural Development. Participating non-profit housing organization gets a grant to hire a supervisor and pay other administrative expenses.
Mutual Self-Help Housing Grants	Assist lower income families in building their own homes.	Non-profits and public bodies.	Technical assistance to qualify and supervise small groups of families to build each other's homes.	Rural areas with populations of 20,000 or less.	Grant.	Grant agreement.
Rental Housing for Families and Elderly Direct Loans and Loan Guarantees	Safe, well-built, affordable rental housing for very-low-income individuals and families.	Individuals, limited profit and non-profit organizations. For guarantees, apply to intermediary lender; for direct loans, apply to Rural Development.	New construction or substantial rehabilitation of rental housing.	Rural areas with populations of 20,000 or less.	Direct loan or loan guarantee.	Up to 90 percent of appraised value or total development cost (non-profits); 97 percent (for-profits). Up to 40 year amortization.
Housing Preservation Grants	Repair and rehabilitate housing owned or occupied by very-low- and low-income rural families.	Public bodies and non-profit organizations. Apply to Rural Development.	Operation of a program which finances repair and rehabilitation activities for single family and small rental properties.	Rural areas with populations of 20,000 or less.	Grant.	Grant agreement.
Community Facilities Programs	Provide essential community facilities for rural communities.	Public bodies, non-profit organizations and Indian tribes including Faith-Based organizations. Apply to Rural Development.	Build facilities and purchase equipment for fire and rescue, telecommunications, schools, libraries, hospitals, etc.	Rural areas with populations of 20,000 or less.	Direct loan or loan guarantee, grant.	Up to 100 percent of market value. Up to 40 years or life of security. Maximum grant 75 percent of project cost.
Farm Labor Housing	Safe, well-built affordable rental housing for farm workers.	Individuals, public and private non-profit organizations. Apply to Rural Development.	New construction or substantial rehabilitation of rental housing.	N/A	Direct loan and grant.	Up to 33 years to repay at 1 percent interest.

Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to intermediary (approved banks, mortgage companies)  
 Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to intermediary (eligible banks, etc).

updated 9/09  
 updated 9/09

## Rural Business [www.rurdev.usda.gov/rbs/index.html](http://www.rurdev.usda.gov/rbs/index.html)

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Business and Industry Guarantee Loans	Create jobs and stimulate rural economies by providing financial backing for rural businesses.	Business applies through Federal or State Chartered banks, credit unions, savings & loan associations.	Most legal business purposes, including acquisition, start-up and expansion of businesses that create rural employment.	All areas except cities of more than 50,000 and their contiguous urbanized area.	Loan guarantee	Lender and borrower negotiate terms Interest rate tied to published rate that may change no more often than quarterly.
Rural Business Enterprise Grants	Finance and facilitate the development of small and emerging private business enterprises.	Public bodies; private nonprofit corporations and federally recognized Native American tribal groups apply to Rural Development Area Office.	Buy and develop land, construct buildings, plants, equipment, access streets and roads, parking areas, utility and service extensions, rural distance learning networks, and establish a revolving loan.	All areas except cities of more than 50,000 and their contiguous urbanized area.	Grant	When grant funds are used for revolving loan fund (RLF) the intermediary makes loans to businesses from its RLF on terms consistent with security offered.
Intermediary Relending Program Loans	Finance business facilities and community development projects and job creation in rural areas.	Public bodies, nonprofit corporations, Native American tribes, and cooperatives apply to Rural Development Area Office.	Community development projects, establishment or expansion of businesses, creation or saving rural jobs.	Rural areas and incorporated places with populations of less than 25,000.	Direct loan	The intermediary makes loans to businesses from its revolving loan fund on terms consistent with security offered. Intermediary pays 1% for 30 years.
Rural Economic Development Loans and Grants	Finance economic development and job creation in rural areas.	RUS financed electric and telephone utilities apply to Rural Development Area Office.	Business startup or expansion projects that create rural jobs.	Rural areas and places with populations of 2,500 or less.	Direct loan and revolving loan fund grant.	The intermediary, electric or telephone utilities, make loans to profit or non-profit business and public bodies for rural economic development and/or job creation projects. Loans are 0% for 10 years.
Rural Cooperative Development Grants	Establish and operate centers for cooperative development to improve the economic condition of rural areas through the development of new cooperatives and improving operations of existing cooperatives.	Nonprofit corporations and institutions of higher education apply directly to Rural Development National Office.	Establish operating centers for development of rural cooperatives.	All areas.	Grant	Applicants must meet specific selection criteria including a minimum 25 percent fund match. Grants are awarded on a competitive basis. Some funds reserved for applicants that focus on assistance to small, minority producers through their cooperative businesses (governing board or membership at least 75 percent minority).
Value-Added Agricultural Product Market Development Grant Program	To assist independent agricultural producers enter into value-added activities.	Independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures can apply to Rural Development State Office.	Funds can be used for planning purposes such as conducting feasibility studies or feasibility business plans or it can be used as working capital to help start the operations of a venture.	All areas	Grant	Applicants must meet specific selection criteria. Grants are awarded on a competitive basis. Funds cannot be used to build facilities or purchase equipment. There is a dollar for dollar matching requirement.
Rural Business Opportunity Grant	Finance technical assistance for business development planning in rural areas.	Public bodies, non-profit corporations, Indian tribes on Federal or state reservations and cooperatives with members that are primarily rural residents.	Technical assistance, leadership training, establish business support centers, economic development plans.	All areas except cities of more than 50,000 and their contiguous urbanized area.	Grant	Must be completed within two years after project has begun.

Section 9007 Rural Energy for America Program	To promote energy efficiency and renewable energy development for agricultural producers and rural small businesses	Agricultural Producers and Small Businesses	Grants for energy audits and renewable energy development assistance and Financial assistance for energy efficiency improvements and renewable energy systems	All areas except cities of more than 50,000 and their contiguous urbanized area.	Competitive Grant	25% matching funds required from recipient on grants for energy audits.
---	---	---	---	--	-------------------	---

*Direct Loans and Grants - Apply to Rural Development Loan Guarantees - Apply to Intermediary (approved banks, credit unions, etc)*

<b>Program</b>	<b>Objective</b>	<b>Applicant</b>	<b>Uses</b>	<b>Population</b>	<b>Loan/Grant</b>	<b>Terms/Conditions</b>
Section 9003 Bio-refinery Assistance Program	Provides loan guarantees for the development, construction and retrofitting of commercial-scale bio-refineries or for the retrofitting of existing facilities	Individual, Indian Tribe, Unit of state or local government, corporation, Farm Cooperative, Association of agricultural producers, National Laboratory, Institution of higher education, Public power entity, rural electric cooperatives	Purchase and installation of equipment, construction or retrofitting, permit and license fees, professional service fees, feasibility studies, working capital, land acquisition, business plans	All areas except cities of more than 50,000 and their contiguous urbanized area.	Loan Guarantee	Negotiated between the lender and the applicant.
Section 9004 Repowering Assistance	Provides payments to bio-refineries (that were in existence at the time the 2008 Farm Bill was passed) to replace fossil fuels used to produce heat or power to operate the bio-refineries with renewable biomass	Biorefinery in existence on or before June 18, 2008	Payments to eligible biorefineries to encourage the use of renewable biomass as a replacement fuel source for fossil fuels used to provide process heat or power in the operation of these eligible biorefineries	All areas except cities of more than 50,000 and their contiguous urbanized area.	Incentive Payment	Agency will determine the amount of payments to be made to a biorefinery based on the quantity of fossil fuel a renewable biomass system is replacing, the percentage reduction in fossil fuel used by the biorefinery, and the cost effectiveness of the renewable biomass system, economic benefit to the community, and the potential to improve the quality of life in rural America
Section 9005 Bioenergy Program for Advanced Biofuels	Provide payments to eligible agricultural producers to support production of advanced biofuels	Applicant must be an Eligible Advanced Biofuel Producer who meets all requirements for program payments, and must meet the citizenship requirement	The Agency will establish payment rates for both base and incremental production of Eligible Advance Biofuel	All areas except cities of more than 50,000 and their contiguous urbanized area.	Incentive Payment	When Advanced Biofuel Producer is determined eligible to receive payments, the Eligible Advanced Biofuel Producer must then enter into a Contract with the Agency

*Direct Loans and Grants - Apply to Rural Development Loan Guarantees - Apply to Intermediary (approved banks, credit unions, etc)*

*updated 9/09*

## Rural Development – Utilities Programs

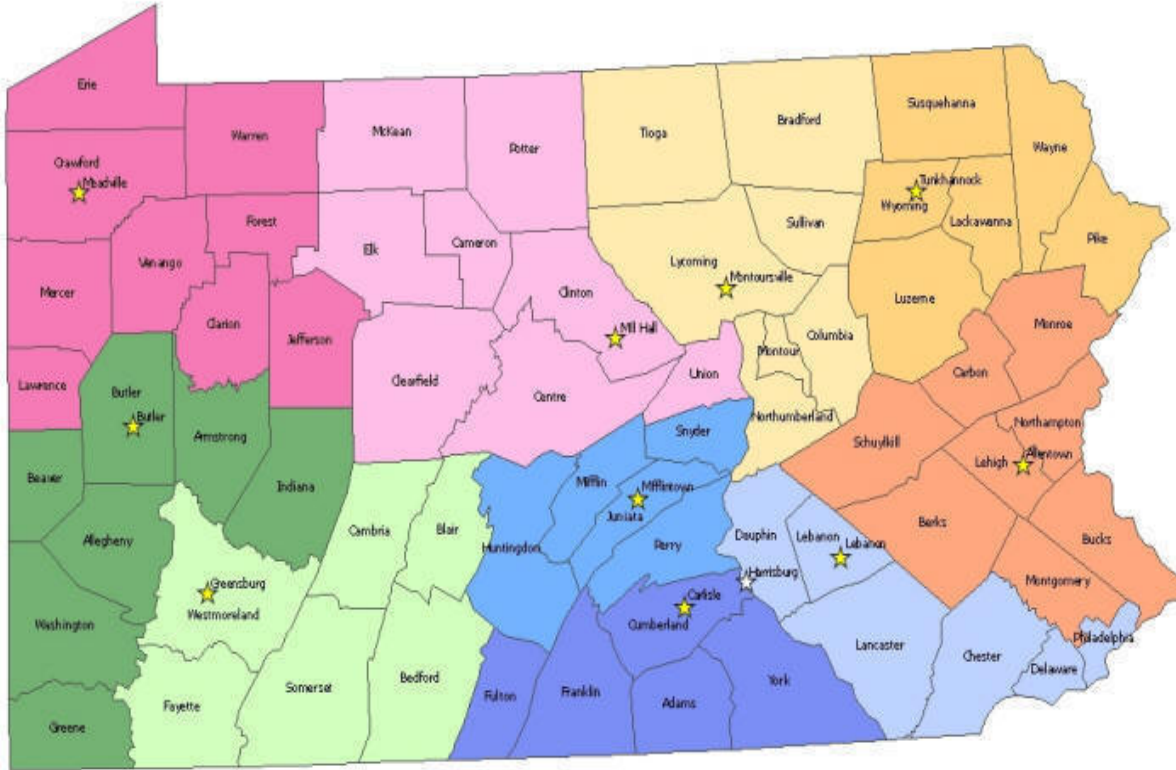
Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Water and Waste Disposal Loans and Grants	Provide infrastructure for rural areas.	Public entities, Indian tribes, and non-profit corporations. Apply to Rural Development.	Build, repair, and improve public water systems, and waste collection and treatment systems. Also other related costs.	Rural areas, cities, and towns with up to 10,000 population.	Direct loan and grant.	Interest rates are set quarterly based on an index of current market yields for municipal obligations. Repayment period is a maximum of 40 years. Grant funds may be available.
Water and Waste Disposal Loan Guarantees	Provide infrastructure for rural areas.	Public entities, Indian tribes, and non-profit corporations. Apply to Rural Development.	Construct, repair, modify, expand, improve water supply and distribution systems, and waste collection and treatment systems. Also other related costs.	Rural areas, cities, and towns with up to 10,000 population.	Loan guarantee.	Eligible lenders obtain up to a 90 percent guarantee on loans they make and service. Lenders should contact Rural Development Area or State Office.
Solid Waste Management Grants	Provide technical assistance and/or training to help communities reduce the solid waste stream.	Non-profit organizations and public bodies. Apply to Rural Development.	Provide technical assistance and training to reduce pollution of water resources and improve management of solid waste facilities; reduce solid waste in streams.	Rural areas, cities and towns with up to 10,000 population.	Grant.	Projects are funded based on selection at the National level. Applications are accepted from October 1 <sup>st</sup> to December 31 <sup>st</sup> of each year.
Rural Broadband Loan and Loan Guarantee	The deployment of broadband service to eligible rural communities.	Legally organized entities providing or proposing to provide broadband service in eligible rural communities. Cannot serve more than 2% of the telephone subscriber lines installed in the U.S.	The construction, acquisition, and improvement of broadband transmission facilities and equipment; land and buildings used in providing broadband service; and the refinancing of Telecommunications Program debt.	Eligible rural communities with a population of 20,000 inhabitants or less. The community cannot be located in a standard metropolitan statistical area.	Direct loans and loan guarantees.	Loans are made at the Treasury rate of interest at the time of the advance for a period equal to expected composite economic life of the assets financed. Loans are guaranteed at the interest rate set by the private lender for no more than 80% of the principal amount.
Electric and Telecommunication	Provide financial aid through direct and guaranteed loans for electric and telecommunications services.	Non-profit and cooperative associations, public bodies, and other utilities. Contact USDA-RUS Administrator, STOP 1510, 1400 Independence Ave. SW, Washington, DC 20250-1510.	Generation, bulk transmission facilities, and distribution of electric power. Enhance 911 emergency service, digital switching equipment, fiber optic cable, along with traditional main system telecommunications service.	Rural areas.	Direct loan or loan guarantee.	Interest rates are established in accordance with 7CFR 17145.
Distance Learning and Telemedicine	Development and deployment of advanced telecommunication services throughout rural America to improve education and health care.	Incorporated entities, including municipal corporations, on a for-profit or not-for-profit basis, that operate rural schools, libraries, health care clinics and other organizations that operate educational or health care facilities.	Equipment for classrooms: cameras, video monitors, computers, and LAN. Also for physician consultation, radiology, x-ray scanners, and digital microscopes.	Rural areas.	Direct loan and/or grant.	Matching funds are required. Projects are funded based on selection at the National level. Applications are accepted during a period specified in the Notice of Financial Assistance (NOFA).

Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to intermediary (eligible banks, etc).

updated 9/09

The Pennsylvania State Office, located in Harrisburg, PA, administers USDA Rural Development programs through four Area offices and ten Local offices across the state. All offices are open to the public Monday through Friday from 8:00 a.m. until 4:30 p.m.

**USDA Rural Development Pennsylvania State Office**  
 Telephone: (717) 237-2299  
 One Credit Union Place, STE 330 Fax: (717) 237-2191  
 Harrisburg, PA 17110-2912 TDD/Voice Number: 711 or (800) 654-5984



**Crawford Area** ■  
 14699 N. Main St. Ext.  
 Meadville, PA 16335-9441  
 814-336-6155 Ext.4

**Wyoming Area** ■  
 One Hollowcrest Complex  
 Tunkhannock, PA 18657-6632  
 570-836-5111 Ext. 4

**Cumberland Area** ■  
 401 E. Louthers St., Ste 304  
 Carlisle, PA 17013-2652  
 717-218-3002

**Butler Area** ■  
 625 Evans City Rd., Suite 101  
 Butler, PA 16001-8704  
 724-482-4800 Ext. 4

**Clinton Area** ■  
 216 Spring Run Rd. Rm 103  
 Mill Hall, PA 17751-9543  
 570-726-3196 Ext. 4

**Lehigh Area** ■  
 2211 Mack Blvd.  
 Allentown, PA 18103-5623  
 610-791-9810 Ext. 4

**Juniata Area** ■  
 RR5 Box 35  
 Stoney Creek Drive  
 Mifflintown, PA 17059-9533  
 717-436-8953 Ext. 4

**Lycoming Area** ■  
 542 County Farm Rd. Suite 205  
 Montoursville, PA 17754-9209  
 570-433-3006 Ext. 4

**Lebanon Area** ■  
 2120 Cornwall Rd., Suite 7  
 Lebanon, PA 17042-9790  
 717-272-3908 Ext. 6

**Westmoreland Area Office** ■  
 226 Donohoe Rd., Suite 201  
 Greensburg, PA 15601-7470  
 724-853-5555 Ext. 4