Rural Development
Rural Development

The USDA Rural Development Vision:

A rural America that is a healthy, safe, and prosperous place in which to live and work
Committed to the Future of Rural Communities
Rural Development

Provides Assistance In The Following Areas:

- Housing Programs
- Community Programs
- Business Programs
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2015 Program Funding

- Single Family Housing: $782,591,973
- Rural Business Programs: $24,655,006
- Multi Family Housing: $31,449,752
- Community Programs: $72,655,269
- Water & Waste Programs: $72,478,000
- Telecom, Electric: $86,394,796
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Total investment in Michigan in 2015

$1,070,224,795
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Housing

• Direct Single Family Housing

• Guaranteed Single Family Housing

• Multi-Family Housing
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Home Ownership Programs

Direct Loan Program

Guaranteed Loan Program
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Home Repair Programs

Before….                                              And After!
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Multi-Family Housing
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Community Programs

Rural Development has two programs for rural communities:

• Water & Waste (water & sewer projects)

• Community Facilities (town halls, fire halls, DPW buildings, fire trucks, police cars, libraries, etc.)

Website - http://www.rurdev.usda.gov/mi/
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Water & Waste Programs

Purpose:

• Provide water & waste financing to provide safe, reliable drinking water, improve wastewater treatment systems, protect the environment

Uses:

• Drinking water systems
• Sanitary sewer
• Storm drainage
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Water Systems
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Waste Treatment Systems
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Water & Waste Eligibility:

• Public Bodies
• Tribes
• Not for Profit Corporations

Communities or service area of less than 10,000 in population
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2015 Water & Waste Obligation:

Direct Loan: $56,656,000
Direct Grant: $15,822,000

2015 U.P. Water & Waste Regular Obligation:

Direct Loan: $18,329,000
Direct Grant: $5,899,000
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Telemedicine – Distance Learning
Community Facilities

Purpose:
- Provide essential public services
- Create jobs
- Stimulate local economies

Uses:
- Buy and/or renovate facilities
- Purchase and equip facilities
- Access to health care
- Support for first responders
- Construction and repair of community facilities
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Clark Township Hall
Rural Development

Mackinac Straits Hospital
Rural Development

Community Action Agency - St. Ignace
Rural Development

Trout Lake Township Hall
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Community Facilities Eligibility:

Public Bodies
Tribes
Not for Profit Corporations

Communities or service area of less than 20,000 in population
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2015 Community Facilities Obligation:

Loan: $ 71,537,969
Direct Grant: $ 1,117,300

2015 U.P. Community Facilities Obligation:

Loan: $ 15,875,000
Direct Grant: $ 363,350
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Business Programs

• Guaranteed Business Loan Program
• Intermediary Relending Program (IRP)
• Rural Business Development Grants
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B&I Guaranteed Business Loan Program

Program is designed to assist rural small businesses with obtaining financing through lenders.

• Creating or saving jobs is always primary focus
• Any size business
• Located in rural area <50,000 population
• Business goes to lender, lender comes to us
• $10 Million maximum loan this year
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Eligible Borrowers

• Cooperative, Corporation, Partnership, Individual, Tribal Group or Public Body

• 51% owned by persons who are either U.S. Citizens or have been legally admitted for permanent residence
Ineligible Borrowers

• Churches, Charitable or Fraternal Organizations
• Lending, Investing or Insurance Companies
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Eligible Loan Purposes

• Existing or Start-up Businesses
• Real Estate and Buildings
• Machinery & Equipment
• Term Working Capital
• Refinancing (max. 49% existing exposure)
• Nearly any business venture with a few exceptions
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Ineligible Loan Purposes

• Agricultural Production
• Golf Courses
• Gambling
• Racetracks
• Housing
• Equity Distributions to Existing Owners (if maintaining any ownership)
• Line of Credit Loans
• Loans with Balloon Payments
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Jack’s Foods, Manistique
Rural Development

Strip Mall, Menominee
Rural Development

Manistique Papers, Manistique
Rural Development

Office Planning Group, Iron Mountain
Rural Development

Horner Flooring, Dollar Bay
Rural Development

Assisted Living Facility
Escanaba
Rural Development

Intermediary Re-lending Program Loans (IRP)

• Finance businesses and community development projects in rural areas
• Public bodies, non-profit entities and tribal entities apply to Rural Development

  -- They establish a revolving loan fund to fund local business development

  -- They receive the loan from RD at 1% for 30 years

* Local businesses receive loan on terms consistent with security offered
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Rural Business Development Grants

• Support targeted technical assistance, training, and other activities leading to the expansion of small business

• Eligible entities include non-profit, public body, tribal entities, rural cooperatives, institutions of higher learning

• Small business is defined as employing 50 or fewer new employees & has less than $1MM in projected gross revenue
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Eligible Purposes

• Feasibility studies
• Technical assistance
• Build access streets to industrial parks
• Establish revolving loan funds
• Machinery or equipment
• Community economic development
• Rural business incubators
• Long-term business strategic planning
## Rural Development

**Chippewa County**

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# Rural Development

**E.U.P. Obligations 2009-2015**

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