



Roadmap to Opportunity

USDA Rural Development



Rural Energy for America Program

The Inflation Reduction Act (IRA) of 2022 provides new REAP funding authority.

What funding is available?

- Loan guarantees on loans up to 75 percent of total eligible project costs.
- Grants for up to 50 percent of total eligible project costs.
- Combined grant and loan guarantee funding up to 75% of total eligible project costs.

Application Deadlines

- June 30, 2024
- September 30, 2024

Rural Energy for America Program

Who may apply for this program?

Agricultural Producers

- At least 50% of gross income comes from agricultural operations

Small businesses (Small Business Administration size standards in accordance with 13 CFR 121)

- Must be in an eligible rural area
 - Private for-profit entity (sole Proprietorship, Partnership, or Corporation)
 - Cooperatives [including those qualified under Section 501(c)(12) of IRS Code]
 - Electric utilities (including a Tribal or governmental electric utility) that provides service to rural consumers and operates independent of direct government control)
 - A Tribal corporation or other Tribal business entities that are chartered under Section 17 of the Indian Reorganization Act (25 USC 477) or have similar structures and relationships with their Tribal entity without regard to the resources of the Tribal government.

Rural Energy for America Program

The Inflation Reduction Act (IRA) of 2022 provides new REAP funding authority.

Renewable Energy System Grants:

- \$2,500 minimum.
- \$1,000,000 maximum.

Energy Efficiency Grants:

- \$1,500 minimum.
- \$500,000 maximum.

Are there additional requirements?

- Applicants must provide at least 50 percent of the project cost if applying for a grant only.
- Applicants must provide at least 25 percent of the project cost if applying for loan.
- All projects must have technical merit and utilize commercially available technology.
- Energy efficiency projects require an energy audit or assessment.

Renewable Energy Eligible Projects



Solar



Wind



Small Hydroelectric



Anaerobic Digesters



Biomass



Geothermal



Wave/Ocean Power

Energy Efficiency Eligible Projects



Lighting



Heating



Cooling



Ventilation



Fans



Automated Controls



Insulation



Rural Development
U.S. DEPARTMENT OF AGRICULTURE

Business & Industry Loan Guarantees

Rural Development loan helps local food coop expand



- Local food coop received \$961,000 in 2020
- Purchased equipment and expanded store
- Hired 20 employees

Business & Industry Loan Guarantees

Who Can Apply?



- Federal & State-chartered banks
- Savings and Loans
- Farm Credit Banks
- Credit Unions

Business & Industry Loan Guarantees

Who Qualifies?



- For-profit or non-profit businesses
- Cooperatives
- Federally-recognized Tribes
- Public bodies
- Individuals engaged or proposing to engage in a business

Business & Industry Loan Guarantees

Use of funds



- Including, but not limited to:
 - Business development
 - Purchase/develop land, buildings
 - Purchase/install equipment/supplies
 - Debt refinancing
 - Business/industrial acquisition



Value-Added Producer Grants

The Value-Added Producer Grant (VAPG) program helps agricultural producers enter value-added activities to generate new products, create and expand marketing opportunities, and increase producer income

What funding is available?

- Approximately \$31 million in total available funding.
- Maximum Grant Amount: Planning Grants \$75,000; Working Capital Grants: \$250,000.
- Cost share match requirement of 100 percent of the grant amount required for all applications.

Application Deadlines

- Paper applications are due April 16, 2024
- Electronic applications are due April 11, 2024

Value-Added Producer Grants

Who may apply for this program?

- Independent producers (includes harvesters and steering committees)
- Agricultural producer groups, farmer- or rancher-cooperatives
- Majority-controlled producer-based business ventures (as defined in the program regulation)

You may receive priority if you are:

- Beginning farmer or rancher
- Socially-disadvantaged farmer or rancher
- Small or medium-sized farm
- Ranch structured as a family farm
- Farmer or rancher cooperative
- Proposing a mid-tier value chain

Value-Added Producer Grants

How may the funds be used?

Grant and matching funds can be used for planning activities or for working capital expenses related to producing and marketing a value-added agricultural product. Examples of planning activities include conducting feasibility studies and developing business plans for processing and marketing the proposed value-added product. Examples of working capital expenses include:

- Processing costs
- Marketing and advertising expenses
- Some inventory and salary expenses

Grants are awarded through a national competition. Each fiscal year, applications are requested through a notice published in the Federal Register and through an announcement posted on [Grants.gov](https://www.grants.gov).



Other programs

Rural Business Development Grants

Intermediary Relending Program

Rural Microentrepreneur Assistance Program

Value Added Producer Grants

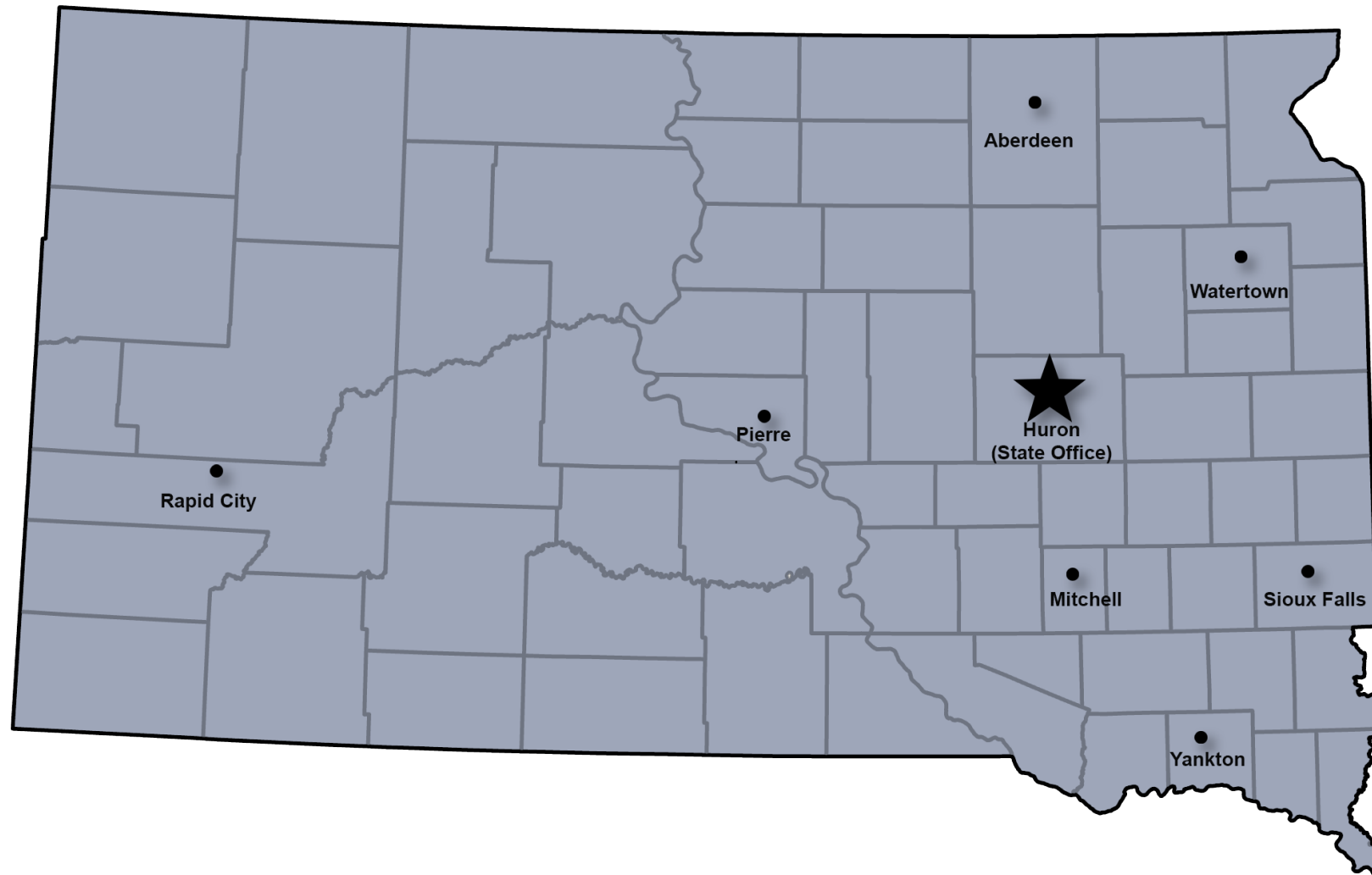
We're hiring!

Join a team that's investing in a strong future for the people of rural South Dakota.



- ✓ Great Pay!
- ✓ Paid Vacation and Sick Days!
- ✓ 11 Paid Holidays!
- ✓ 5% TSP Match!
- ✓ Scan the QR Code to view open positions!

Rural Development Offices



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.

sd.rd@usda.gov

Or call 1 (605) 352-1100

Or go to: www.rd.usda.gov



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