January 30, 2017

CIRCULAR LETTER 2017-03

USDA RURAL BUSINESS DEVELOPMENT GRANTS

COUNTY ENGINEERS / SUPERINTENDENTS OF HIGHWAYS
MUNICIPAL ENGINEERS / DIRECTORS OF PUBLIC WORKS / MAYORS
TOWNSHIP HIGHWAY COMMISSIONERS
CONSULTING ENGINEERS

The Illinois Division of the United States Department of Agriculture (USDA) has announced they will be accepting applications for grants from the Rural Business Development Grant (RBDG) Program until March 31, 2017. The RBDG may provide funding for access streets, roads, and parking areas which will benefit small and emerging businesses in rural areas. Rural local public agencies are included in the list of eligible applicants for RBDG. For the purposes of this program, a rural area is defined as outside the urbanized periphery of any municipality with a population of 50,000 or more.

Interested applicants should contact their USDA Illinois Area Office for more information on program details, timelines, and application details. Please see the attached map of area office contacts. Additional information may also be obtained by visiting the USDA Illinois state website at www.rd.usda.gov/il.

If you have any questions concerning this circular letter, please contact Thomas Winkelman, Local Program Development Engineer, by telephone at (217) 782–0675 or by email at Tom.Winkelman@illinois.gov

Sincerely,

Maureen E. Kastl, P.E.
Engineer of Local Roads and Streets

TW/

Attachment

cc:  Molly Hammond, USDA – Illinois Division  
     Mike Staggs, FHWA – Illinois Division  
     Erin Aleman, IDOT Office of Planning & Programming  
     Joel Moore, Illinois Association of County Engineers  
     Joe Schatteman, Illinois Municipal League  
     Bryan Smith, Township Officials of Illinois
Rural Business Development Grants (RBDG)

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 or opportunity 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. 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
Rural Business Development Grants (RBDG)

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.
Rural Business Development Grant (RBDG)
Program Offices
USDA Rural Development

Area One
Penny Hxedall, Area Director
1691 N. 31st Rd. Suite 3
Ottawa, IL 61350
815.433.0551 x4

Lorali Heintzelman
Area Specialist
312 E Backbone Rd. Suite B
Princeton, IL 61356
815.785.8732 x5

Jeff Desplinter
Area Specialist
1691 N. 31st Rd. Suite 3
Ottawa, IL 61350
815.433.0551 x4

Area Four
Lynn Armstrong
Area Specialist
233 S Soangetaha Rd. Galesburg, IL
61401 309.342.5138 x5

Dwight Reynolds
Area Director
1904 W Lafayette, Suite 3
Jacksonville, IL 62650
217.243.1535 x6

Area Three
Kim Swisher
Area Specialist
221 Withers Dr.
Mt. Vernon, IL 62864
618.244.0773 x4

Rusty Wanstreet
Area Director
Leeann Denny
Area Specialist
Michael McKee
Area Specialist
502 Comfort Dr.
Marion, IL 62959
618.993-5396 x4

Rural Development
State Office
2118 W Park Ct. Suite A
Champaign, IL 61821
Mary Warren, 217.403.6218
Matt Harris, 217.403.6211
Bev Gorrell, 217.403.6213
Whitney Cochran, 217.403.6228
Sara Smith, 217.403.6214

FAX: 855.832.8691
TDD: 217.403.6240

Area Two
Susan Petrea, Area Director
Shari Lannon
Area Specialist
2110 W Park Ct. Suite B
Champaign, IL 61821
217.352.3536 x4

Dan Jansen
Area Specialist
2701 S Banker Rd. Suite 103A
Effingham, IL 62401