

Rural Economic Development Loan & Grant Program

Graham County Electric Cooperative is pleased to introduce the Rural Economic Development Loan & Grant Program. The U.S. Department of Agriculture provides funding for rural projects through intermediary organizations that qualify under the program guidelines. GCEC qualifies based on the Rural Electrification Act of 1936.

Funds can be lent for projects in rural areas with a population of 50,000 or fewer. GCEC acts as a funding conduit for specific local projects. Funds may be used for:

- Business incubators.
- Community development assistance to nonprofits and public bodies, particularly for job creation or enhancement.
- Facilities and equipment to educate and train rural residents to facilitate economic development.
- Facilities and equipment for medical care for rural residents.
- Startup venture costs, including but not limited to financing assets such as real estate, buildings, equipment or working capital.
- Business expansion.
- Technical assistance.

The program provides financing to applicants to promote economic development and job creation, job enhancement or job preservation. Applicants can request up to 80 percent of project costs with the remaining 20 percent provided by the applicant. Applicants are required to submit business plans and financial data to GCEC.

Based on the projected job growth and/or preservation, the viability of the project and the eligibility of the applicant, GCEC staff and directors will determine if the project would be eligible for submission to the USDA.

Upon approval of the GCEC Board of Directors, an application is submitted to the USDA on behalf of the applicant. The USDA enters the project into a national database for scoring. The application competes nationally for funding based on the project's scoring. If the applicant's project is selected for funding, additional legal documentation is required before funding occurs. Projects up to \$1 million are considered for funding. The term of the loans are zero percent interest, amortized over a 10-year repayment period. All costs of the program are borne by the applicant.

Projects must be located within GCEC's service territory and an applicant must be a member to be considered. If you have any questions or have an interest in the REDL&G Program, come by the GCEC headquarters at 9 West Center St. in Pima. You may also contact us by calling Jenny Howard at 928-485-8653 or Kirk Gray at 928-485-8665. ■



GCEC Corporate Compliance Officer Jenny Howard, center, presents a REDL&G check to Pima Mayor C.B. Fletcher, left, and Pima Manager Sean Lewis.