



WOODBURY COUNTY BOARD OF SUPERVISORS AGENDA ITEM(S)

Date: 1/22/16

Weekly Agenda Date: 2/9/16

DEPARTMENT HEAD / CITIZEN: David Gleiser – Rural Economic Development Director

SUBJECT: USDA Rural Development – Rural Business Development Grant (RBDG)

ACTION REQUIRED:

Approve Ordinance

Approve Resolution

Approve Motion

Give Direction

Other: Informational

Attachments

WORDING FOR AGENDA ITEM: Information – Funding Opportunity through the United States Department of Agriculture (USDA) Rural Development – Rural Business Development Grant (RBDG).

EXECUTIVE SUMMARY: The Rural Economic Development (RED) department seeks to provide the Board of Supervisors with information about a funding opportunity through USDA Rural Development to help offset the County's cost of its comprehensive planning project for its rural cities.

BACKGROUND: Woodbury County intends to hire a qualified consulting firm to develop comprehensive plans for rural cities in Woodbury County. While the actual cost to conduct this project is unknown at this time, it's anticipated to be fairly substantial (potentially over \$100,000). The RED department has received feedback from the Regional USDA RD office stating that if the application and purpose is structured correctly it appears that the project could fit in RBDG as an Opportunity Project. Additionally, it was told that Iowa's allocation for the Opportunity Grant side of things will be \$32,000 so an application request of \$32,000 or less is recommended. Applications for this grant are due 6/1/16.

FINANCIAL IMPACT: 0

RECOMMENDATION: Allow the Rural Economic Development Director to discuss grant writing and administration options with Siouxland Interstate Metropolitan Planning Council (SIMPCO), as Woodbury County is a dues paying member. All potential solutions will be brought back to the Board for further discussion and action accordingly.

ACTION REQUIRED: Provide consensus on next steps.

Approved by Board of Supervisors March 3, 2015.



Rural Business Development Grants Program 101

Fact Sheet

What does this program do?

RBDG is a competitive grant designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues. Programmatic activities are separated into enterprise or opportunity type grant activities.

Who may apply for this program?

Rural public entities including, but not limited to:

- Towns
- Communities
- State agencies
- Authorities
- Nonprofit Corporations
- Institutions of Higher Education
- Federally-recognized Tribes
- Rural Cooperatives

What is an eligible area?

RBDG funds must be directed for projects benefitting rural areas or towns outside the urbanized periphery of any city with a population of 50,000 or more. Check eligible areas.

How much funding is available?

There is no maximum grant amount for enterprise type grants; however, smaller requests are given higher priority. Generally, grants range from \$10,000 up to \$500,000. There is no cost sharing requirement. Opportunity type grant funding is limited to a maximum award of \$50,000 for unreserved funds. Total opportunity type grant funding is limited statutorily to up to 10% of the total RBDG annual funding.

How may funds be used?

Enterprise type grant funds must be used on projects to benefit small and emerging businesses in rural areas as specified in the grant application. Uses may include:

- Training and technical assistance, such as project planning, business counseling/training, market research, feasibility studies, professional/technical reports, or product/service improvements

- Acquisition or development of land, easements, or rights of way; construction, conversion, renovation, of buildings, plants, machinery, equipment, access streets and roads, parking areas, utilities
- Pollution control and abatement
- Capitalization of revolving loan funds including funds that will make loans for start-ups and working capital
- Distance adult learning for job training and advancement
- Rural transportation improvement
- Community economic development
- Technology-based economic development
- Feasibility studies and business plans
- Leadership and entrepreneur training
- Rural business incubators
- Long-term business strategic planning

Opportunity type grant funding must be used for projects in rural areas and they can be used for:

- Community economic development
- Technology-based economic development
- Feasibility studies and business plans
- Leadership and entrepreneur training
- Rural business incubators
- Long-term business strategic planning

How are applications evaluated for competitive funding?

RBDG applications compete at the state office level, which are dependent on appropriations.

All applications are evaluated based on:

- Evidence showing job creation to occur with local businesses;
- Percent of nonfederal funding committed to the project;
- Economic need in the area to be served;
- Consistency with local economic development priorities;
- Experience of the grantee with similar efforts; and

Other factors described in the current Notice of Solicitation of Applications (NOSA), if one is published.

How do we get started?

- Applications are accepted through USDA Rural Development's local or State offices once per year. Applicants are advised to view program information specific to your local or State office to learn about local application timelines, concept paper requirements, etc.
- Grant awardees will need to complete required paperwork and comply with the terms and conditions of the award. Contact your local or State office for details.

Who can answer questions?

- Contact your local office.

What governs this program?

- Basic Program – 7 CFR Part 4280, Subpart E
- This program is authorized by the Consolidated Farm and Rural Development Act (ConAct)

What governed the predecessor programs of RBEG and RBOG, as well as all awards given before FY 2015?

- RBEG Basic Program - RD Instruction 1942-G
- RBOG Basic Program - 7 CFR Part 4284
- This program was authorized by the Consolidated Farm and Rural Development Act (ConAct)

Why does USDA Rural Development do this?

This program provides grants for rural projects that finance and facilitate development of small and emerging rural businesses help fund distance learning networks, and help fund employment related adult education programs. To assist with business development, RBDGs may fund a broad array of activities.

NOTE: Because citations and other information may be subject to change please always consult the program Instructions listed in the section above titled "*What Law Governs this Program?*" You may also contact your local or State office for assistance.

Forms & Resources

NOTE: If state specific forms are not shown above, please refer to the application materials listed below to start the process of applying. Please ensure that your state is selected in the dropdown menu above to find the State Office contact information for this program and speak to a [Business Programs Specialist](#) before attempting to fill out any forms or applications. This will save you valuable time in the process.

Preliminary Actions Required

To complete an application for this program, you must be pre-registered with the System for Award Management (SAM) and also have a Data Universal Number System (DUNS) number. Neither of these applications cost money, but they can take time so be sure to get this taken care of right away. If you are already registered with these systems, you do not need to do it again.

Useful Forms

- Application for Federal Assistance - SF-424 (pdf)
- Restrictions on Lobbying - Instruction 1940-Q (pdf)