

United States Department of Agriculture



Rural Development



Rural Business Enterprise Grants

◆ OBJECTIVE

To finance and facilitate the development of small and emerging private business enterprises in rural areas.

RURAL AREA - Population of less than 50,000.

SMALL AND EMERGING BUSINESS - 50 or fewer new employees and projected gross revenues of less than \$1 million.

TECHNICAL ASSISTANCE - Function performed for the benefit of a small and emerging business which is a problem-solving activity (i.e. market research, product and/or service development, feasibility study)

◆ ELIGIBLE APPLICANTS

- ◆ Public Bodies
- ◆ Indian Tribes
- ◆ Nonprofit Corporations (including all public & nonprofit institutions of higher education)
- ◆ At least 51% membership or ownership by US citizens or legally-admitted residents.

◆ PRIORITIES

- ◆ High unemployment
- ◆ Low income
- ◆ Business start-up or expansion
- ◆ Revolving Loan Funds
- ◆ Maintaining/Creating jobs
- ◆ Grants of not more than \$500,000
- ◆ Communities of less than 25,000 population
- ◆ Consistent with overall economic development plan for project area
- ◆ Applicant with experience in successful rural development

◆ GRANT PURPOSES

- ◆ Land acquisition and development
- ◆ Loans for start-up and working capital
- ◆ Technical assistance
- ◆ Revolving Loan Funds
- ◆ Construction, enlargement, or modernization of fixed assets or infrastructure
- ◆ Reasonable fees and charges for professional services necessary for the project
- ◆ Refinancing of debts incurred for the project when satisfactory arrangement cannot be made with existing creditors
- ◆ Training, when necessary with Technical Assistance
- ◆ Television production of issues of importance to farmers and rural residents
- ◆ Rural Distance Learning Centers or Rural Learning Programs that provide instruction or job training

◆ GRANT LIMITATIONS

- ◆ Agricultural production
- ◆ Comprehensive areawide planning
- ◆ Loans when rates, terms, and charges are not reasonable
- ◆ Programs operated by cable television systems
- ◆ Projects dependent on other funds which are not committed

◆ INQUIRIES ◆

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