

## Rural Development Grant Program Fosters Job Growth

By *Finance New Mexico*

Nonprofit organizations and government agencies in rural communities have economic development funds at their fingertips through the Rural Business Development Grant program (RBDG) of the U.S. Dept. of Agriculture. The program is designed to support job creation and economic development efforts of nonprofits and public entities, though small and emerging private businesses can access those funds for certain projects.

Eligible applicants include state and local governments, Indian tribes, nonprofits and public and private nonprofit higher education institutions in communities with 50,000 or fewer residents. Eligible projects include job training, feasibility studies, land development, rural business incubators and more.

In November, the Mescalero Apache Tribe received \$99,900 to conduct a market feasibility study and forest assessment for the Mescalero Forest Products mill. The mill's closure eight years ago resulted in a significant loss of jobs and revenue for the tribe. RBDG funds will help the tribe take the steps necessary to reopen the mill, which is expected to create 48 jobs at the site and 110 to 145 additional jobs in related industries.

Another recent grant recipient is the Northwest Council of Governments, which received \$25,000 in December to help pay for a job training program in Grants. The program, called Solo Works, gives participants the skills needed to do telemarketing from their homes. Solo Works graduates will be able to contract with national firms and remain in their communities, no matter how remote. The RBDG-funded project is overseen by Cibola Communities Economic Development Foundation and comes at a time when Cibola County is in need of job creation.

Grant funds can be spent on the development of any private business that employs 50 or fewer new employees and has less than \$1 million in projected gross revenues. The law prohibits private businesses from receiving direct grants, but money can go to a nonprofit or government agency that sets up a revolving loan fund to lend money to a private business. There is no maximum level of grant funding, but requests for smaller amounts get top priority.



The tribal administrative offices and community center of the Mescalero Apache Tribe

Applications are evaluated based on the proposed project's consistency with local development priorities and evidence of potential job creation.

The program also favors projects that support specific goals of the Rural Development agency and the USDA, its parent department. These projects promote renewable energy, local food systems and value-added agriculture, rural cooperatives, businesses owned by minorities or women-owned businesses in counties where poverty is persistent: Catron, Cibola, Dona Ana, Guadalupe, Luna, McKinley, Mora, Rio Arriba, Roosevelt, San Juan, San Miguel, Socorro and Taos counties. Economic need in the area to be served is a USDA Rural Development priority.

The Rural Development dept. is currently taking applications for RBDG assistance. To check eligible areas, visit

<https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=RBSmenu>.

Applications will be accepted until April 28, 2017.

The RBDG program is administered through the USDA's New Mexico office. Additional information on this and other rural programs is available by contacting Jesse Bopp at 505-761-4952 or by visiting <https://www.rd.usda.gov/>.

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

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