



# 2023 South Carolina Community Capital Conference

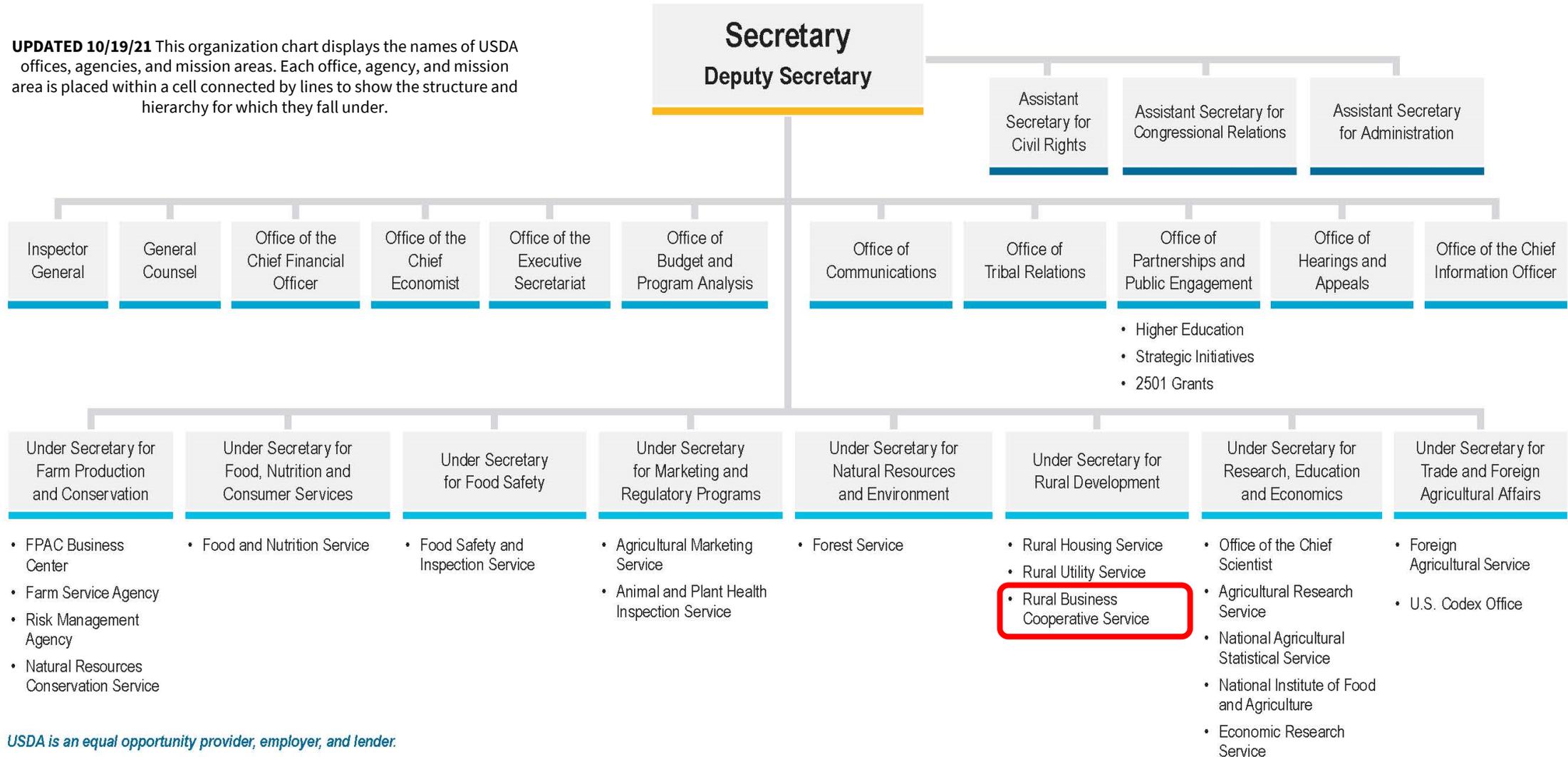
## Rural Business-Cooperative Service

 **USDA** Rural Development  
U.S. DEPARTMENT OF AGRICULTURE

Karama Neal, PhD | Administrator

# USDA Organization Chart

**UPDATED 10/19/21** This organization chart displays the names of USDA offices, agencies, and mission areas. Each office, agency, and mission area is placed within a cell connected by lines to show the structure and hierarchy for which they fall under.



# USDA Mission and Vision

## Mission

To serve all Americans by providing effective, innovative, science-based public policy leadership in agriculture, food and nutrition, natural resource protection and management, [rural development](#), and related issues with a commitment to deliverable equitable and climate-smart opportunities that inspire and help America thrive.

## Vision

An equitable and climate-smart food and agriculture economy that protects and improves the health, nutrition, and quality of life of all Americans; yields healthy land, forests, and clean water; helps [rural America thrive](#); and feeds the world.

# USDA Strategic Goals

- 1. Combat climate change to support America's working lands, natural resources, and communities**
  - Investments in climate-smart agriculture, forestry, and renewable energy will reduce emissions and create new and better market opportunities for all producers.
- 2. Ensure America's Agricultural system is equitable, resilient, and prosperous**
  - Historically underserved communities will have improved access to USDA programs and opportunities as USDA roots out generations of systemic racism and discrimination.
- 3. Foster an equitable and competitive marketplace for all agricultural producers**
  - New tools, funding, and research will help a diverse array of producers and landowners adopt conservation practices and access new products and markets.
- 4. Provide all Americans safe, nutritious food**
  - All Americans will benefit from investments that provide consistent access to safe, healthy, affordable food essential to optimal health and well-being and address food and nutrition security
- 5. Expand opportunities for economic development and improve quality of life in rural and Tribal communities**
  - Rural and Tribal communities will benefit from historic investments in broadband, clean water, and clean and renewable energy infrastructure that will foster new job and market opportunities.
- 6. Attract, inspire, and retain an engaged and motivated workforce that's proud to represent USDA**
  - The USDA workforce will be strong, healthy, and inclusive, comprised of leaders and staff who work together to build a culture that welcomes, respects, and supports everyone to reach their highest potential.

# USDA Core Values

- Respect and Dignity: We treat all people with courtesy and respect, and we value the inherent dignity of every individual.
- Equity and Inclusion: We seek to end discrimination in all forms, wherever it exists, and expand services and opportunities to underserved people and communities across America, starting with our workforce.
- Trust and Integrity: We act in a manner that is deserving of the public's trust and with the utmost integrity in everything we do as public servants.
- Service and Results: We listen to our internal and external customers and actively incorporate their ideas on how to best reach our diverse customers and deliver service that significantly and positively impacts the lives of all Americans.
- Science Leadership: We base our decisions and policy on science and data that are reliable, timely, relevant and free from political interference.

# USDA Cross-Cutting Priorities



**Addressing climate change via climate smart agriculture, forestry, & renewable energy**



**Creating more & better market opportunities for producers and consumers at home and abroad**

**Tackling food & nutrition insecurity while maintaining a safe food supply**



**Advancing racial justice, equity, & opportunity**

**Making USDA a great place to work for everyone**



# USDA Rural Development Priorities

## **Addressing Climate Change and Environmental Justice**

Reducing climate pollution and increasing resilience to the impacts of climate change through economic support to rural communities.

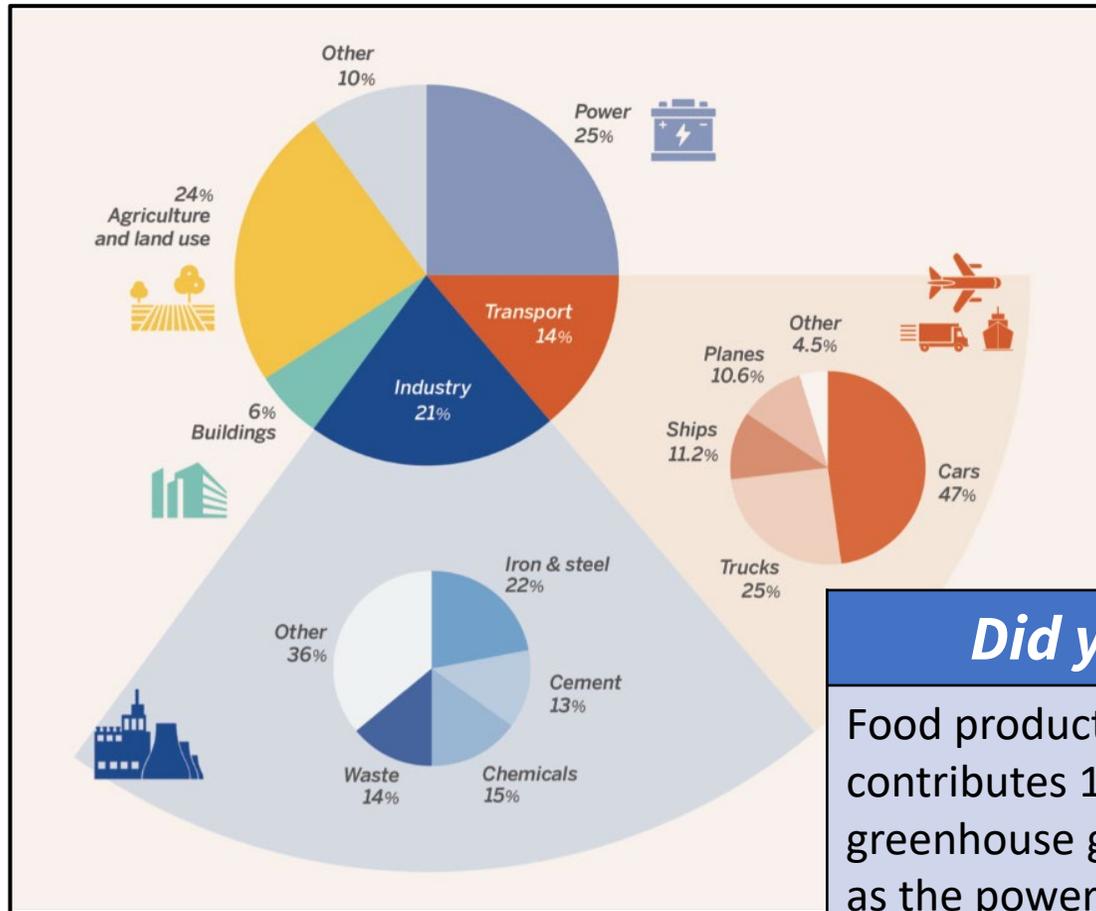
## **Advancing Racial Justice, Place-Based Equity, and Opportunity**

Ensuring all rural residents have equitable access to Rural Development programs and benefits from Rural Development funded projects.

## **Creating More and Better Market Opportunities**

Assisting rural communities recover economically through more and better market opportunities and through improved infrastructure.

# USDA Climate Solutions



USDA promotes climate-resilient landscapes and rural economic systems supporting agriculture, forests, grazing lands, and rural communities.

## USDA Climate Opportunities

USDA supports grants and loans for:

- Resiliency and adaptation
- Energy efficiency
- New renewable energy systems
- Climate smart commodities
- Carbon capture
- Land conservation
- Bioeconomy

### Did you know?

Food production and land use contributes 1/4th of global greenhouse gases, the same as the power industry!

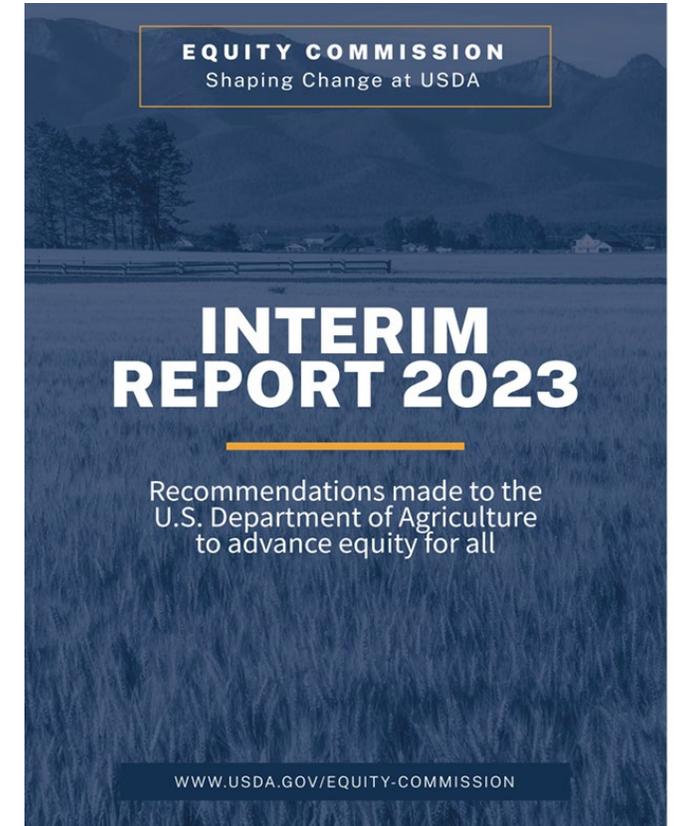
# USDA Equity Commission

## Equity Commission: Shaping Change at USDA

*“At USDA, we acknowledge we have not done enough to provide all farmers and ranchers an equal chance of success and prosperity. We are committed to changing that, actively working to build a USDA that ensures none of our customers are ignored or left behind.”*

This **15-member independent commission** is charged with evaluating USDA programs and services and will recommend how we can reduce barriers for accessing them. Using this information, **USDA will make needed changes so that our programs, services, and decisions reflect the values of equity and inclusion**. The work of the Equity Commission will empower USDA to objectively confront the hard reality of past discrimination and its lingering harm – helping USDA build back better.

*“Our commitment to equity is about creating an agricultural economy, a rural economy, and an American economy that creates **opportunity for all**.”*  
– Sec. of Agriculture Tom Vilsack (Feb. 2023)



# USDA Equity Commission Subcommittees

*“The Rural Community Economic Subcommittee will be crucial to addressing issues of persistent poverty in rural communities. We are committed to giving each recommendation the Equity Commission makes full consideration in an effort to implement systemic, lasting change. This work is overdue and will set the foundation for generations to come.”*

*– Sec. of Agriculture Tom Vilsack (April 2022)*

## **Subcommittee – Rural Community Economic Development:**

This subcommittee is comprised of 15 members (from 12 states) who are charged with providing recommendations on issues and concerns related to **rural development, persistent poverty, and underserved communities.**

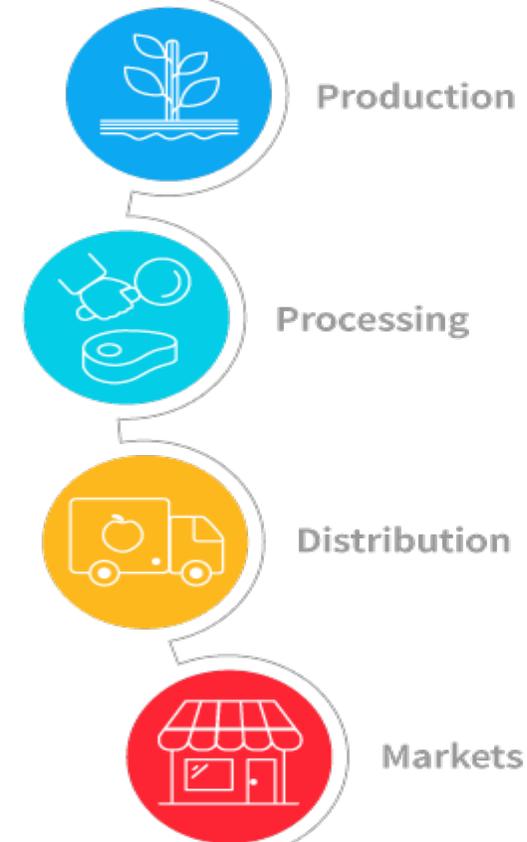
## **Subcommittee – Agriculture:**

This subcommittee is comprised of 15 members (from 12 states) who have expertise in agriculture, federal farm, conservation, and extension programs.

Ultimately, both subcommittees will provide recommendations that would enable underserved communities to have equitable access to USDA programs and increase their capacity to break the cycle of persistent poverty. Programs under consideration touch multiple Mission Areas at USDA including **Rural Development (RD), Natural Resource and Environment (NRE), Marketing and Regulatory Programs (MRP), and Research Education and Economics (REE).**

# USDA Food System Transformation

- Citing lessons learned from the COVID-19 pandemic and resulting supply chain disruptions, the U.S. Department of Agriculture announced plans to invest more than **\$4 billion** to strengthen critical supply chains through the Build Back Better initiative.
- The effort is strengthening the food system, creating new market opportunities, tackling the climate crisis, helping communities that have been left behind, and supporting good-paying jobs throughout the supply chain.
- The effort supports the Biden Administration's broader work on strengthening the resilience of critical supply chains as directed by Executive Order 14017 America's Supply Chains.
- Funding is provided by the American Rescue Plan Act and earlier pandemic assistance such as the Consolidated Appropriations Act of 2021.

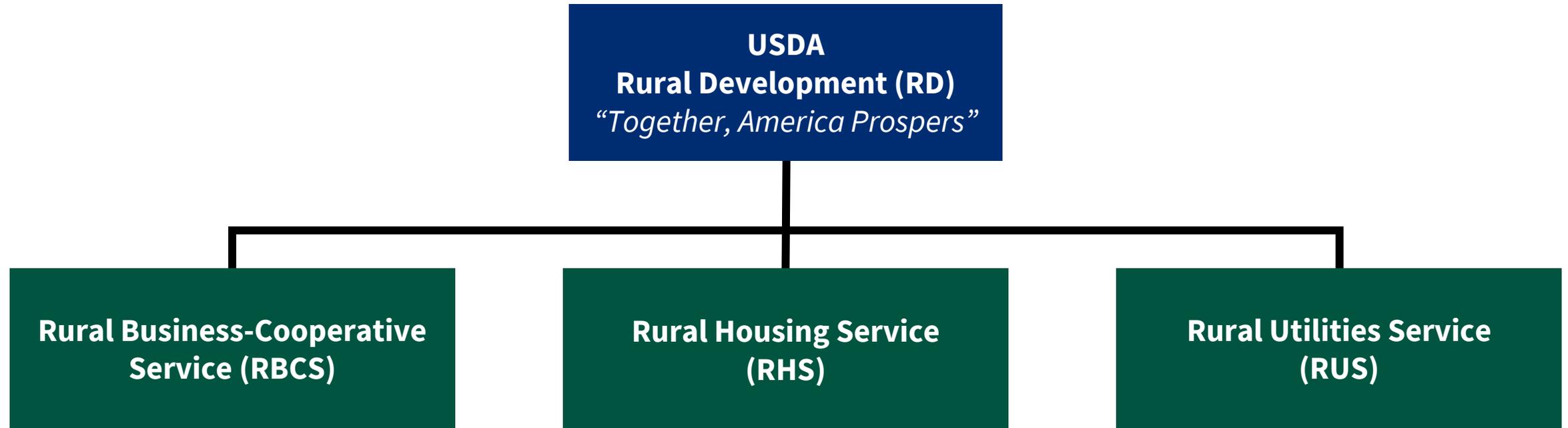


<https://www.usda.gov/fst>

<https://www.usda.gov/build-back-better>

<https://www.usda.gov/meat>

# Mission Area: Rural Development (RD)



Rural Development administers **more than 50 programs** and supports rural communities with **loan and grant investments of ~\$50 billion annually**. The current RD portfolio of investments exceeds ~\$220 billion.

# RD Agencies

## RUS

### Rural Utilities Service

**RUS provides infrastructure or infrastructure improvements to rural communities.**

- Clean and reliable energy production
- Affordable and sanitary water & environmental
- Expanding rural broadband

## RHS

### Rural Housing Service

**RHS offers programs to build or improve housing and essential community facilities in rural areas.**

- Supporting affordable single family home ownership, multi-family housing, and farm labor housing
- Supporting community facilities like healthcare, education, childcare and other public owned facilities

## RBCS

### Rural Business-Cooperative Service

**RBCS offers programs to help businesses grow as well as job training in rural areas.**

- Supporting rural small businesses and entrepreneurs
- Supporting co-operatively owned enterprises
- Supporting local food systems and clean energy development

# OneRD Guarantee Loan Initiative



**What is it?** OneRD is the platform for four key Rural Development loan guarantee programs. Rural Development has implemented a standard set of requirements, processes, and forms for these programs.

## **Which programs?**

- [Water and Waste Disposal Guaranteed Loan Program](#) | Rural Utilities Service (RUS)
- [Community Facilities Guaranteed Loan Program](#) | Rural Housing Service (RHS)
- [Business & Industry Guaranteed Loan Program](#) | RBCS
- [Rural Energy for America Guaranteed Loan Program](#) | RBCS

## **What to watch?**

Access to Capital in Rural America for Non-Regulated Lenders | 1h 23min

Watch on YouTube: <https://www.youtube.com/watch?v=3AWJiCDY-Cs>

<https://www.rd.usda.gov/onerdguarantee>

# Food Supply Chain (FSC) Guaranteed Loans

- COVID-19 highlighted the need to increase the capacity of the US food supply chain and make it more resilient, diverse, and secure.
- Funded by the American Rescue Plan
- \$40 million maximum loan size (no minimum)
- Up to a 90% guarantee
- No geographic restrictions
- Middle of the food supply chain includes food aggregation, processing, manufacturing, storage, transportation, wholesaling, and distribution

<https://www.rd.usda.gov/foodsupplychainloans>

<https://www.usda.gov/build-back-better>

<https://www.usda.gov/meat>

# Rural Energy for America Program (REAP)

REAP provides guaranteed loan financing and grant funding to agricultural producers and rural small businesses (including cooperatives) for renewable energy systems or to make energy efficiency improvements. The program is administered through Rural Development State Offices. Eligible loans of up to \$25 million can receive an 80% guarantee. **With the passage of the landmark Inflation Reduction Act, REAP received just over \$2 billion to build renewable energy systems for tens of thousands of farmers and small businesses.**

- Energy Audits (EA)
- Energy Efficiency Improvements (EEI) – Historical Use; For example-Lighting, Insulation, Grain Dryers
- Renewable Energy Systems (RES) – For example-Solar, Wind, Biomass, Geothermal, Ocean
- Renewable Energy Development Assistance (REDA)
- Energy Efficiency Equipment (EEE) – Loan Only; For EEE and systems for ag production or processing

# Higher Blends Infrastructure Incentive Program (HBIIP)

**Purpose:** To increase significantly the sales and use of higher blends of ethanol and biodiesel by expanding the infrastructure for renewable fuels derived from U.S. agricultural products.

## Who May Apply?

- **Transportation Fueling Facilities** – Fueling stations, convenience stores, hypermarket fueling stations, fleet facilities (including rail and marine), and similar entities with capital investments.
- **Fuel Distribution Facilities** – Terminal operations, depots, midstream partners, and similarly equivalent operations.

**Grant Terms:** Up to 50% of *total eligible project costs*, but not to exceed \$5 million, whichever is less, for eligible equipment, infrastructure, and related expenses to support the sale and use of higher biofuel blends.

# Rural Business Development Grant

The Rural Business Development Grant (RBDG) program is designed **to provide technical assistance and training for small rural businesses**. Small means that the business has fewer than 50 new workers and less than \$1 million in gross revenue. There is no maximum award; applications with higher matches are more competitive.

## Eligible Purposes Include:

- Business counseling & training, market research, and feasibility studies
- Construction of buildings; plants, machinery, and equipment
- Revolving loan funds
- Community economic development and leadership/entrepreneur training
- Rural business incubators

# Intermediary Relending Program (IRP)

IRP provides 1% interest, long-term loans to intermediary lenders (nonprofits and cooperatives, federally-recognized tribes, and public agencies) that re-lend to businesses to improve economic conditions and create jobs in rural communities.

Intermediary Funding	Intermediary Terms	Ultimate Recipient Loans
<ul style="list-style-type: none"><li>• Up to \$1M</li><li>• Total aggregate debt from all funding may not exceed \$15M</li></ul>	<ul style="list-style-type: none"><li>• Interest rate is fixed at 1%</li><li>• Maximum term is 30 years</li><li>• Interest-only payments may be permitted for the first 3 years</li></ul>	\$400,000 or 50% of the total cost of the Ultimate Recipient's project for which the loan is being made, whichever is less

<https://www.rd.usda.gov/programs-services/business-programs/intermediary-relending-program>

# Rural Microentrepreneur Assistance Program (RMAP)

RMAP provides loans and grants to Microenterprise Development Organizations (MDOs) to help microenterprises startup and growth through a Rural Microloan Revolving Fund and to provide training and technical assistance to microloan borrowers and microentrepreneurs. Nonprofits, federally-recognized tribes, and institutions of higher education are eligible to be MDOs.

- **Grants** up to \$205,000 annually – to provide TA to rural microentrepreneurs or microenterprises
- **Loans** of \$50,000 to \$500,000 – to establish a Rural Microloan Revolving Fund managed by an MDO

Loan Terms	Terms on Loans to Microenterprise	Eligible Use of Funds
<ul style="list-style-type: none"><li>• Maximum term is 20 years</li><li>• Two-year payment deferral</li><li>• Must establish a loan loss reserve fund</li></ul>	<ul style="list-style-type: none"><li>• Up to \$50,000</li><li>• Fixed interest rate</li><li>• Limited to 75% of project cost</li></ul>	<ul style="list-style-type: none"><li>• Working capital</li><li>• Debt refinancing</li><li>• Purchasing equipment &amp; supplies</li><li>• Improving real estate</li></ul>

<https://www.rd.usda.gov/programs-services/business-programs/rural-microentrepreneur-assistance-program>

# Rural Business Investment Program (RBIP)

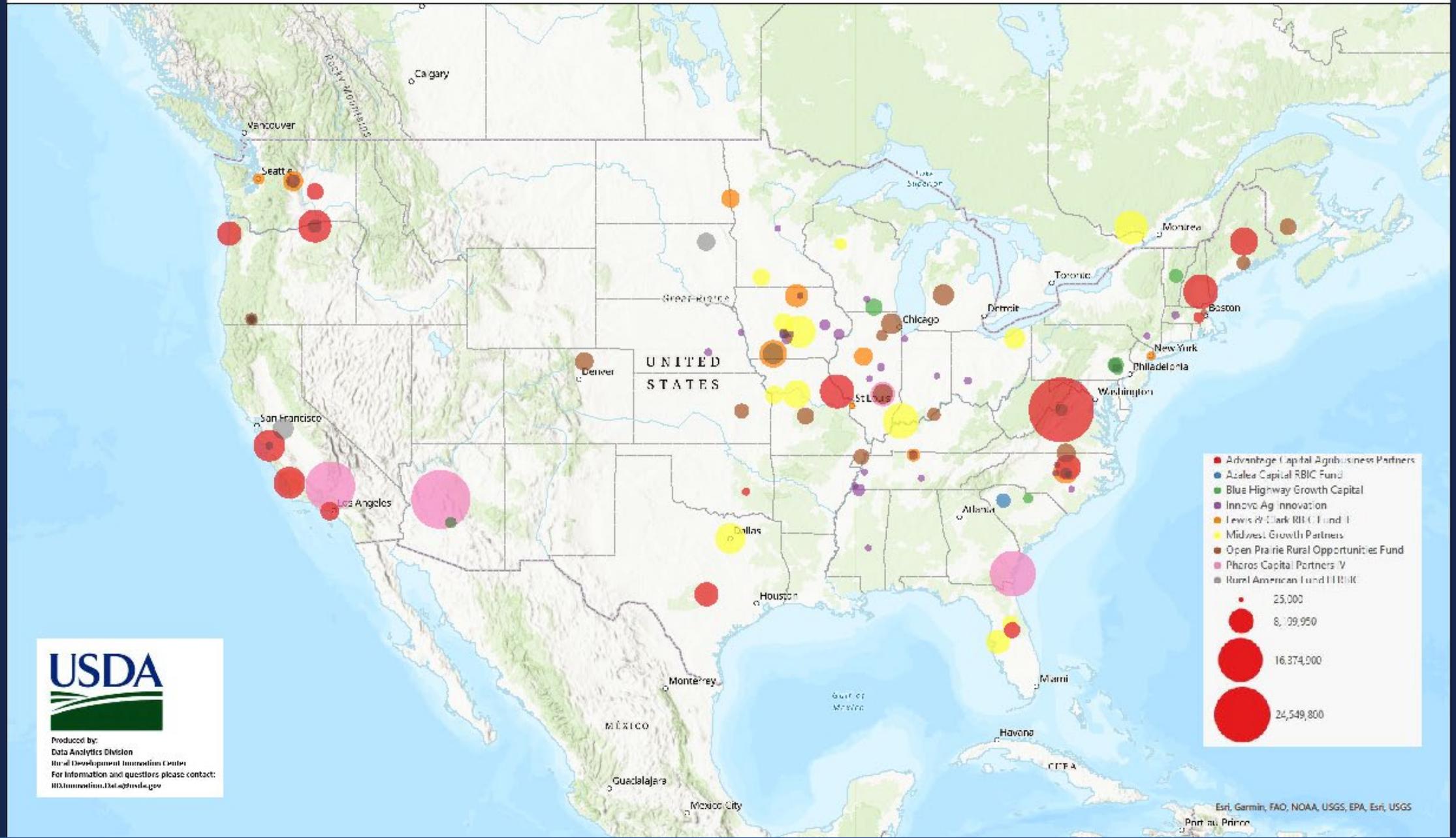
This program provides a **Rural Business Investment Company (RBIC)** license to newly formed developmental capital organizations to help meet the equity capital investment needs in rural communities.

## All applicants:

- Must have relevant experience in venture capital or community development financing
- Must raise a minimum of \$10 million in private equity capital
- May be structured as limited partnerships, limited liability companies or corporations

# Businesses supported through the Rural Business Investment Program

Data Through Sep 2022



**USDA**  
Produced by:  
Data Analytics Division  
Rural Development Innovation Center  
For information and questions please contact:  
RDCInnovation.Del@aphis.usda.gov

Esri, Garmin, FAO, NOAA, USGS, EPA, Esri, USGS  
Print au Prince

# Other Resources

- Sector-specific resource guides:
  - Child Care Guide
  - Recreational Economy Guide
  - Resources for Rural Entrepreneurs
  - Disaster Resiliency and Recovery Guide
  - Higher Education
  - More at <https://www.rd.usda.gov/resources/publications/resource-guides>

# USDA Rural Development Institutions of Higher Education Funding and Resource Guide

This guide is designed to help rural Institutions of Higher Education find low-interest financing and grants to build or improve their facilities, infrastructure, equipment, and educational programs.

Community Programs	Rural Business-Cooperative Service	Rural Utilities Service
<ul style="list-style-type: none"> <li>Community Facilities Direct Loans and Grants</li> <li>Rural Community Development Initiative Grants</li> <li>Tribal College Initiative Grants</li> </ul>	<ul style="list-style-type: none"> <li>Advanced Biofuel Payment Program</li> <li>Agriculture Innovation Center Program</li> <li>Section 9003 Program</li> <li>Intermediary Relending Program</li> <li>Rural Business Development Grants</li> <li>Rural Cooperative Development Grants</li> <li>Rural Energy for America Program</li> <li>Rural Innovation Stronger Economy Grants</li> <li>Rural Microentrepreneur Assistance Program</li> <li>Rural Placemaking Innovation Challenge Program</li> </ul>	<ul style="list-style-type: none"> <li>Community Connect Grants</li> <li>Distance Learning and Telemedicine Grants</li> <li>ReConnect Loans and Grants</li> <li>Solid Waste Management Grants</li> </ul>

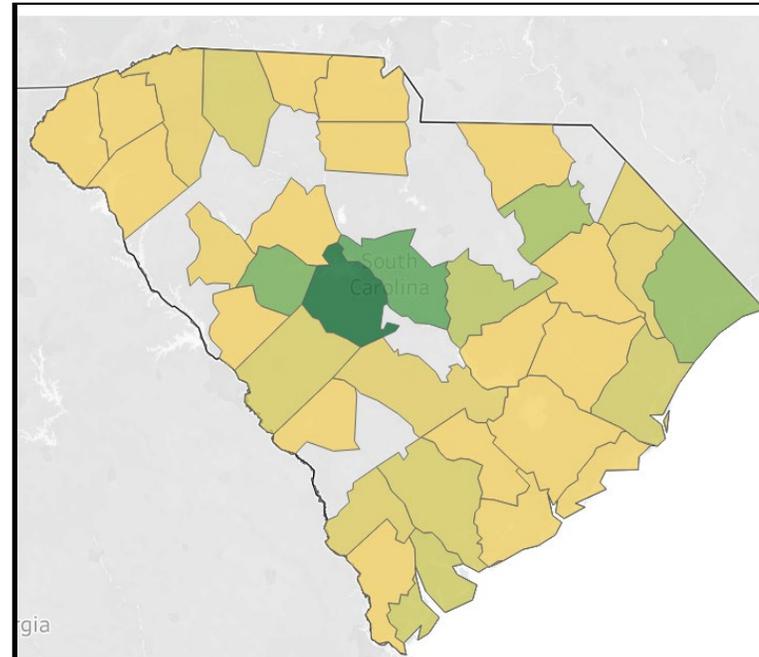
# Rural Data Gateway

The **Rural Data Gateway** makes Rural Development's data more available and easier to access for the public. The dashboard types significantly expand access to RD financial data through easy-to-use interfaces that allow data from **more than 65 RD programs** to be viewed and downloaded. Dashboard types include:

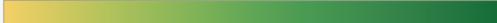
- Overview
- Program Area
- Socially Vulnerable Communities
- Geography by County
- Geography by Congressional District
- Data Download

Need help or have questions? Use the [Quick Reference Guide](#) or email [USDA.RD.DATA@usda.gov](mailto:USDA.RD.DATA@usda.gov)

## EXAMPLE – Geography by County



Map Legend

\$20,000  \$95,686,172

### Data Filters

#### Select State

- South Carolina

#### Select Counties

- All

#### Select Fiscal Years

- FY21 & FY22

#### Select Program Areas

- Business Programs

#### Select Investment Types

- All

# Contact Information

Assistance under USDA Rural Development programs is available to applicants in areas designated as “rural.” Under law, the definition of “rural area” is different for each program.

Contact your local USDA Rural Development office for more information.

<https://rd.usda.gov/about-rd/state-offices>

Or go to: [www.rd.usda.gov](http://www.rd.usda.gov)

Or call 1 (800) 670-6553 (toll free)

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