BACKING THE BUSINESS OF RURAL AMERICA

Chuck Clendenin, Program Director
BUSINESS & COOPERATIVE PROGRAMS
Business, Energy & Cooperative Programs

- Rural Business Enterprise Grants
- Value Added Producer Grants
- Rural Business Opportunity Grants
- Cooperative Programs
- Rural Energy Assistance Program
- Guaranteed Business & Industry Loan Guarantee Program
- Intermediary Relending Program
Putting Money in the Hands of Rural Business Owners
Population Requirements

- B&I, RBEG, RBOG, Energy
  <50,000 population
- Value Added Producer Grant
  No Requirement
- Intermediary Relending Program
  <25,000 population
Rural Business Enterprise Grant

- **Purpose**: Finance and facilitate development of small and emerging businesses located in rural areas
- **Eligible Applicants**: Public bodies, nonprofit corporations, and federally recognized Indian tribal groups
Rural Business Enterprise Grant

• Eligible activities include:
  – Technical assistance for private business enterprises
  – To establish a relending program
  – Training programs
  – Infrastructural Projects
Rural Business Enterprise Grant

- Desert Alliance for Community Empowerment
  - Grant for Tenant Improvements, $200,000
  - Serves communities of Blythe, Mesa Verde and Ripley
  - 22 new jobs created
Blythe Ranch Market
Rural Business Enterprise Grant

• New Season Community Development Corporation, $229,970
• Downtown Esparto
• Tenant improvements for lease to Hardware store
• Create 12 new jobs
Rural Business Enterprise Grant

• Siskiyou Training and Employment Program, Inc., $47,000 ARRA funds
• Develop a computer and video based training curriculum
• Train 100 people for new hire positions
Siskiyou Training and Employment Program
Value-Added Producer Grants

• **Purpose:** Feasibility studies and marketing plans, and working capital expenses for processing and marketing value-added ag products.
Value-Added Producer Grants

• Eligible Applicants: Independent producers, farmer or rancher cooperatives, other agricultural producer groups, and majority-controlled producer-based business ventures.
Value-Added Producer Grants

Snow’s Citrus Court

Successfully marketed, advertised and promoted processed citrus products such as syrups, marinades, stir fry sauce, vinaigrettes and infused oil.
Value-Added Producer Grants
Snow’s Citrus Court
Business & Industry Guaranteed Loan Program
Program Goals

- Enhance Lender Profits
- Increase Commercial Credit in Rural Areas
- Rural Employment
- Helping Business
- Stimulating the Economy
- “Sustainable Economic Development”
Borrower Eligibility

- Essentially any legal entity (profit or nonprofit), Indian Tribe, public body, or individual with a business
- Rural area - outside urbanized area of a city with a population of 50,000 - some exceptions
- US ownership - \( \geq 51\% \)
Eligible Uses of Funds

Essentially any business purpose
- R/E purchase or improvement
- Purchase equipment, inventory
- Aquaculture, hydroponics, commercial nurseries
- Other ag production when part of an integrated processing facility
- Refinancing
Rates and Terms

- Rates and terms negotiated between lender and borrower

- Maximum terms
  - R/E - 30 years
  - M&E - 15 years
  - Working capital - 7 years
Watsonville Coast Produce
Wineries
Hotels

- Best Western
- Garden Inn
- Holiday Inn Express
- Comfort Inn
Lets Make A Difference!!!!

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