

Rural Business Enterprise Grant Program



USDA Rural Development's Rural Business Enterprise Grants (RBEG) support the development of small and emerging private business enterprises in rural areas.

Eligible Applicants:

- Public bodies
- Private nonprofit corporation serving rural areas (less than 50,000 in population)

Use of Grant Funds:

- Acquisition and development of land, easements and rights-of-way
- Construction, conversion, enlargement, repairs or modernization of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities and pollution control abatement facilities
- Loans for startup operating cost and working capital
- Technical assistance for private business enterprises
- Reasonable fees and charges for professional services necessary for the planning and development of a project
- Financial assistance to third parties through a loan (revolving loan fund)
- Training, when necessary, in connection with technical assistance
- Create, expand and operate rural distance learning networks or rural learning programs that provide educational instruction or job training instruction related to potential employment or job advancement for adult students

Grant Amounts:

- Maximum and minimum grant amounts are not established.

Application Requirements:

- Grants will only be awarded when there is a reasonable prospect that they will result in the development of small and emerging private business enterprises

Defining Small and Emerging Private Business Enterprise:

- Private business which will employ 50 or fewer employees
- Private business which has less than \$1 million in projected gross revenues

Application Process:

- Applications may be submitted to any USDA Rural Development area or state office
- Applications are selected on a statewide competitive basis
- Applications not selected in the statewide competition may compete for national funds

Selection Factors:

The below factors will be considered when applications are reviewed, rated and awarded:

- Population, economic conditions including unemployment and median household income, applicant experience, evidence of small business development, commitment of nonfederal funding sources, evidence of need for a revolving loan fund, evidence of jobs to be created/saved, project is part of a community or economic development plan covering the project area, grant size and USDA Rural Development state director discretionary points

For More Information Contact:

USDA Rural Development, Attn: Chris Mercer

1619 N Lake Ave

Storm Lake, IA 50588

Phone: 712-732-1851, ext 4

Fax: 712-732-6059

chris.mercer@ia.usda.gov

www.rurdev.usda.gov/ia

