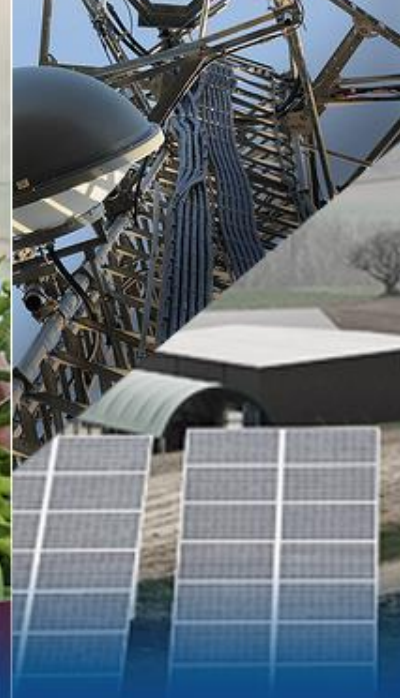


Section 6025: Strategic Economic and Community Development (SECD)

March 31, 2016
External Customers



United States Department of Agriculture

Speakers Today

USDA Rural Development

Sam Ridders, Administrator, Rural Business-Cooperative Service

Claudette Fernandez, Acting Director - Education and Research
Division & National Team Lead - Community Economic Development

Claudette.Fernandez@wdc.usda.gov

Farah Ahmad, SECD Program Manager

USDA Rural Development

Farah.Ahmad@wdc.usda.gov

New Tools for Financing Rural Growth: Presentation Road Map

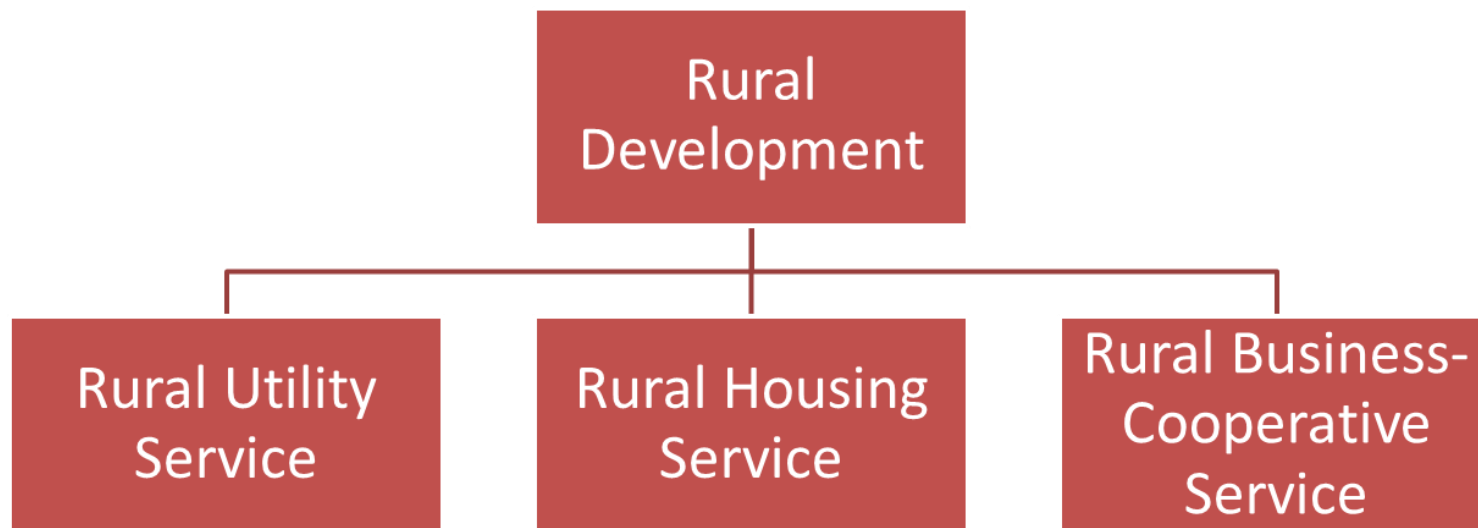
1. USDA's strategic priorities
2. Regional approaches in rural communities
3. Strategic Economic and Community Development (SECD) provision
4. Q & A

USDA's Strategic Priorities

1. White House regional and place-based initiatives
2. Commitment to poverty reduction, local food, and bioeconomy
3. Bringing capital to rural America

How Rural Development is Organized

RD will administer \$38 billion in loans, loan guarantees and grants through our programs in the current fiscal year.



USDA RD has 47 state offices and over 400 area offices and 5,000 staff across the nation.

Changing the Approach: USDA's Community Economic Development Team



Community Economic Development USDA Rural Development *As of January 2016*

NATIONAL OFFICE

State	First Name	Last Name	Title	Phone Number	Email
DC	Claudette	Fernandez	Director	202-365-5320	claudette.fernandez@wdc.usda.gov
DC	Suzette	Agans	Program Manager	202-401-1922	suzette.agans@wdc.usda.gov
DC	Hiwot	Gebreariam	Program Manager	202-690-4749	hiwot.gebreariam@wdc.usda.gov
DC	Farah	Ahmad	Program Manager	202-245-1169	farah.ahmad@wdc.usda.gov
DC	Bryan	Zulko	Program Manager	202-690-1431	bryan.zulko@wdc.usda.gov
WI	Margaret	Bau	Co-op Development Specialist	715-345-7615 ext 171	margaret.bau@wi.usda.gov
AR	Gregory	Dale	Regional Coordinator (South)	870-633-3055 ext 123	gregory.dale@wdc.usda.gov
AZ	Jeff	Hays	Regional Coordinator (Acting, West)	928-759-9301	jeff.hays@az.usda.gov
SD	Christine	Sorensen	Regional Coordinator (Midwest)	202-568-9832	christine.sorensen@wdc.usda.gov
PA	Angela	Callie	Regional Coordinator (Northeast)	610-791-9810 ext 123	angela.callie@wdc.usda.gov
DC	Scott	Cessařich	Program Specialist	202-619-1734	scott.cessařich@wdc.usda.gov
DC	Andres	Gonzalez	Contractor	202-690-4730	andres.gonzalez@wdc.usda.gov
DC	Chris	Proctor	Contractor	202-690-4730	christopher.proctor@wdc.usda.gov
DC	Madelyn	Morrison	Contractor		Madelyn.Morrison@wdc.usda.gov
DC	Fred	Fisher	Casey Foundation Fellow		Fred.E.Fisher@wdc.usda.gov

NORTHEAST

CT/RI	Joanne	Demars	Rural Development Coordinator	401-822-8865	joanne.demars@ri.usda.gov
MA	Len	Shuzdak	Area Director	413-585-1000	len.shuzdak@ma.usda.gov
DE/MD	Shannon	Reed	CED Specialist – CED Lead	302-857-3606	shannon.reed1@de.usda.gov
NH/VT	Ben	Doyle	CED Specialist – CED Lead	802-828-6042	benjamin.doyle@vt.usda.gov
NJ	Ann	Carter	Assistant to the State Director	856-787-7733	joyce.carter@nj.usda.gov
NI	Orman	Whitcomb	Area Director	207-990-3676	orman.whitcomb@me.usda.gov
NY	Brian	Murray	Area Director	315-386-2401 ext 126	brian.murray@ny.usda.gov
PA	Gary	Reed	Rural Development Coordinator	724-853-555 ext 126	gary.reed@pa.usda.gov
PA	Trudy	Moore	Rural Development Coordinator	717-218-3002 ext 110	trudy.moore@pa.usda.gov
PA	Thomas	Wellington	Rural Development Coordinator	570-433-3902 ext 114	thomas.wellington@pa.usda.gov
VA	Anne	Herring	Rural Development Coordinator	540-463-7124 ext 118	anne.herring@va.usda.gov
WV	Lisa	Sharp	RBS Program Director, CED Lead, Public Affairs Coordinator.	304-284-4874	lisa.sharp@wv.usda.gov

SOUTH

AL	Beverly	Helton	Asst. to State Director	334-279-3441/334-462-7799	beverly.helton@al.usda.gov
----	---------	--------	-------------------------	---------------------------	----------------------------

AR	Steve	Mosher	Area Director	479-646-8300 ext. 4	steve.mosher@ar.usda.gov
FL	Caroline	Evans	Program Manager	352-338-3444	caroline.evans@fl.usda.gov
LA	Eddie	Thompson	Community Development Specialist	318-473-7952	john.thompson2@la.usda.gov
GA	Reggie	Taylor	Community Development Specialist	706-552-2557	reggie.taylor@ga.usda.gov
KY	Jeff	Jones	RBS Program Director	859-2247436	jeff.jones@ky.usda.gov
MS	Justin	Wilkes	Public Affairs Specialist	601-965-4316 ext.115	justin.wilkes@ms.usda.gov
NC	Brian	Queen	CED Specialist	919-873-2072	brian.queen@nc.usda.gov
OK	Kathy	James	Broadband/PIC/ CED Specialist	405-742-1014	kathleen.james@ok.usda.gov
PR	Nereida	Rodriguez	Community Programs Director	787-766-5095 Ext. 166	Nereida.Rodriguez@pr.usda.gov
SC	Wieslawa	Gartman	Program Specialist	803-765-5170	wieslawa.gartman@sc.usda.gov
TX	Amber	Anderson	CED Lead/ Area Specialist	972-542-0081 ext. 110	amber.anderson@tx.usda.gov
TN	Sherri	McCarter	Community Development Specialist	615-783-1361	sherri.mccarter@tn.usda.gov

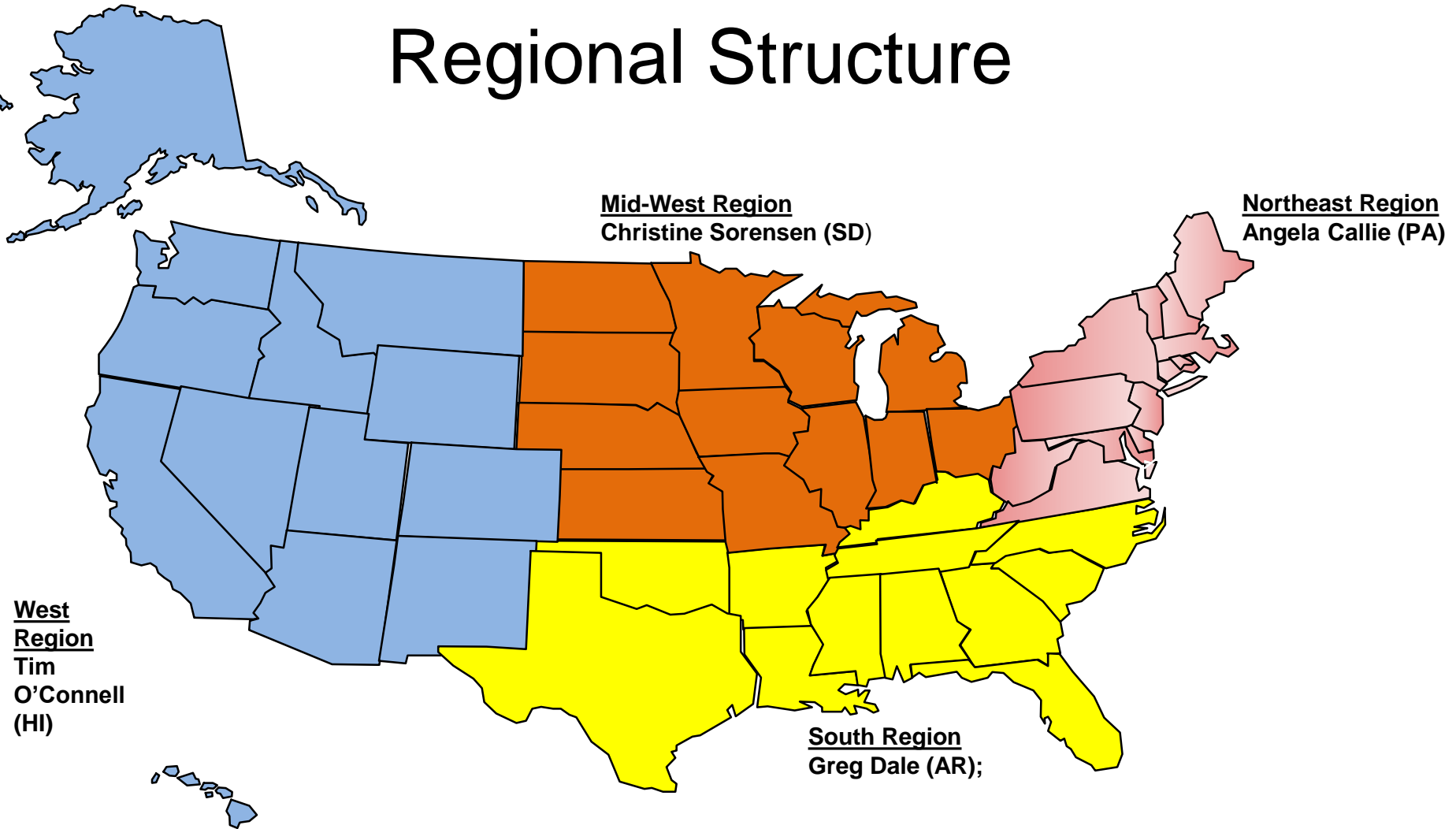
MID-WEST

IA	Doug	Moss	Area Director		Doug.moss@ia.usda.gov
IA	Michelle	Moore	Area Director		Michelle.moore2@ia.usda.gov
IL	Kate	O'Hara	CED/Public Affairs	217-403-6205	kate.o'hara@il.usda.gov
IN	Anthony	Kirkland	BP District Director	812-632-0202	anthony.kirkland@in.usda.gov
IN	Craig	McGowan	CP Specialist	812-384-4834	craig.mcgowan@in.usda.gov
KS	Jessica	Bowser	CED/Public Affairs	785-271-2701	jessica.bowser@ks.usda.gov
MI	Valarie	Handy	CED Specialist	231-941-0951 ext. 102	valarie.handy@mi.usda.gov
MN	Andrew	Gag	Area Specialist	218-847-9392 Ext. 120	Andrew.Gag@mn.usda.gov
MO	Greg	Batson	Program Support Director	573-876-9304	gregory.batson@mo.usda.gov
ND	Melanie	Bauer-Dukart	Area Specialist	701-225-9168 ext. 130	melanie.bauerdukart@nd.usda.gov
NE	Marla	Marx	Business Programs Specialist	308-632-2195	marla.marx@ne.usda.gov
OH	Vince	Paumier	CED Specialist	614-653-5290	vince.paumier@oh.usda.gov
WI	Brian	Hudson	Area Director Co- CED Lead	608-697-7725	brian.hudson@wi.usda.gov
WI	Carolyn	Wetuski	Area Director Co-CED Lead	920-948-8651	carolyn.wetuski@wi.usda.gov
SD	Paula	Corcoran	CED/Housing Specialist	605-224-8870 ext. 121	Paula.corcoran@sd.usda.gov

WESTERN

AK	Tasha	Deardorff	Program Director	907-271-2424 ext. 118	tasha.deardorff@ak.usda.gov
AK	Renee	Johnson	Program Manager	907-761-7712	renee.johnson@ak.usda.gov
CA	Carol	Pranka	CED Director	530-792-5821	carol.pranka@ca.usda.gov
CO	Pattie	Snidow	CED Director	970-290-6467	pattie.snidow@co.usda.gov
HI	Timothy	O'Connell	Assistant to State Director	808-933-8313	tim.oconnell@hi.usda.gov
HI	Howard	Lunderstadt	Assistant to State Director	808-933-8313	howard.lunderstadt@id.usda.gov
ID	Howard	Lunderstadt	Community Programs Specialist	(208) 762-4939 ext 126	
MT	Gloria	Hawkins	Area Specialist	406-657-6297 ext 124	Gloria.Hawkins@mt.usda.gov
NM	Terry	McDermott	CED Specialist	505-761-4955	terry.mcdermott@nm.usda.gov
NV	Louise(Lu)	Torrez	CED Coordinator	702-407-1400 ext 103	Louise.Torrez@nv.usda.gov
OR	Jill	Rees	CED Coordinator	503-414-3302	jill.rees@or.usda.gov
UT	Stephanie	Cecil	CED Specialist	435-587-2111 ext. 112	stephanie.cecil@ut.usda.gov
WA	Paul	Johnson	Special Projects Coordinator	360-704-7761	paul.johnson@wa.usda.gov
WY	Scott	Southerland	CED Coordinator	307-233-6706	Scott.Southerland2@wy.usda.gov

Regional Structure





Section 6025 Strategic Economic & Community Development (SECD)

What is SECD?

- New requirement under 2014 Farm Bill
- Sets aside up to 10% of USDA program funds under:
 - Community Facilities
 - Water and Environmental Programs
 - Rural Business Development Grants
 - Business & Industry Guaranteed Loans...

**...to prioritize projects that support the
implementation of a multi-jurisdictional plan.**

For FY16, SECD set-aside funds total over \$300 million.

Why SECD?

Designed to support communities engaged in:

- Regional collaboration with federal, state and local partners
- Long-term growth strategies
- Aligning and leveraging resources
- Capitalizing on a region's strengths

What makes SECD unique?

- Rural only
- Specifically support implementation of regional plans
- Works across Rural Development agencies
- Funds projects developed as part of a community's vision

How was SECD Implemented?

SECD Timeline

- **2013 & 2014:** NADO, NACo and other stakeholder groups promote regional and strategic planning support
- **February 2014:** 2014 Farm Bill Passed with SECD provision
- **May 20, 2015:** SECD regulation published in the Federal Register (7 CFR 1980)
- **June 19, 2015:** SECD regulation effective date
- **June 2015 – July 30, 2015:** Pilot program of SECD run
- **July 20, 2016:** SECD regulation comment period closes
- **Summer/Fall 2015:** SECD pilot awards made
- **November 2015:** USDA determines SECD set-aside percentages for FY2016
- **November 2015 – present:** USDA engages in stakeholder outreach
- **December 2015:** Congress passes FY2016 budget
- **December 2015 – present:** Ongoing SECD application reviews
- **March 17, 2016:** SECD Federal Register Notice published
- **June 30, 2016:** SECD set-asides expire
- **Upcoming: Spring/Summer 2016:** SECD awards announced on a rolling basis

SECD Pilot in FY15 – 25 Awards

Examples

City of Cash, AR (Sustainable Communities plan)

CF funds for a community center roof.

West Stewartstown, NH (CEDs plan)

WEP funds to address public health & safety concerns from contamination in failing supply lines.

North Adams, MA (Community Plan)

RBDG funds to construct a cheese affinage at the Old Greylock Mill in North Adams. Project is expected to create 20 jobs.

Royalton, VT – (CEDs plan)

CF funds for Emergency Equipment and System Upgrades to complement remodel and consolidation of Town Hall offices.

Springerville, AZ- (Community Plan)

RBDG funds to a regional medical center for a feasibility study to expand internal daycare services to surrounding communities to support working families.

FY16 SECD Set-Aside Funds

For FY16, SECD funds total over \$300 million.

Program	Program Level (PL)	Competition		Set Aside Percentage	6025 Set-Aside	Remaining PL
		National	State Allocation			
WEP Guaranteed Loan	\$50,000,000	x		10%	\$5,000,000	\$45,000,000
WEP Direct Loan	\$1,200,000,000	x		10%	\$120,000,000	\$1,080,000,000
WEP Grant	\$344,943,000	x		5%	\$17,248,000	\$327,695,000
B&I	\$919,765,166	x		5%	\$45,988,258	\$873,776,908
CF Guaranteed Loan	\$148,305,084	x		10%	\$14,830,508	\$133,474,576
CF Direct Loan	\$2,200,000,000		x	5%	\$110,000,000	\$2,090,000,000
CF Grant	\$25,000,000		x	10%	\$2,500,000	\$22,500,000
RBDG	\$16,508,429		x	5%	\$868,863	\$15,639,566
Total					\$316,435,629	

How does SECD work?

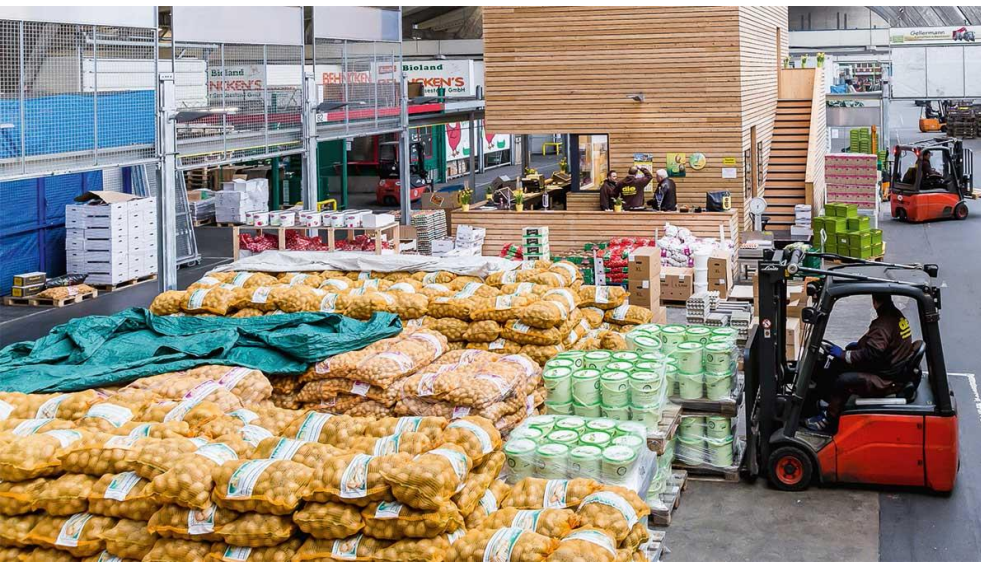
Reminder: What is SECD?

- Sets aside up to 10% of USDA program funds under:
 - **Community Facilities**
 - **Water and Environmental Programs**
 - **Rural Business Development Grants**
 - **Business & Industry Guaranteed Loans...**

...to prioritize projects that support the implementation of a multi-jurisdictional plan.

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, other health care facilities, etc.
- **Applicant:** Public Bodies, non-profits, and Federally recognized Indian Tribes
- **Population:** City, town, or unincorporated area of not more than 20,000 in population. Facilities must serve rural residents.



Example: The Shepherd's Corner, Inc. in Bridgeport, WV received a CF grant to help purchase a building that would serve as a distribution center for food, clothing and household goods.

Water and Waste Disposal (WEP)

- **Purpose:** Loans and grants to build, repair, and improve public water systems and waste collection and treatment systems.
- **Applicant:** Public entities, Indian Tribes, and nonprofit corporations
- **Population:** Rural areas and towns with up to 10,000 population.



Example: Two communities in rural Maine used WEP funding to regionalize two aging wastewater treatment facilities into one state-of-the-art facility.

Rural Business Development Grants (RBDG)

- **Purpose:** Grant to assist the startup or expansion of small and emerging private businesses and/or nonprofits in rural communities.
- **Applicant:** Public bodies, government entities, nonprofit entities, and Federally recognized Indian Tribes
- **Population:** All areas rural in character except cities over 50,000 and their contiguous urbanized areas.



Example: An Economic Development Council in Missouri received an RBDG to complete a feasibility and marketing study for the gigabit broadband internet service in the five-county service area of Co-Mo Connect. Project is expected to create 19 jobs.

Business & Industry Loans (B&I)

- **Purpose:** Guaranteed Loan to create jobs/stimulate rural economies by providing financial backing for rural businesses.
- **Applicant:** Lenders/Businesses
- **Population:** All areas except cities over 50,000 and their contiguous urbanized areas.



Example: Hendersonville Community Cooperative in North Carolina received a guaranteed B&I loan to finance a new building that would serve as a local food cooperative grocery store.

Scoring of Regional Plans

- Regional Plan Objectives Supported by the Project – 10 pts
- Collaboration – 2 pts
- Resources – 2 pts
- Other Federal Agencies Investment – 2 pts
- Philanthropic Investment - 2 pts
- Performance Measures – 2 pts

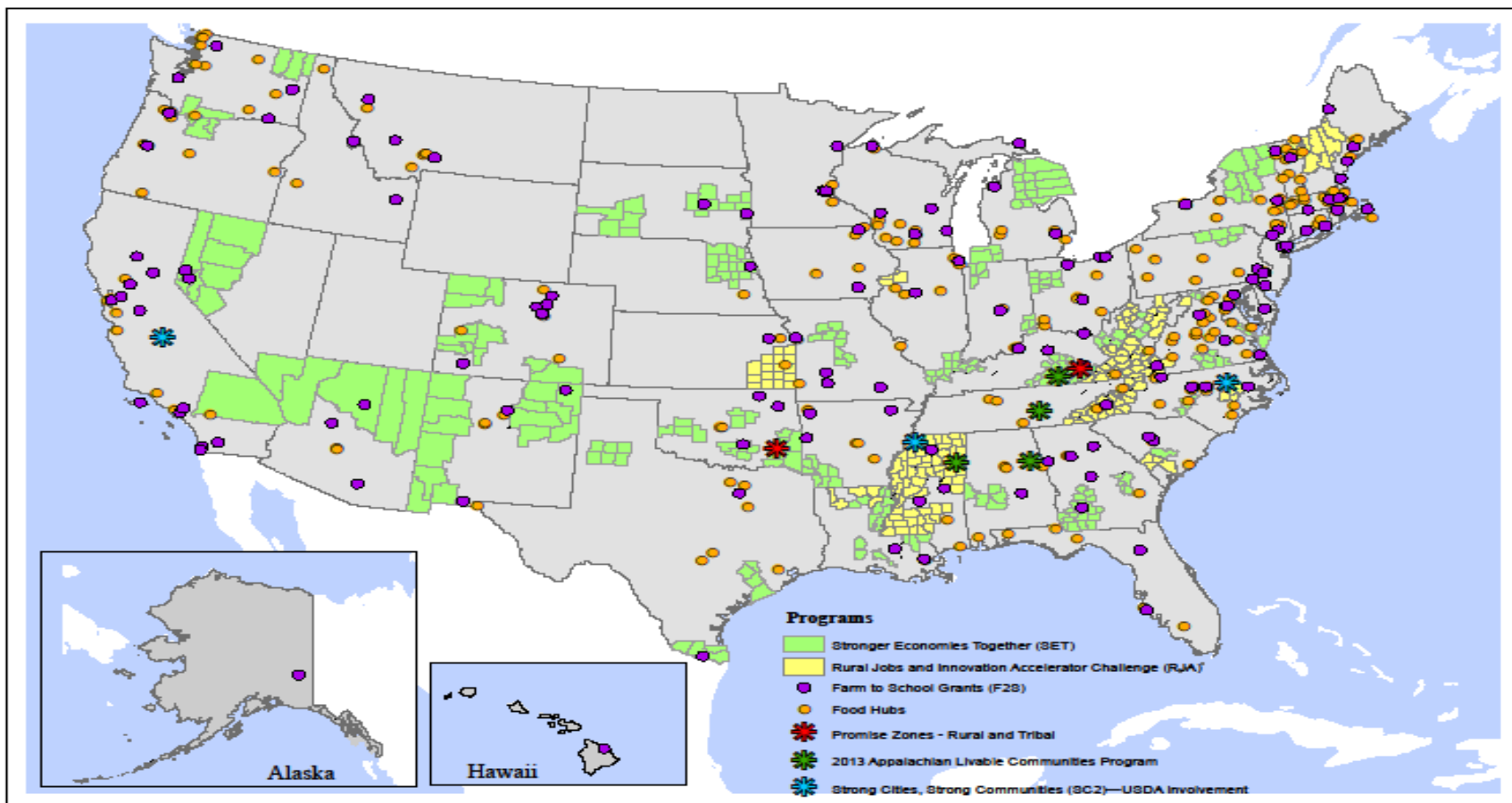
Potential SECD Applicants: Communities with Regional Plans

- Councils of Governments-Public and Non-Profit
- Regional Authorities
- State Agencies
- Coalitions of Counties, Towns, etc.
- Special Initiative Coalitions:
 - Stronger Economics Together (SET)
 - Promise Zones
 - Investing in Manufacturing Communities Partnership (IMCP)
 - Sustainable Communities
 - Comprehensive Economic Development Strategy (CEDS)



USDA Placed Based Initiatives utilizing strategic planning

Select USDA Place-Based Initiatives and Programs



FY16 Stakeholder Outreach

- NADO members & Economic Development Districts
- NACo members
- Sustainable Communities Grantees
- Main street network
- Smartgrowth America
- HUD Rural Gateway
- Housing and Water Authorities
- University extension
- Promise Zones
- SET regions
- Local Foods, Local Places designees
- FEMA planning and DOD planning agencies
- Emergency and health safety stakeholders
- IMCP
- Cooperatives
- Upcoming: IECD members



Tools for Applicants: SECD Applicant Checklist

Farm Bill Section 6025

Strategic Economic and Community Development Applicant Checklist

Project Name:

Project Application for One of the Following Programs:

- Community Facility Loans
- Community Facilities Grant Program
- Community Programs Guaranteed Loans
- Fire and Rescue and Other Small Community Facilities Projects
- Water and Waste Disposal Programs Guaranteed Loans
- Water and Waste Loans and Grants
- Business and Industry Guaranteed Loans
- Rural Business Development Grants

Note: The project must comply with all of the eligibility requirements of the underlying program to be considered for Section 6025 SECD.

The project is carried out **solely in a rural area.**

Farm Bill Section 6025 SECD Form 1980-88 with the following details:

- Table of contents with page numbers for supporting documentation
- Attachment A(s) – Plan objectives**
(Note: a separate Attachment A is required for each objective)
- (If applicable) Attachment B – Previous applications

Key Elements of the Multi-Jurisdictional Plan

- Plan service area covers more than jurisdiction. *Jurisdiction means a unit of government or other entity with similar powers. Examples include, but are not limited to: city, county, district, special purpose district, township, town, borough, parish, village, State, and Indian tribe.*
- A summary of the economic conditions of the region;
- An in-depth analysis of the economic and community strengths, weaknesses, opportunities, and threats for the region, to include consideration of such aspects as the environmental and social conditions;
- Strategies and implementation Plan to build upon the region's strengths and opportunities and to resolve the weaknesses and threats facing the region;
- Performance measures that evaluate the successful implementation of the Plan's objectives; and
- Support of key community stakeholders.

Demonstration of support to a qualified multi-jurisdictional plan:

- Official letter from the appropriate entity/entities who approved the Plan
(Note: This is only mandatory if applicant is a government entity.)
- Documentation showing that the Plan was developed through the collaboration of multiple stakeholders in the service area of the plan**
- Documentation showing that the Plan demonstrates an understanding of the applicable region's assets that could support the Plan**
- (If applicable) Documentation showing that the Plan includes practical monetary or non-monetary contributions from Federal agencies other than the U.S. Department of Agriculture
(Note: Applicant should demonstrate the connection between the Project and the Plan)
- (If applicable) Documentation showing that the Plan includes practical monetary or non-monetary contributions from one or more philanthropic organizations
(Note: Applicant should demonstrate the connection between the Project and the Plan)
- Documentation showing clear objectives, the ability to establish measurable performance measures and to track progress towards meeting the Plan's objectives**

Note: URLs alone do NOT suffice as supporting documentation, but should be included if available. Supporting documentation must be attached to the Section 6025 SECD package.

****Documentation must include page numbers or pages containing plan excerpts as exhibits referring to a section in the Plan that addresses the five items above.**

Tools for Applicants: Regionally-based SECD experts

Southern Region:

- Gregory Dale Gregory.Dale@wdc.usda.gov
(202) 568-9558

Western Region:

- Tim O'Connell Tim.Oconnell@hi.usda.gov
(808) 933-8313

Midwest Region:

- Christine Sorensen Christine.Sorensen@wdc.usda.gov
(202) 568-9832

Northeast Region:

- Angela Callie Angela.Callie@wdc.usda.gov
(202) 568-9738

Thank you!

Any Questions?