

Gail Bennett, Public Affairs Specialist – (304) 284-4875
Contact: Dane Henshall - (202) 260-0996

USDA Seeks Applications for Grants To Help Rural Cooperatives and Businesses Create Jobs

WASHINGTON, June 7, 2011 – Agriculture Secretary Tom Vilsack today announced that USDA is accepting applications for grants to help rural businesses create jobs through cooperative development centers.

“Cooperative development centers are business and job incubators. They support President Obama’s goal to bring increased economic opportunities to rural communities by assisting new businesses as they create sustainable jobs,” Vilsack said. “The Obama Administration is helping create economic opportunities for rural Americans, and these centers further that effort.”

For example, in Great Falls, Mont., the Montana Cooperative Development Center has helped 123 entities and guided the formation of 37 cooperatives since its inception in 1999. The story of one of these cooperatives, the Last Chance Café, was profiled in a [USDA blog](#) in October 2010 during National Cooperative Month. The café located in Sunburst, Mt., near the Canadian border, would have closed without help from the development center which was the recipient of a USDA Rural Development Rural Cooperative Development Grant (RCDG). This iconic café is once again a successful local diner and a gathering spot for the local community.

Under the RCDG program, grants of up to \$225,000 may be awarded to colleges, universities and non-profit groups to create and operate centers that help individuals or groups establish, expand or operate rural businesses, especially cooperatives. Grants may be used to conduct feasibility studies, create and implement business plans, and help businesses develop new markets for their products and services.

Through this notice, USDA may award up to \$7.4 million in grants. Funds may finance up to 75 percent of the cost of establishing and operating the cooperative centers. Recipients must match 25 percent of the total project cost. Applications are due July 22, 2011. For more information, see page 32943 of the June 7 Federal Register, <http://www.gpo.gov/fdsys/pkg/FR-2011-06-07/pdf/2011-13927.pdf>.

USDA, through its Rural Development mission area, administers and manages housing, business and community infrastructure and facility programs through a national network of state and local offices. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers and ranchers and improve the quality of life in rural America. Rural Development has an existing portfolio of more than \$150 billion in loans and loan guarantees. Visit <http://www.rurdev.usda.gov> for additional information about the agency's programs or to locate the USDA Rural Development office nearest you.

#