

Assistance for Localities Affected *by* International Paper Mill Closure



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Overview *of* Federal Resources *for* Localities



In general, a local community has to be very entrepreneurial and proactive to access federal funds, including stimulus funds.

Federal community economic development assistance for communities is a long-term process that requires local communities to write an economic development plan that addresses, short, medium and long-term needs. This local plan then needs to be integrated with regional and state economic development plans to apply for funding from agencies such as the Economic Development Administration (EDA) or the Community Development Block Grant Program (CDBG). Both CDBG and EDA received stimulus funding, but they also have regular funding every year.

Understanding the process to access funding under these programs is important for impacted communities. EDA, for example, allocates funding to groups of counties organized as Economic Development Districts (EDDs), based on a plan known as a Comprehensive Economic Development Strategy (CEDS) and communities affected by job losses must contact an EDA regional office and EDD to understand if competitive grant funding may be available. In contrast, CDBG allocates funding to one of over 1,100 entitlement communities based on a formula and on a plan known as the Consolidated Plan. Affected communities can contact local offices for these federal programs and may seek to obtain funding from the state.

The local community may want to organize a local redevelopment authority (or use an existing economic development institution that may bring together representatives from the local government, non-profits, universities, community leaders and the private sector, may contact their local EDA/ CDBG representative about the possibility of competing for grants. The local community can then make an inventory of federal, state and private funding source. An economic development plan can be written to apply for some of these opportunities. The process to apply for federal funding can be time consuming and require weeks and months, and there is no guarantee that the community will receive funding.

Recipients of Federal Assistance

Federal agencies engage a variety of partners and recipients in administering economic development assistance for local governments affected by employment losses. The implementation of federal economic development policies and programs involves the following entities: state and local governments; non-profit entities such as community development corporations, community housing development organizations, and faith-based institutions; financial institutions such as community development banks; colleges and universities; and private sector organizations including foundations, corporations, and small businesses. These entities may serve as program administrators, grantees, sub-recipients, and beneficiaries of federal assistance. Federal economic development assistance by design is not intended to replace the private sector, and is instead focused on providing indirect incentives. The process for applying and receiving this federal aid can be complex and time consuming for local communities.

Department of Commerce

(Economic Development Administration)

IN THIS SECTION

- Economic Development Assistance (In General)
- Local Technical Assistance
- Planning Program
- Economic Adjustment Assistance Program
- EDA Revolving Loan Fund (subset of Economic Adjustment Assistance)
- Public Works and Economic Development Program
- Research and National Technical Assistance
- University Center Economic Development Program

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Economic Development Assistance

Agency administers several economic development programs, including public works grants for upgrading infrastructure, planning, and trade adjustment assistance. Eligible projects must: (1) improve the opportunities for business creation or expansion; (2) assist in the creation of additional permanent private-sector jobs; or (3) benefit low-income persons including those who are unemployed or underemployed.

EDA provides assistance to 327 EDDs. The areas designated as Economic Development Districts (EDDs) must meet one of three criteria: (1) low per capita income; (2) unemployment higher than national average; (3) sudden economic dislocation or persistent and long-term economic distress. Funds may also be awarded to states, cities, and other political subdivisions and other organizations.

In General:

- Grants may not exceed 50% of the cost of the project.
- Projects meeting certain specified criteria and for areas characterized as severely depressed may be eligible for additional funding not to exceed 30% of the cost of the project.
- Projects must be located in economically distressed areas including those experiencing high unemployment or low incomes.

Priority is given to projects:

- (1) in areas with persistently high rates of poverty;
- (2) involving previously unserved distressed areas and applicants;
- (3) involving innovative partnerships and private investment leveraging;
- (4) that support sub-state regional networks and collaborations; and
- (5) in areas undergoing significant economic downturns and dislocations.

Who May Apply: Local government, state governments, colleges, public non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes

Federal Agency: Department of Commerce, Economic Development Assistance

Website

Local Technical Assistance

The Local Technical Assistance Program helps fill the knowledge and information gaps that may prevent leaders in the public and nonprofit sectors in economically distressed regions from making optimal decisions on local economic development issues.

Who May Apply: Local government, state governments, colleges, public non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes

Federal Agency: Department of Commerce, Economic Development Assistance

[Website](#)

Planning Program

The Planning Program helps support planning organizations, including District Organizations and Indian Tribes, in the development, implementation, revision or replacement of comprehensive economic development strategies (CEDs), and for related short-term planning investments and State plans designed to create and retain higher-skill, higher-wage jobs, particularly for the unemployed and underemployed in the nation's most economically distressed regions.

Who May Apply: Local government, state governments, colleges, public or private non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes

Federal Agency: Department of Commerce, Economic Development Assistance

[Website](#)

Economic Adjustment Assistance Program

The Economic Adjustment Assistance Program provides a wide range of technical, planning and infrastructure assistance in regions experiencing adverse economic changes that may occur suddenly or over time. This program is designed to respond flexibly to pressing economic recovery issues and is well suited to help address challenges faced by U.S. regions and communities. (CFDA No. 11.307)

Who May Apply: Local government, state governments, colleges, public non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes

Federal Agency: Department of Commerce, Economic Development Assistance

[Website](#)

EDA Revolving Loan Fund (RLF) Program

EDA's RLF recipients receive a grant and, in turn, disburses money from the RLF to make loans at interest rates that are at or below market rate to small businesses or to businesses that cannot otherwise borrow capital. As the loans are repaid, the grantee uses a portion of interest earned to pay administrative expenses and adds remaining principal and interest repayments to the RLF's capital base to make new loans. A well-managed RLF award actively makes loans to eligible businesses and entities, continues to revolve funds, and does not have a termination date.

Who May Apply: local government, state governments, colleges, public or private non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes

Federal Agency: Department of Commerce, Economic Development Assistance

Websites: [About the Program](#) / [How It Works](#)

Global Climate Change Mitigation Incentive Fund

EDA's Global Climate Change Mitigation Incentive Fund (GCCMIF) was established to strengthen the linkages between economic development and environmental quality. The purpose and mission of the GCCMIF is to finance projects that foster economic development by advancing the green economy in distressed communities.

Who May Apply: Local government, state governments, colleges, public non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes.

Federal Agency: Department of Commerce, Economic Development Assistance

Website

Public Works and Economic Development Program

Public Works and Economic Development investments help support the construction or rehabilitation of essential public infrastructure and facilities necessary to generate or retain private sector jobs and investments, attract private sector capital, and promote regional competitiveness, including investments that expand and upgrade infrastructure to attract new industry, support technology-led development, redevelop brownfield sites and provide eco-industrial development. CDFA 11.307

Who May Apply: Local government, state governments, colleges, public non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes

Federal Agency: Department of Commerce, Economic Development Assistance

Website

Research and National Technical Assistance

The Research and National Technical Assistance Program supports research of leading, world class economic development practices, and funds information dissemination efforts.

Who May Apply: Local government, state governments, colleges, public or private non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes

Federal Agency: Department of Commerce, Economic Development Assistance

Websites: LawJustia.com / EDA.gov / [CFDA No. 11.303](#) / [CFDA No. 11.312](#)

University Center Economic Development Program

The University Center Economic Development Program is a partnership between the Federal government and academia that helps to make the varied and vast resources of universities available to economic development communities.

Who May Apply: Local government, state governments, colleges, public or private non-profit organizations, EDA-approved economic development district organizations, and Indian Tribes

Federal Agency: Department of Commerce, Economic Development Assistance

Website

Departments *of* Labor & Housing and Urban Development

IN THIS SECTION

- National Emergency Grants
- Conducting a Community Audit
- Community Development Block Grants
- Neighborhood Initiative (subset of CDBG)
- Economic Development Initiatives (subset of CDBG)
- CDBG Sec. 108 Loan Guarantees (subset of CDBG)
- Capacity Building for Community Development and Affordable Housing Grants
- Rural Housing and Economic Development Grants
- Homeless Assistance Programs
- Non-Eligible Programs

National Emergency Grants

National Emergency Grants (NEG) temporarily expand service capacity at the State and local levels through time-limited funding assistance in response to significant dislocation events that cannot reasonably be expected to be accommodated within the ongoing operations of the formula-funded Dislocated Worker program, including the discretionary resources reserved at the State level.

Who May Apply: states or local governments

Federal Agency: Department of Labor.

[Website](#)

Conducting a Community Audit

This resources offers Workforce Investment Boards a “how to” approach to conducting a strategic economic analysis of a local/regional labor market, including building a stakeholder partnership. The guide includes how to find data, how to analyze both the supply and demand sides of a labor market, and how to conduct sector and cluster analyses.

Who May Apply: All are eligible

Federal Agency: U.S. Department of Labor

[Website](#)

Community Development Block Grants

Formula-based block grants allocated to states and local governments in support of neighborhood revitalization, economic development, and housing activities. 70% of funds must be used on eligible activities and projects that principally benefit low- or moderate-income persons. Approximate annual funding: \$4 billion. Funds cannot be used for acquisition, construction, or reconstruction of buildings for the general conduct of government or construction of new housing units by general local government. Communities may use grants to support 23 categories of eligible activities, such as:

- acquisition of property for public purposes;
- construction or reconstruction of streets, water and sewer facilities, neighborhood centers, recreation facilities, and other public works;
- demolition;
- rehabilitation of public and private buildings;
- public services;
- planning activities;
- assistance to nonprofit entities for community development activities; and
- assistance to private, for profit entities to carry out economic development activities (including assistance to micro-enterprises).

Who May Apply: CDBG funds are allocated 70% to large cities (greater than 50,000 or counties with more than 200,000) and 30% to the state for smaller communities. Cities must have populations of 50,000 or more to receive funds separately. Therefore, most counties receive money through the state.

Federal Agency: Department of Housing and Urban Development

Websites: [DisasterHousing.gov](https://www.disasterhousing.gov) / [Guidelines to Prepare a Plan](#) / [Consolidated Plan Tool](#)

Neighborhood Initiative (subset of CDBG)

Annual funding of about \$550 million to fund Community Development Corporations involved in neighborhood revitalization. This program is generally available only by congressional earmark.

Who May Apply: Localities can apply for annual appropriations request through Congressman Forbes, Senator Webb/Warner's office. Once funding is secured, HUD will send an invitation to submit an application to HUD for the amount requested.

Federal Agency: Department of Housing and Urban Development

Website

Economic Development Initiatives (subset of CDBG)

Annual funding of about \$307 million to fund a variety of activities including recreation, literacy, historic preservation, job training, feasibility studies, public services. There is no specific list of eligible activities, making this one of the broadest categories for funding. Currently, these funds can only be secured through the annual congressional appropriations cycle that begins each Spring. Appropriation requests can be made to Congressman Forbes office as well as Senator Webb/Warner. Typically, congressional earmarks for these projects are between \$100,000 - \$5 million.

Who May Apply: local governments, universities, community colleges, and nonprofit entities.

Federal Agency: Department of Housing and Urban Development

Website

CDBG Sec. 108 Loan Guarantees (subset of CDBG)

Allow states and CDBG entitlement communities to borrow up to five times their annual CDBG allocations to finance eligible large-scale economic development projects by providing loan guarantees. Annually there is about \$6 million in funding to support \$282 million in loan guarantee commitments. Open application process. Applications are reviewed by HUD to determine compliance with national objectives of the CDBG program and feasibility of the project. Among the factors used to assess loan risk are the following:

- (1) The length of the proposed repayment period;
- (2) The ratio of expected annual debt service requirements to expected annual grant amount awarded to the state or entitlement community;
- (3) The likelihood that the public entity or state will continue to receive CDBG assistance during the proposed repayment period;
- (4) The public entity's ability to furnish adequate security; and
- (5) The amount of program income the proposed activities are reasonably expected to contribute to repayment of the guaranteed loan.

Who May Apply: CDBG entitlement communities and states on behalf of nonentitlement communities are direct recipients of funds. Subgrantees or beneficiaries may include nonprofits and for-profit entities involved in job creation activities.

Federal Agency: Department of Housing and Urban Development

[Website](#)

Capacity Building for Community Development and Affordable Housing Grants

Competitive project grants funds for intermediaries to develop the capacity of nonprofit community development corporations (CDCs) to use to attract private investment for housing, economic development, and other community revitalization activities. By statute, there are five eligible grantees -- Living Cities, Inc./National Community Development Initiative, Local Initiatives Support Corporation, Enterprise Community Partners, Inc., Habitat for Humanity, and YouthBuild USA. More than 300 community development corporations in 23 selected cities have been involved in the program. More than \$250 million in private sector funds from 14 participating corporate and foundation entities have been used in the program since its inception in 1991.

Federal Agency: Department of Housing and Urban Development, Community Planning & Development

[Website](#)

Rural Housing and Economic Development Grants

Competitive project grants are awarded to provide capacity building at the state and local level for rural housing and economic development and to support innovative housing and economic development activities in rural areas. Grants are limited to \$150,000 under the first category, and \$400,000 under the second category. Possible activities include: preparation of plans, acquisition of land and buildings, demolition, purchase of materials and construction costs, job training and counseling for beneficiaries, and financial services such as revolving loan funds and Individual Development Accounts. Other possible activities include: homeownership and financial counseling, application of innovative construction methods; provision of financial assistance to homeowners, businesses, and developers; and the establishment of CDFIs, lines of credit, revolving loan funds, microenterprises, and small business incubators.

(continued on following page)

Approximate annual funding: \$17 million

Federal Agency: Department of Housing and Urban Development

Who May Apply: state community and economic agencies, local rural nonprofits, community development corporations, state housing finance agencies, and federally recognized Indian tribes.

Website

Homeless Assistance Programs

HUD's homeless assistance programs are broken down into two main categories, formula (non-competitive), and competitive. Competitive programs are under the umbrella of Continuum of Care.

Who May Apply: states and local jurisdictions.

Federal Agency: Department of Housing and Urban Development

Website

Not Eligible

Initiative for Empowerment Zones and Renewal Communities

Project grants awarded to the 15 designated communities for use in conjunction with economic development activities consistent with the strategic plan of each empowerment zone. This program was set to expire in 2009, but was extended through 2010.

Who May Apply: Norfolk/Portsmouth is the only Empowerment Zone in Virginia pursuant to the selection process in Round I (1994) and Round II (1997). 15 urban empowerment zones designated as a result of these competitions. Annual funding: about \$666,000 per year per community.

Federal Agency: Department of Housing and Urban Development

Websites: Ezec.gov / Hud.gov / [List of Empowerment Zones](#) / [Renewal Community Tax Incentives](#)

Department of Treasury

Community Development Financial Institutions Fund (CDFI)

Through monetary awards and the allocation of tax credits, the CDFI Fund helps promote access to capital and local economic growth in urban and rural low-income communities across the nation.

Through its various programs, the CDFI Fund enables locally based organizations to further goals such as: economic development (job creation, business development, and commercial real estate development); affordable housing (housing development and homeownership); and community development financial services (provision of basic banking services to underserved communities and financial literacy training). The programs include:

- Community Development Financial Institutions (CDFI) Program;
- Bank Enterprise Award (BEA) Program;
- Capital Magnet Fund (CMF) Program;
- Financial Education and Counseling (FEC) Program;
- New Markets Tax Credit (NMTC) Program; and
- Native Initiatives, includes the Native American CDFI Assistance (NACA) Program

Community Development Financial Institutions (CDFI) Program

The original CDFI program provides competitive grants for financial and technical assistance is provided in the form of grants, loans, equity investments, and deposits. Applicants participate in a merit-based qualitative application and selection process. Funding decisions are based on pre-established evaluation criteria. Assistance agreements can include performance goals, matching funds requirements, and reporting requirements. Annual funding in 2006 was about \$55 million.

Who May Apply: Qualifying financial institutions must be designated as a "Community Development Financial Institution" by meeting specific eligibility criteria. Entities must submit applications for certification to the Fund. In 2004, 68 financial assistance awards, totaling \$47 million, and 80 technical assistance awards, totaling \$3.6 million, were made to CDFIs.

Federal Agency: Department of the Treasury

Website CDFIFund.gov / [Program Overview](#)

Bank Enterprise Award Program (subset of CDFI Fund)

The Bank Enterprise Award (BEA) Program was created in 1994 to support FDIC-insured financial institutions around the country that are dedicated to financing and supporting community and economic development activities. The BEA Program complements the community development activities of insured depository institutions (i.e., banks and thrifts) by providing financial incentives to expand investments in CDFIs and to increase lending, investment, and service activities within economically distressed communities. Participants receive award proceeds only after successful completion of the specified qualified activities. In FY2004, 49 FDIC-insured institutions received \$17 million in BEA Program awards. Awards are based on activities within three categories:

1. CDFI Related Activities: Equity Investments, Equity-like Loans, Grants, Loans, Deposits/Shares, and Technical Assistance to Qualified CDFI Partners.

(continued on following page)

2. Distressed Community Financing Activities: Affordable Home Mortgage Loans, Affordable Housing Development Loans, Small Business Loans, Home Improvement Loans, Education Loans, and Commercial Real Estate Loans.

3. Service Activities: Deposits, Community Services, and Financial Services.

Who May Apply: Insured depository institutions. Must qualify as a CDFI.

Federal Agency: Department of the Treasury

[Website](#)

Capital Magnet Fund (CMF) Program

Capital Magnet Fund grant dollars can be used to finance a variety of activities that include: the development, preservation, rehabilitation or purchase of affordable housing for low-, very low- or extremely low-income families, economic development activities, or community service facilities which, in conjunction with affordable housing activities, will implement a concerted strategy to stabilize or revitalize a low-income area or underserved rural area.

Who May Apply: Insured depository institutions. Must qualify as a CDFI.

Federal Agency: Department of the Treasury

[Website](#)

The New Markets Tax Credit (NMTC) Program (subset of CDFI Fund)

Who May Apply: Permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.

Throughout the life of the NMTC Program, the Fund is authorized to allocate to CDEs the authority to issue to their investors up to the aggregate amount of \$23 billion in equity as to which NMTCs can be claimed, including \$1 billion of special allocation authority to be used for the recovery and redevelopment of the Gulf Opportunity Zone. To date, the Fund has made 396 awards totaling \$21 billion in allocation authority.

Federal Agency: Department of Treasury

[Website](#)

Department of Agriculture



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USDA On the Web:
[USDA Central Website](#)
[Stimulus Website](#)

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- Intermediary Relending Program
- Rural Business Enterprise Grants
- Rural Business Opportunity Grants

Community Programs

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- Rural Utilities Service (RUS) Recovery Act Broadband Program
- Community Facilities Direct Loan
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- Community Facilities Grant Program: Economic Impact Initiative
- Rural Community Development Initiative (RCDI)
- Rural Emergency Responder Initiative
- Distance Learning and Telemedicine Loans and Grants
- Solid Waste Management Grants
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- Housing Preservation Grants
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Niche Economic Assistance Programs

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- Community Connect Program
- Rural Community Empowerment Program

USDA Business Cooperative Programs

- Business and Industry Guaranteed Loans
- Intermediary Relending Program
- Rural Business Enterprise Grants
- Rural Business Opportunity Grants

Business and Industry Guaranteed Loans

The purpose of the B&I Guaranteed Loan Program is to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the existing private credit structure through the guarantee of quality loans which will provide lasting community benefits. It is not intended that the guarantee authority will be used for marginal or substandard loans or for relief of lenders having such loans. This program received \$3 billion in stimulus funding available through September 30, 2010.

Who May Apply: local governments, other public bodies, cooperative organization, businesses, non-profits, Indian tribes on a Federal or State reservation, or individuals.

Federal Agency: USDA, Rural Development

Website

Intermediary Relending Program (IRP)

The purpose of the IRP program is to alleviate poverty and increase economic activity and employment in rural communities. Under the IRP program, loans are provided to local organizations (intermediaries) for the establishment of revolving loan funds. An intermediary may borrow up to \$2 million under its first financing and up to \$1 million at a time thereafter. In recent years, loans to intermediaries have been capped at \$750,000. These revolving loan funds are used to assist with financing business and economic development activity to create or retain jobs in disadvantaged and remote communities. Intermediaries are encouraged to work in concert with State and regional strategies, and in partnership with other public and private organizations that can provide complimentary resources. Total aggregate debt is capped at \$15 million. Ultimate recipients may borrow up to \$250,000. Some examples of eligible projects are:

- The acquisition, construction, conversion, enlargement, or repair of a business or business facility, particularly when jobs will be created or retained
- The purchase or development of land (easements, rights of way, buildings, facilities, leases, materials)
- To purchase equipment, leasehold improvements, machinery, supplies
- Start up costs and working capital
- Pollution control and abatement
- Transportation Services
- Feasibility studies
- Hotels, motels, B&Bs, convention centers

Who May Apply: local governments, other public entities, non-profits, individual citizens, and businesses. The ultimate recipient of funds must be located in a rural area, defined as not in a city with a population of 25,000 or more.

Federal Agency: U.S. Department of Agriculture's Office of Business-Cooperative Service.

Website

Rural Business Enterprise Grants

Competitive grants that can be used to provide needed infrastructure, to fund technical assistance needs and to establish or fund revolving loan programs. The purpose of the program is to finance and facilitate the development of small and emerging private business enterprises (defined as having less than \$1 million in revenues and fewer than 50 employees). Annual funding in 2006 funding was \$40 million. Preference is given to:

- (1) projects located in communities with a high percentage of the population with low incomes;
- (2) projects that will save existing jobs;
- (3) projects that will create jobs; and
- (4) projects located in areas with a high unemployment rate.

Who May Apply: Public agencies, private non-profit corporations or Indian groups

Federal Agency: Department of Agriculture

Website

Rural Business Opportunity Grants

Competitive grants for training and assistance to rural businesses, economic planning for rural areas, and training for rural entrepreneurs. A rural area is defined as a city, town, or unincorporated area that has a population of 50,000 or less and is not an urbanized area immediately adjacent to a city, town, or unincorporated area that has a population in excess of 50,000 persons. The maximum grant for a project serving a single state is \$50,000.

Funds may be provided for development of export markets; feasibility studies; development of long term trade strategies; community economic development planning; business training and business based technical assistance for rural entrepreneurs and business managers; establishment of rural business incubators; and assistance with technology based economic development. The types of projects that may be funded might include identification/analysis of business opportunities that will utilize local material and human resources; provision of leadership development training to existing or prospective rural entrepreneurs and managers; business support centers; centers for training, technology and export trade; and, economic development planning; Grant selection criteria include the extent to which:

- (1) economic activity generated by the project is sustainable;
- (2) the project leverages funds from other sources;
- (3) the project will induce additional economic benefits;
- (4) the targeted community has experienced long-term population or job loss;
- (5) the proposed project will serve a community that may be experiencing economic trauma due to natural disaster, base closure, or exodus or downsizing by a major employer;
- (6) the project would be located in a community that may be characterized as chronically poor.

Who May Apply: Public entities, nonprofit organizations, Indian tribes, and cooperatives

Federal Agency: USDA, Office of Rural Development

Website

USDA Community Programs / Website

- Broadband Program
- Rural Utilities Service (RUS) Recovery Act Broadband Program
- Community Facilities Direct Loan
- Community Facilities Guaranteed Loan Program
- Community Facilities Grant Program
- Community Facilities Grant Program: Economic Impact Initiative
- Rural Community Development Initiative (RCDI)
- Rural Emergency Responder Initiative
- Distance Learning and Telemedicine Loans and Grants
- Solid Waste Management Grants
- Technical Assistance and Training Grants
- Water and Waste Disposal Loans and Grants

Broadband Program

The Broadband Loan program provides loans for funding the costs of construction, improvement, and acquisition of facilities to provide broadband service to eligible rural communities.

Who May Apply: LLCs, Cooperatives, Tribal authorities, local governments, corporations.

Federal Agency: USDA, Rural Development, Telecommunications Program

[Website](#)

Rural Utilities Service (RUS) Recovery Act Broadband Program

Rural Utilities Service will support the expansion of broadband service in rural areas through financing and grants to projects that provide access to high speed service and facilitate economic development in locations without sufficient access to such service. The stimulus bill includes \$2.5 billion to USDA to provide broadband in unserved and underserved communities. RUS will offer grants, direct loans and loan grant combinations. These funds will be awarded on a competitive basis. Funds must be obligated by September 30, 2010.

Who May Apply: LLCs, Cooperatives, Tribal authorities, local governments, corporations.

Federal Agency: USDA, Rural Development, Telecommunications Program

[Website](#)

Community Facilities Direct Loans

Community Facilities (CF) direct loans and grants are available to develop essential community facilities in rural areas and towns of up to 20,000 in population. Funds may be used for facility acquisition, construction, renovation, or the purchase of equipment and furnishings. The goal of the CF program is to improve the quality of life for rural residents through the provision of essential community facilities such as health care, public safety, and education. The program provides facilities, equipment, and furnishings to house and provide these services; operating funds are not available through this program. The stimulus bill provides \$1.1 billion for direct loans through fiscal year (FY) 2010. The average CF direct loan in FY 2008 was \$665,229. For CF grants, just over \$61 million is available.

Who May Apply: Municipalities, counties, special purpose districts, nonprofits, and tribal governments

Federal Agency: Department of Agriculture, Rural Development

Websites: [About the Program](#) / [Example of Uses](#)

Community Facilities Guaranteed Loan Program

Through the Community Facilities Guaranteed Loan Program, RD guarantees up to 90 percent of loss of principal and interest on loans and bonds made to develop or improve essential community facilities in rural areas. A broad range of community facilities are eligible for guaranteed loans. These include, but are not limited to, community health services (such as health clinics, assisted-living facilities, hospitals, nursing homes, and medical and vocational rehabilitation centers); fire, rescue, and public-safety facilities (such as police cars, fire trucks, communication centers, and police stations); educational and cultural facilities (such as schools, libraries, art museums, and theaters); transportation facilities (such as airports, municipal garages, street improvements, rail, or bus service); community support services (such as child or adult day care); and public buildings and improvements (including community and multipurpose centers).

Who May Apply: Municipalities, counties, special purpose districts, nonprofits, and tribal governments

Federal Agency: Department of Agriculture, Rural Development

Website

Community Facilities Grant Program

Grant funds may be used to assist in the development of essential community facilities. Grant funds can be used to construct, enlarge, or improve community facilities for health care, public safety, and community and public services. This can include the purchase of equipment required for a facility's operation. A grant may be made in combination with other CF financial assistance such as a direct or guaranteed loan, applicant contributions, or loans and grants from other sources

Who May Apply: municipalities, counties, and special-purpose districts, as well as non-profit corporations and tribal governments.

Federal Agency: Department of Agriculture, Rural Development

Websites: [About the Program](#) / [Example of Uses](#)

Community Facilities Grant Program: Economic Impact Initiative

The funds may be used for a variety of community facility needs including road maintenance equipment, police vehicles, computer and communication equipment, energy efficiency improvements and municipal buildings. The maximum grant is \$100,000.

Who Can Apply: Targeted communities that are experiencing a high rate of residents unable to find Employment (19.5%) may apply for Economic Impact Initiative (EII) grant funds

Federal Agency: Department of Agriculture, Rural Development

Websites: [Grant Brief](#) / [About the Program](#) / [Example of Projects](#)

Rural Community Development Initiative (RCDI)

The Rural Community Development Initiative (RCDI) program provides technical assistance and training funds to qualified intermediary organizations to develop their capacity to undertake housing, community facilities, and community and economic development projects in rural areas. 50% match required.

Who May Apply: Qualified organizations can be public or private (including tribal organizations). Recipients of assistance from the intermediary can be non-profit organizations, low-income communities, or federally recognized tribes.

Federal Agency: USDA, Rural Development, Housing and Community Facilities

Website

Rural Emergency Responder Initiative

The Rural Development, through its community facilities program, provides funding for the Rural Emergency Responders Initiative to specifically strengthen the ability of rural communities to respond to local emergencies. The community facilities program funds are used to support rural emergency responder efforts by financing needed equipment and services. This includes fire protection, rescue/ambulance, law enforcement, outpatient care, hospitals, emergency responder training, child care, assisted living facilities, and libraries.

Who May Apply: These funds are available to public bodies, non-profit organizations, and recognized Indian tribes.

Federal Agency: USDA, Rural Development, Housing and Community Facilities

[Website](#)

Distance Learning and Telemedicine Loans and Grants

Primarily user equipment that functions via telecommunications systems for the purposes of connecting students and teachers or medical professionals and patients at separate sites. Examples are video-conferencing or teleradiology equipment. In additions, it funds such things as the acquisition of instructional programming and technical assistance and instruction for using eligible equipment. 15% match required - grant awards range from \$50,000 to \$500,000.

Who May Apply: state, local governments, school district, non-profits, HBCUs, colleges.

Federal Agency: Department of Agriculture, Rural Development

[Website](#)

Solid Waste Management Grants

Solid Waste Management grants may be used to:

1. Evaluate current landfill conditions to determine threats to water resources.
2. Provide technical assistance and/or training to enhance operator skills in the operation and maintenance of active landfills.
3. Provide technical assistance and/or training to help communities reduce the solid waste stream.
4. Provide technical assistance and/or training for operators of landfills which are closed or will be closed in the near future with the development and implementation of closure plans, future land use plans, safety and maintenance planning, and closure scheduling within permit requirements.

Who May Apply: local and state government, non-federal public entities, academic institutions, non-profits, tribal groups.

Federal Agency: Department of Agriculture, Rural Development

[Website](#)

Technical Assistance and Training Grants

Technical Assistance and Training grants may be used to 1) identify and evaluate solutions to water problems of associations in rural areas relating to source, storage, treatment, or distribution, 2) identify and evaluate solutions to waste problems of associations in rural areas relating to collection, treatment, disposal, 3) provide training to association personnel that will improve the management, operation and maintenance of water and waste disposal facilities, or 5) pay expenses associated with providing technical assistance and/or training.

Who May Apply: private nonprofit organizations with tax exempt status, designated by the Internal Revenue Service.

Federal Agency: Department of Agriculture, Rural Development, Water and Environmental Programs

[Website](#)

Water and Waste Disposal Loans and Grants

Water and Waste Disposal Loans and Grants provide funding for community water, sewer, storm sewer and solid waste systems.

Who May Apply: public bodies (city, township, county or special district), Indian Tribes, cooperatives, or other non-profit organizations.

Federal Agency: Department of Agriculture, Rural Development, Water and Environmental Programs

[Website](#)

USDA Housing Programs / Website

- Housing Application Packaging Grants
- Farm Labor Housing Loans and Grants
- Housing Preservation Grants
- Multi-Family (Rural Rental) Housing Direct Loans (Section 515)
- Multi-Family Housing Guaranteed Loans (Section 538)
- Rural Housing Site Loans (Section 523 and 524)
- Self-Help Technical Assistance Grants

Housing Application Packaging Grants

This program provides government funds to package applications for submission to Housing and Community Facilities Programs. Packagers assist very low- and low-income applicants with the application process by prescreening, making preliminary eligibility determinations, ensuring the application is complete, and helping the applicant understand the program. Packagers receive training from the Agency and receive a certificate to participate in the program.

Who May Apply: Tax-exempt public agencies and private non-profit organizations

Federal Agency: Department of Agriculture, Rural Development

[Website](#)

Farm Labor Housing Loans and Grants

Low-interest loans and grants are made to public and nonprofit entities (or to individual farmers) for the construction of farm labor housing. Funds can be used to purchase a site or a leasehold interest in a site; to construct housing, day care facilities, or community rooms; to pay fees to purchase durable household furnishings; and to pay construction loan interest.

Who May Apply: Public and nonprofit entities (or to individual farmers)

Federal Agency: Department of Agriculture, Rural Development

[Website](#)

Housing Preservation Grants

Grants are made to sponsoring organizations for the repair or rehabilitation of low- and very low-income housing. The grants are competitive and are made available in areas where there is a concentration of need. The population limit of towns served is 20,000.

Who May Apply: Nonprofit organizations, local governments and Native American tribes

Federal Agency: Department of Agriculture, Rural Development

[Website](#)

Multi-Family (Rural Rental) Housing Direct Loans (Section 515)

Rural Rental Housing Loans are direct, competitive mortgage loans made to provide affordable multifamily rental housing for very low-, low-, and moderate-income families; the elderly; and persons with disabilities. This is primarily a direct mortgage program, but its funds may also be used to buy and improve land and to provide necessary facilities such as water and waste disposal systems.

Who May Apply: Loans can be made to individuals, trusts, associations, partnerships, limited partnerships, State or local public agencies, consumer cooperatives, and profit or nonprofit corporations.

Federal Agency: Department of Agriculture, Rural Development

[Website](#)

Multi-Family Housing Guaranteed Loans (Section 538)

The Rural Housing Programs guarantees loans under the Rural Rental Housing Guaranteed loan program for development of multi-family housing facilities in rural areas of the United States. Loan guarantees are provided for the construction, acquisition, or rehabilitation of rural multi-family housing.

Who May Apply: citizens, nonprofits, local governments, community development groups, or a for-profit corporation.

Federal Agency: Department of Agriculture, Rural Development

[Website](#)

Rural Housing Site Loans (Section 523 and 524)

This program provides Government funding for a public or private non-profit organization to buy and develop building sites, including the construction of access roads, streets, and utilities. Sites developed under this program may be sold to individual households, non-profit organizations, public agencies, and cooperatives who provide financial assistance for housing to low- and moderate-income families.

Who May Apply: nonprofit organizations, public bodies and Federally-recognized Indian groups

Federal Agency: Department of Agriculture, Rural Development, Housing and Community Facilities

[Website](#)

Mutual Self-Help Technical Assistance Grants

The Mutual Self-Help Housing Program (Section 523) makes homes affordable by enabling future homeowners to work on homes themselves. Grants are provided to nonprofit and local government organizations, which supervise groups of 10 to 12 enrollees in the Self-Help Program. Members of each group help work on each other's homes, moving in only when all the homes are completed. These grant funds may be used to pay salaries, rent, and office expenses of the not-for-profit entity.

Who May Apply: private or public nonprofit organizations that will provide sites solely for self-help housing.

Federal Agency: Department of Agriculture, Rural Development, Housing & Community Facilities

[Website](#)

NICHE ECONOMIC ASSISTANCE PROGRAMS / [Website](#)

INELIGIBLE PROGRAMS

Community Connect Grant Program

The Community Connect program serves rural communities where broadband service is least likely to be available, but where it can make a tremendous difference in the quality of life for citizens. The projects funded by these grants will help rural residents tap into the enormous potential of the internet.

Who May Apply: A county is not an eligible community in this program. A community for the purpose of this program means any incorporated or unincorporated town, village, or borough recognized in the latest decennial census as published by the Bureau of the Census or in the most recent edition of a Rand McNally Atlas that is located in a Rural Area. This is a community based program. Your project must serve one and only one rural (not more than 20,000 population) community.

Federal Agency: Department of Agriculture, Rural Development

Website

Rural Community Empowerment Program (Empowerment Zones/Enterprise Communities Program (EZ/EC))

Loans and grants for designated EZ/EC communities. Additional funding may also be provided through directed spending of appropriations to the Rural Community Advancement Program (\$22.2 million in FY2005, including funding for the Rural Economic Area Partnership areas). Directed spending of appropriations to other USDA Rural Development programs may also affect the EZ/EC programs.

Who May Apply: No new applicants. Communities with high unemployment and poverty that have been designated as Empowerment Zones and Enterprise Communities through a competitive process.

Federal Agency: Department of Agriculture, Rural Development

Websites: [EZ/RC Address Locator](#) / [Rural Empowerment Zones](#)



IN THIS SECTION

- Community Services Block and Discretionary Grants
- Rural Community Facilities Program (subset of CSBG)
- Rural Community Development/Homeland Security Program
- Community Economic Development
- Possible Outside Partners

Community Services Block and Discretionary Grants

Formula block grants are funded for programs under the CSBG Act for training and technical assistance and other administrative activities. FY06 funding: \$640 million – funding is based on state’s allocation of funding under Economic Opportunity Act. There are also discretionary grants available for organizations identified as Community Action Agencies (CAA).

Who May Apply: State of Virginia. Some Indian tribes may receive their allotment directly. States are required to pass on 90% of federal funds to eligible entities within the state.

Federal Agency: Department of Health and Human Services

[Website](#)

Rural Community Facilities Program (subset of CSBG)

Competitive discretionary grant under CSBG provided to nonprofit organizations that provides training and technical assistance to low-income rural communities in developing and managing affordable, safe water and wastewater treatment facilities. Activities include improving coordination among Federal, state and local agencies in water waste management and providing assistance in obtaining funding for construction, upgrade, and repair of facilities. This program is administered regionally and enables these communities to comply with the requirements of the Clean Water Act and the Safe Drinking Water Act. Annual funding: about \$8 million

Who May Apply: Tax-exempt nonprofit organizations

Federal Agency: US Department of Health and Human Services

[Website](#)

Rural Community Development/Homeland Security Program

The Rural Community Development Homeland Security Program is one grant that provides safety and security training and technical assistance to State, regional and national infrastructure regarding water and wastewater treatment systems. Its goal is to improve the capacity of small and very small systems to better prepare for emergencies, develop emergency preparedness for small water systems by identify appropriate technologies to secure these systems.

Who May Apply: Multi-state, regional, private, non-profit 501(c)(3) tax-exempt organizations.

Federal Agency: US Department of Health and Human Services

[Website](#)

Community Economic Development

Competitive discretionary grants to promote and support projects that address economic self-sufficiency for low-income persons and distressed communities by awarding funds to community development corporations (CDCs) to create employment and business development opportunities.

Each year approximately 40-45 grants are awarded with a maximum grant award level of \$700,000. Grants are awarded to cover project costs for business start-up or expansion and the development of new products and services. The grants serve as catalysts for attracting additional private and public dollars; for every CED dollar awarded, \$3-5 is leveraged. Types of projects funded include business incubators, shopping centers, manufacturing businesses and agriculture initiatives. Funded projects are to create new employment or business opportunities for low-income individuals. Annual funding is about \$32 million.

Who May Apply: Private, non-profit CDCs experienced in developing and managing economic development projects. The CDC must be governed by a board consisting of community residents and business and civic leaders and have as a principle purpose planning, developing, or managing low-income housing or community development projects. Faith-based and community organizations meeting the statutory eligibility requirements are eligible to apply.

Federal Agency: Health and Human Services

Website

Possible Outside Partners:

- [Community Action Partnership \(CAP\)](#)
- [National Association for State Community Services Programs \(NASCSPP\)](#)
- [Community Action Program Legal Services, Inc. \(CAPLAW\)](#)
- [National Community Action Foundation \(NCAF\)](#)

U.S. Environmental Protection Agency, Departments *of* Interior, Transportation and Non-Federal Resources

IN THIS SECTION

- Smart Growth Implementation Assistance
- Historic Surplus Property Program
- Federal Historic Preservation Tax Incentives Program
- Job Access and Reverse Commute Program (5316)
- National Vacant Properties Campaign

Smart Growth Implementation Assistance

The SGIA program is an annual, competitive solicitation to incorporate smart growth techniques into their future development.

Who May Apply: state, local, regional, and tribal governments (and non-profits that have partnered with a governmental entity)

Federal Agency: Environmental Protection Agency

Websites: [About the Program](#) / [Implementing Smart Growth](#)

Historic Surplus Property Program

The Historic Surplus Property Program allows applicants to obtain pre-selected, surplus Federal properties at no cost if the property is listed in, or eligible for listing in, the National Register of Historic Places. Historic properties transferred under this program may be used for public facilities, such as museums and government offices; properties can also be leased to not-for-profit organizations and to developers who may be eligible to take advantage of Federal Historic Preservation Tax Incentives.

Who May Apply: State, county and local governments, some non-profits.

Federal Agency: U.S. Department of the Interior

Website

Federal Historic Preservation Tax Incentives Program

The Federal Historic Preservation Tax Incentives program encourages private sector rehabilitation of historic buildings and is one of the nation's most successful and cost-effective community revitalization programs. It generates jobs and creates low and moderate income housing in historic buildings.

Federal Agency: U.S. Department of the Interior

Website

Job Access and Reverse Commute Program (5316)

The Job Access and Reverse Commute (JARC) program was established to address the unique transportation challenges faced by welfare recipients and low-income persons seeking to obtain and maintain employment.

Who Can Apply: States and public bodies are eligible designated recipients. Eligible subrecipients are private non-profit organizations, State or local governments, and operators of public transportation services including private operators of public transportation services.

Federal Agency: U.S. Department of Transportation

[Website](#)

National Vacant Properties Campaign

To ensure that municipalities don't struggle alone in solving the problems associated with vacant and abandoned properties, we engage our partners, practitioners, and national experts in a range of training and technical assistance services. In the past two years, the Campaign has convened workshops and conducted in-depth policy assessments throughout the country, from Las Vegas, Nev. to New Orleans, La., from Waterloo, Iowa to Cleveland and Dayton, Ohio. The Surdna Foundation is funding work in seven additional cities in 2005 and 2006.

Who May Apply: Usually state and local municipalities

Not a Federal Agency

[Website](#)

