

**PROGRAM:** Rural Economic Alliance Partnership (REAP) **Community Via Partner Organization**

**AGENCY:** Community Economic Development Team, Econ. Development Division, NMEDD

**DESCRIPTION:** REAP is an informal group of federal and state agencies funding rural community development. REAP **does not** replace the application processes of any participating agency.

Communities who wish to access a funding source must work with a representative of the funding agency. REAP's purpose is to increase the effectiveness and enhance collaborative planning among the represented agencies to leverage funding for a specific project.

**ELIGIBLE USES** include equipment, buildings, hospitals, water systems, sewer systems, solid waste facilities, streets, airports, municipal facilities, and parking facilities.

**STRUCTURE:**

- The Capital Outlay Unit, NM DFA, US Department of Housing & Urban Development, Small Business Administration, Local Government Division, USDA Rural Development, New Mexico Finance Authority, NM Councils of Governments, and New Mexico Economic Development Department are represented by REAP.
- Economic Development Department
  - Regional Representatives provide technical assistance in accessing resources and creating a viable business plan for your community project
  - MainStreet – uses its four-point approach (organization, promotion, design & economic restructuring) to assist communities in revitalizing local business districts
- New Mexico Finance Authority Provides loans and grants to governmental entities for capital projects with a useful life of at least 3 years
- Local Government Division (LGD) administers the Community Development Block Grant (CDBG) program, which provides funding for infrastructure, public buildings, housing rehabilitation, economic development, planning and other projects.
- The (LGD) Capital Outlay Unit manages & tracks state funds for infrastructure development and presents projects to Governor & Legislature.
- The Small Business Administration provides financial assistance including loans, primarily made by private lenders, with SBA guarantee; the guarantee is generally up to 85% of loans to \$150,000 or 75% above \$150,000. The maximum guarantee is \$1 million. No SBA grants are available to start a business. Equity investment & surety bonds are also available.
- USDA Rural Development
  - Business cooperative programs include business & industry guaranteed loan pgrm, intermediary re-lending loan pgrm, rural business enterprise grant pgrm (RBEG), rural business economic development loan pgrm, rural economic development grant pgrm (REDG), and rural business opportunity grants (RBOG)
  - Community Programs include community facilities direct/guaranteed loans/grants, NM Councils of Governments
  - Technical Assistance available for planning, grant writing, project development,
- In order to have a project considered you should have a business plan that indicates funding sources and demonstrates sustainability.
- Sustainability is the most important element. The business plan should demonstrate why the project is likely to be successful in making a long-term contribution to the community's economic base and well-being.
- Other Factors include job creation, community commitment, and constituents served.
- For more on REAP, contact your regional representative, see page 162.