

Economic and Community Development Opportunities in the 2014 Farm Bill

Florida Electric Cooperatives Association
September 15, 2016



Our Mission

The National Association of Development Organizations (NADO)



To strengthen local governments, communities, and economies through the regional strategies, partnerships, and solutions of the nation's regional development organizations.



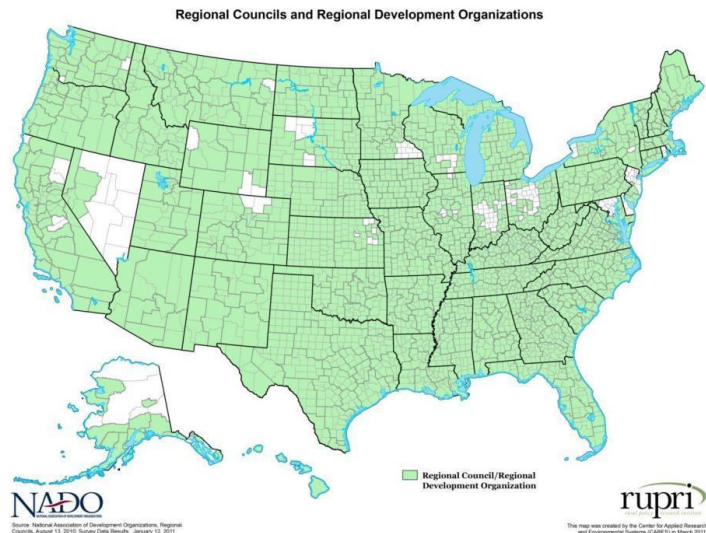
REGIONAL STRATEGIES. PARTNERSHIPS. SOLUTIONS.
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Our Membership

National membership organization for the network of over 520 **regional development organizations (RDOs)** throughout the U.S.

RDOs are also known as Councils of Government, Regional Planning Commissions, Economic Development Districts, and by other names.

They promote efforts that **strengthen local governments, communities, and economies through regional strategies** focusing on economic development, infrastructure, housing, transportation, and regional planning.



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Presentation Outline

- USDA's Strategic Priorities
- About USDA Rural Development
- Regional Approaches in Rural Communities
- Section 6025: Strategic Economic and Community Development (SECD)

USDA's Strategic Priorities

- White House regional and place-based initiatives
- Commitment to poverty reduction, local food economies, and bio-economy
- Bringing capital to rural America

USDA Rural Development

- USDA Rural Development will administer \$38 billion in loans, loan guarantees, and grants this fiscal year
- 47 state offices and 5,000 staff across the country
- Key program areas: Rural Utility Service, Rural Housing Service, and Rural Business-Cooperative Service
- New Community and Economic Development Team; Staff in 4 Regional Offices and Washington, DC

What is Strategic Economic and Community Development (SECD)?

- New requirement authorized in the 2014 Farm Bill
- Sets aside up to 10 percent of *existing* USDA-RD funds under:
 - Community Facilities
 - Water and Environment Programs
 - Rural Business Development Grants
 - Rural Business & Industry Guaranteed Loans
- *Prioritizes projects that support the implementation of a multi-jurisdictional plan*

What is Strategic Economic and Community Development (SECD)?

- Unobligated funds go back to applicable program after June 30 of fiscal year
- To be eligible for SECD, the proposed project must be carried out solely in a rural area
- Projects must meet the underlying program's eligibility criteria

Examples of Multi-Jurisdictional Plans

- Comprehensive Economic Development Strategies (CEDS): U.S. Economic Development Administration
- Stronger Economies Together (SET): USDA
- Promise Zones: Interagency initiative
- Investing in Manufacturing Communities Partnership (IMCP): Interagency initiative
- Sustainable Communities: HUD and EPA

Who Has a Multi-Jurisdictional Plan?

- Councils of Government/Regional Planning Councils
- Regional Authorities
- State Agencies
- Coalitions of Counties, Towns, etc.
- A plan can also be a product of a non-profit organization serving multiple jurisdictions

Why is SECD Needed?

- Designed to support communities engaged in:
 - Multi-jurisdictional collaboration with federal, state, and local partners
 - Long-term growth strategies
 - Aligning and leveraging resources
 - Capitalizing on regional strengths

What makes SECD Unique?

- Only rural projects are eligible
- Specifically supports implementation of multi-jurisdictional plans
- Works across USDA Rural Development agencies
- Funds projects developed as part of a regional vision

SECD Implementation

- Stakeholder engagement in lead up to 2014 Farm Bill
- Farm bill passed in February 2014 with SECD language included
- SECD regulation published in Federal Register in May 2015
- FY2015 Pilot program June-July 2015 (25 awards granted)
- FY2016 applications accepted on rolling basis through June 30, 2016

SECD Pilot Awards in FY2015

- **City of Cash, AR (Sustainable Communities Plan)**
Community Facility Funds for a community center roof
- **West Stewartstown, NH (CEDS Plan)**
Water and Waste Disposal funds to address public health and safety concerns from contamination in failing supply lines
- **North Adams, MA (Community Plan)**
Rural Business Development Grant to construct a cheese aging business in the Old Greylock Mill

Community Facilities (CF)

- Purpose: Loans and grants to improve, develop, or finance essential community facilities such as public safety, fire and rescue, telecommunications, schools, libraries, hospitals, and other health care facilities
- Applicants: Public sector, non-profits, and federally-recognized tribes
- Population: City, town, or unincorporated area of no more than 20,000; Facilities must serve rural residents

Water and Waste Disposal (WEP)

- Purpose: Loans and grants to build, repair, and improve public water systems and waste collection and treatment systems
- Applicants: Public sector, non-profits, and federally-recognized tribes
- Population: Rural areas with up to 10,000 residents

Rural Business Development Grants (RBDG)

- Purpose: Grants to assist the start-up or expansion of small and emerging private businesses and non-profits in rural communities
- Applicants: Public sector, non-profits, and federally-recognized tribes
- Population: All areas except cities with populations over 50,000 and their contiguous urbanized areas

Business and Industry Loans (B&I)

- Purpose: Guaranteed loan to create jobs/stimulate rural economies by providing financial backing for rural businesses
- Applicants: Lenders/businesses
- Population: All areas except cities with populations over 50,000 and their contiguous urbanized areas

FY2016 Awards

SECD FY16 Funding by Underlying Program	
Program	Total Obligations - Estimates
B&I	\$24,100,000.00
RBDG	\$861,430.00
CF Direct Loan	\$12,985,836.00
CF Grant	\$1,373,469.00
CF Guaranteed Loan	\$0.00
WEP Direct Loan	\$37,670,000.00
WEP Grant	\$17,248,000.00
WEP Guaranteed Loan	\$0.00
<i>Total</i>	<i>\$94,207,735.00</i>

Looking Ahead

- In Progress/Development:
 - Collecting feedback on FY2016 SECD process from Rural Development staff and Stakeholders
 - FY17 Funding Decision Memo
- Ongoing:
 - Communities updating multijurisdictional plans for FY17 funding cycle
 - Outreach to new stakeholder groups
- Forthcoming:
 - USDA blog on SECD success story
 - USDA webinar on regional planning and SECD success stories
 - Farm bill expires in 2018...What changes or expansions to this program are needed?

QUESTIONS?

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