

## USDA Announces \$12.7 Million in Economic Development Funding

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Washington, DC - Agriculture Secretary Tom Vilsack today announced that 20 organizations in 15 states have been selected to receive \$12.7 million in loans to spur economic development and create or save nearly 2,000 jobs.

"Investing in local businesses is one of the most effective ways to ensure that rural communities continue to be economically viable and attractive places to live and work," Vilsack said. "The funding announced today reflects President Obama's commitment to stimulate rural economies."

The loans are being made through USDA Rural Development's Intermediary Relending Program. The funds are provided to community development or regional planning groups who then re-lend them to local businesses. Loans must be used to start new businesses, expand existing ones, or create or retain jobs.

For example, Maryland Capital Enterprises, Salisbury, Md., has been selected to receive \$750,000 to provide loans to more than 20 businesses that are in various stages of counseling, mentoring and business plan development. Maryland Capital trains business owners on how to create budgets, become more cost effective and develop successful business plans. After the businesses complete this training, they will be able to qualify for startup or expansion loans from Maryland Capital. Local economic development officials estimate that each new job created as a result of the technical assistance and loan funding will affect five additional businesses and expand the local tax base.

The North Dakota Housing Finance Agency, Bismarck, N.D., has been selected to receive a \$600,000 loan to help finance housing development projects in a nine-county area. These loans will help provide gap financing to developers building homes in rural North Dakota. Such financing is critical and often unavailable in many rural areas where construction costs exceed the value of the home.

The Midwest Assistance Program Inc., Columbia, Mo., has been selected to receive \$500,000 to form a revolving loan fund to provide financial assistance for clean drinking water, wastewater and similar public infrastructure projects in economically disadvantaged communities in 14 northern Missouri counties. Many area residents do not have clean water or working wastewater systems and live in communities that cannot afford to build systems or repair existing ones without the Rural Development assistance.

The following is a complete list of groups selected to receive Intermediary Relending Program awards.

### Intermediary Relending Program

Borrower  
State  
Award Amount

Colusa County Partnership  
CA  
\$500,000

Arcata Economic Development Corporation  
CA  
\$750,000

First State Community Loan Fund  
DE  
\$500,000

Georgia Cities Foundation, Inc.  
GA  
\$750,000

Clearwater Economic Development Association, Inc.  
ID  
\$300,000

Maryland Capital Enterprises  
MD  
\$750,000

Midwest Assistance Program, Inc.  
MO  
\$500,000

Prospera Business Network  
MT  
\$500,000

Lumbee River Electric Membership Corporation  
NC  
\$750,000

Advancement Regional Business Lenders, Inc.  
NC  
\$750,000

North Dakota Housing Finance Agency  
ND  
\$600,000

Lewis and Clark Regional Development Council  
ND  
\$750,000

North Country Alliance  
NY  
\$750,000

Tioga County Local Development Corporation  
NY  
\$300,000

Tulsa Economic Development Corporation  
OK  
\$750,000

Northeast Oregon Business Development  
OR  
\$750,000

Greater Berks Development Fund  
PA  
\$500,000

Williamsburg County Development Corporation  
SC  
\$750,000

Community Development and Improvement Corporation  
SC  
\$750,000

South Dakota Economic Development Finance Authority  
SD  
\$750,000

Funding of individual recipients is contingent upon their meeting the terms of the loan agreement.

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life for rural residents. Rural Development fosters growth in homeownership, finances business development, and supports creation of critical community and technology infrastructure.