



Illinois Department of Transportation

2300 South Dirksen Parkway / Springfield, Illinois / 62764

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,

A handwritten signature in blue ink that reads "Maureen E. Kastl".

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
- State agencies
- Nonprofit Corporations
- Federally recognized Tribes
- Communities
- Authorities
- Institutions of Higher Education
- 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.

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 office** for assistance. You will find additional forms, resources, and program information at www.rd.usda.gov. *USDA is an equal opportunity provider, employer, and lender.*

Rural Business Development Grant (RBDG)

Program Offices USDA Rural Development

Area One

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

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

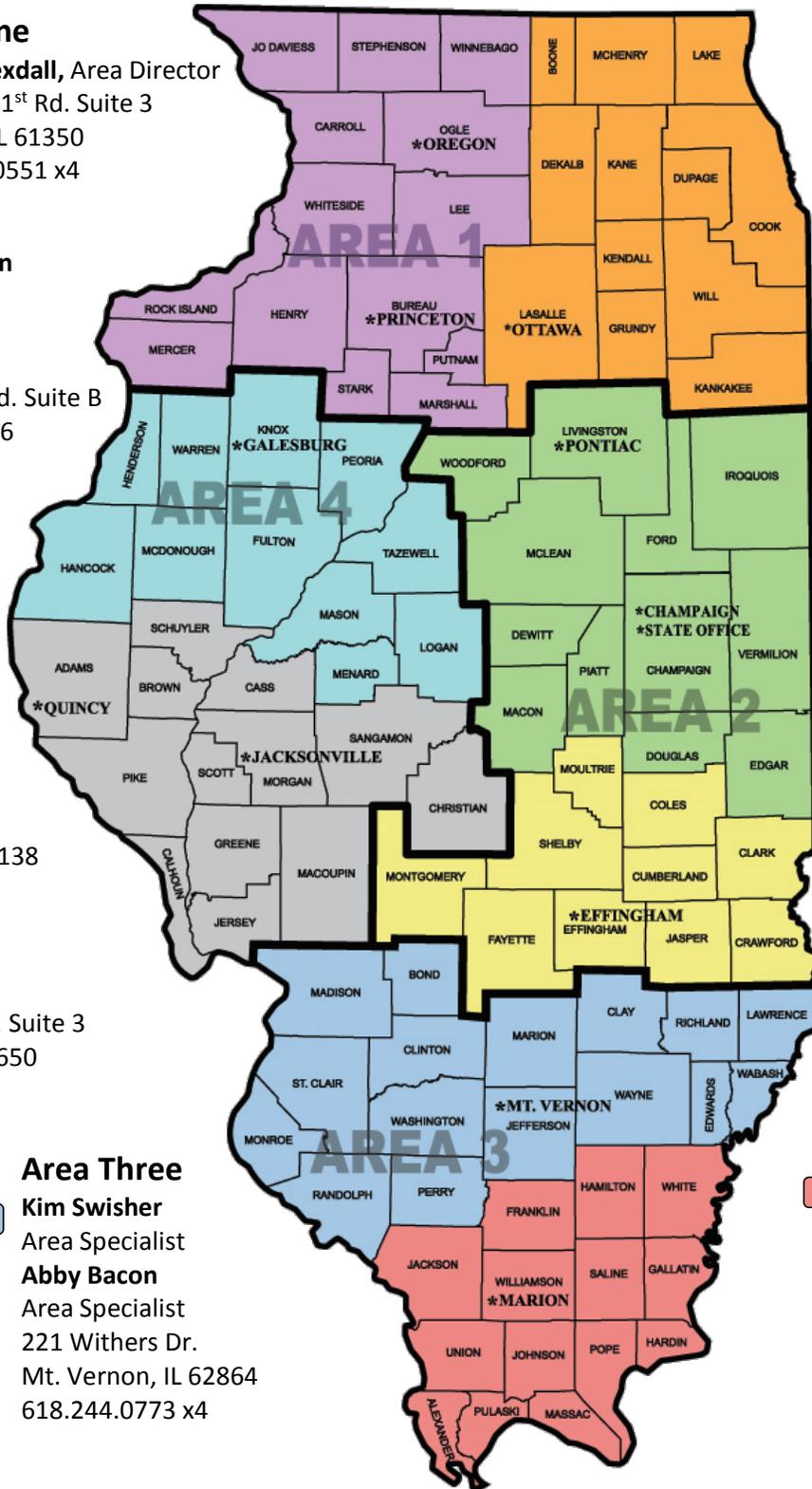
Area Four

- 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
- Abby Bacon**
Area Specialist
221 Withers Dr.
Mt. Vernon, IL 62864
618.244.0773 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

Area Three

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