



Committed to the future of rural communities.

## Rural Business Enterprise Grant (RBEG) Program

### PURPOSE

- To support the development of small and emerging private business enterprises in rural areas (less than 50,000 population).

### APPLICANT ELIGIBILITY

- Public bodies
- Private nonprofit corporations serving rural areas
- Federally recognized Indian/Alaska Tribal Groups

**This is not a grant for individuals or businesses. Pass-through grants are not permitted.**

### USE OF GRANT FUNDS

- Technical assistance for private business enterprises.
- Feasibility studies, technical consultation, and analysis.
- Financial assistance to third parties through a loan (revolving loan fund) for start-up operating cost and working capital.
- Training, when necessary, in connection with technical assistance.
- Equipment to be leased by small and emerging small business.

**Grants will be made only when there is a reasonable prospect that they will result in development of small and emerging private business enterprises.**

**A small and emerging private business enterprise is defined as follows:**

- Private business which will employ 50 or fewer new employees; and
- Has less than \$1 million in projected gross revenues.

### MAXIMUM AND MINIMUM GRANT AMOUNTS

- Maximum and minimum grant amounts are not established.

### APPLICATION PROCESS

- Application may be submitted to any USDA – Rural Development Area Office or State Office.
- Applications are selected on a statewide competitive basis. Applications not selected in the statewide competition may compete for funds at the National level.
- Contact any USDA – Rural Development Area Office or State Office for established application deadlines and application assistance.

### SELECTION FACTORS

- Population
- Economic Conditions – unemployment and median household income
- Applicant experience
- Evidence of small business development
- Commitment of nonfederal funding sources
- Evidence of need for a revolving loan fund
- Evidence of jobs to be created/saved
- Project is part of a community or economic development plan covering the project area
- Grant size
- State Director discretionary points

### FOR MORE INFORMATION

Contact our specialist at the USDA-Rural Development State Office in Palmer, AK.

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