**United States Department of Agriculture - Rural Development (RD)**

5 www.hud.gov

6 www.rurdev.usda.gov

**(1) Rural Business Enterprise Grants (RBEG) Program**

The RBEG 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, RBEG’s may fund a broad array of activities.

* ***How much are the grants?*** There is no maximum level of grant funding. However, smaller projects are given high priority. Generally grants range $10,000 up to $500,000.
* ***Who is eligible?*** Rural public entities (towns, communities, state agencies, and authorities), Indian tribes and rural private nonprofit corporations are eligible to apply for funding. At least 51 percent of the outstanding interest in any project must have membership or be owned by U.S. citizens or resident aliens.
* ***Define rural.*** Rural is defined as any area other than a city or town that has a population of greater than 50,000 and the urbanized area contiguous and adjacent to such a city or town according to the latest decennial census. At least 51 percent of the outstanding interest in any project must have membership or be owned by U.S. citizens or resident aliens.
* ***What types of projects are eligible?*** The RBEG program is a broad based program that reaches to the core of rural development in a number of ways. Examples of eligible fund use include: 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, training and technical assistance, distance adult learning for job training and advancement, rural transportation improvement, and project planning. Any project funded under the RBEG program should benefit small and emerging private businesses in rural areas. Small and emerging private businesses are those that will employ 50 or fewer new employees and have less than $1 million in projected gross revenues.
* ***How to apply.*** To apply for funding for the RBEG program, please contact your Rural Development State Office.
* ***Availability of funds.*** Each year, Congress provides program funding as called for in the Federal Budget. Fiscal Year funding levels will be made available as soon as possible after the beginning of each Fiscal Year.

*Fairview Heights may or may not be eligible for the Rural Development Business Programs. Urbanizing areas of high population density are not eligible for the Business Programs. These same areas may be eligible for the Rural Development.*

**(2) Rural Development Representative and States Covered**

**Illinois**

Rural Development

Community Facilities Division

Mt. Vernon, Illinois 62864

618-244-0773, Ext. 5

**(3) Business Loans and Grants**7

The Business Program (BP) works in partnership with the private sector and the community-based organizations to provide financial assistance and business planning. BP helps fund projects that create or preserve quality jobs and/or promote a clean rural environment. The financial resources of BP are often leveraged with those of other public and private credit source lenders to meet business and credit needs in under-served areas. Recipients of these programs may include individuals, corporations, partnerships, cooperatives, public bodies, nonprofit corporations, Indian tribes, and private companies.

*Fairview Heights may or may not be eligible for the Rural Development Business Programs. Urbanizing areas of high population density are not eligible for the Business Programs. These same areas may be eligible for the Rural Development Community Facility Programs. Please refer to the map provided on the website to see whether your area is eligible.8*