

USDA Rural Development Farmer Resources

Created and Presented By:

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Champion for Rural Development**



OneRD B&I Guaranteed Loan Program

Applications accepted on
rolling-basis year-round

- **Agriculture Projects:** When projects are ineligible for the Farm Service Agency's loan program (such as when agriculture is part of an integrated business involved in processing of agricultural products)
 - **Eligible Ag project examples:** Mushroom production, forestry/lumber production, nurseries, hydroponics, boarding/training of animals, commercial fishing, production of algae and aquaculture, and so on
 - **Business projects are also eligible**
- **Not a Direct Loan Program**
 - **Bank is our customer and does under-writing process:** Decides if additional fees (3% at closing and 0.55% on remaining balance annual "periodic" fee) for guarantee is beneficial
 - **80% guarantee offered:** In case of default, Rural Development (RD) would cover 80% of losses to bank (RD is basically a cosigner)
- **Max Loan Amount:** \$25 million (\$40 million for Cooperatives)

Rural Energy for America Program (REAP)

Note:

- Federal grant award percentage may be subject to change
- Eligible Project Start Date: Once full application is received (Applicant notified via letter/email) and disbarring no environmental concerns
 - However, if not awarded Applicant cannot apply next year, since incurred costs would be ineligible

Grant Application Deadlines

- Next time apps may be accepted is TBD

Rural Energy for America Program (REAP)

- **Renewable Energy System (RES) Grant**

- **Minimum Total Project Cost:**

- \$10,000

- **Grant Award Maximum:**

- \$1,000,000 (up to 50% of Total Project Cost (TPC))

- **In-Home Businesses are ineligible, even for Ag-related projects**

- **Eligible Project Examples:**

- Purchase of new, refurbished, or existing RES
 - Such as solar, hydropower (below 30 megawatts), wind generation, biomass, and so on
 - Retrofitting of existing RES (installing battery backup for photovoltaic solar system, replacing blades on wind turbine, and so on)

Rural Energy for America Program (REAP)

Grant Application Deadlines

- Next time apps may be accepted is TBD

- **Energy Efficiency Improvement (EEI) Grant**
 - **Minimum Total Project Cost:**
 - \$6,000
 - **Grant Award Maximum:**
 - \$500,000 (up to 50% of Total Project Cost (TPC))
 - **Energy assessment/audit (includes past 12 months energy bills) is required**
 - **Eligible Projects:**
 - Efficiency improvements to existing Renewable Energy Systems (RES), HVAC, lighting, insulation, and so on
 - **Ineligible Projects:**
 - Duplication of prior REAP projects during the useful life of the prior project's components
 - Example: Replacing refrigerators (useful life of 10 years) that were replaced 2 years ago by use of a REAP grant with more energy efficient refrigerators
 - In-Home Businesses are ineligible, even for Ag-related projects

Rural Energy for America Program (REAP)

Loan Application Deadlines

- Applications accepted on rolling-basis year-round

- **Renewable Energy System (RES) Guaranteed Loan (GL) & Energy Efficiency Improvement (EEI) Guaranteed Loan (GL)**
 - **Regulated by OneRD GL Regulation (5001):**
 - 80% guarantee
 - Lender is our customer
 - **Loan Term:** Not to exceed 40 years
 - **Differences from a Business and Industry (B&I) OneRD GL:**
 - 1% guarantee fee at closing (compared to 3% for OneRD)
 - 0.25% annual guarantee fee (compared to 0.55% for OneRD)
 - **Max Loan Amount:** \$25 million (does not increase to \$40 million for Cooperatives)
 - **Note:**
 - Eligible & ineligible projects are the same as their grant counterparts (EEI covered on next slide)

Grant Application Deadlines

- Next time apps may be accepted
TBD

Rural Energy for America Program (REAP)

• Eligible Costs

- Purchase and installation of new or refurbished equipment
- Construction, retrofitting, replacement, and improvements
 - Includes installation of a 2nd meter, if a residence is closely associated
 - Excludes components Applicant does not have ownership and control over (overhead powerlines and poles, substations, and so on)
- Fees for construction permits and licenses (includes Interconnection Agreement fees)
- Professional service fees for qualified consultants, contractors, installers, and other third-party services

• Ineligible Costs

- Agricultural tillage equipment, used equipment, and vehicles
- Residential projects (includes all types of in-home businesses)
- Construction & equipment costs that would be incurred regardless of installation of the project (such as storage only grain bins associated with a grain dryer system or a roof for a roof-mounted solar project)
- Business operations deriving income from activities of a sexual nature or illegal activities
- Business operations deriving more than 10 percent of annual gross revenue from gambling activity (excluding State/Tribal lottery proceeds), conducted for the purpose of raising funds for the project
- Lease payments (includes lease to own)
- Projects that create a conflict of interest or appearance of such
- Funding of political activities/lobbying or paying off Federal debts

Estimated 2026 Funding
\$25 Million

Value-Added Producer Grant (VAPG)

Value Added Producer Grant (VAPG)

- **Goals:** Provide funding to Ag producers for generating new products, help create and expand marketing opportunities, and increase producer income
- **Grant award limits:** \$50,000 for planning grants and \$200,000 for working capital grants
 - Simplified application for grant requests under \$50,000 (no feasibility study/business plan required)
 - Food Safety: 50% or more of project is for post-harvest food safety costs (certifications, supplies, and training)
- **Requires:**
 - Owners must be active in day-to-day farm labor, management, and field operations
 - Raw commodity must be owned by applicant throughout the value-added activity
 - 50% match of the total project cost
 - Applicants must be currently producing the raw Ag commodity
- **5 Categories to apply for:**
 1. **Change in physical state** (example: apples into apple cider)
 2. **Physical segregation** (example: keeping genetically modified organism (GMO) and non-GMO crops separate)
 3. **Produced in manner that enhances value of Ag commodity** (example: USDA organic or free-range eggs)
 4. **Farm or ranch-based renewable energy** (example: dairy manure into methane & electricity generated on the farm)
 5. **Locally-produced Ag food product** (example: locally grown sweet corn/grapes)
 - Product for human consumption marketed & distributed within 400-mile radius of origin or within same state

Value Added Producer Grant (VAPG)

- **Use of Funds Timeframe:** Must be used within 3 years from project start date
- **Eligible Costs (incurred after awarded funds):**
 - Processing costs
 - Co-packing and toll-processing (having third-party do the value-added processing **but** Applicant **must** maintain ownership of Ag commodity throughout the process)
 - Marketing and advertising expenses
 - Some inventory (such as costs of other ingredients) and some salary expenses
 - Product liability insurance (only for project-specific-product and during the grant period)
- **Ineligible Costs:**
 - Costs incurred before award announced and project performance start date
 - Fixed equipment defined as \$10,000 or more in value **and** useful life greater than 1 year (Point-of-Sale (POS) computer systems have been deemed as an eligible cost in the past, even if they exceed this cost cap)
 - If for food safety—Equipment is \$13,000 or less in value and a useful life greater than 1 year
 - GMO-free/organic/ISO certification (unless for planning grant feasibility study costs)
 - Note: Funds may be used for regulatory compliance (example: shelf-life studies)
 - Crop production inputs (such as fertilizer), harvesting, and land acquisition or any construction/repair costs
 - Repair or depreciation costs on equipment/facilities/vehicles
 - Hemp: CBD oil/hemp products with medical claims are not an eligible value-added project until the Food and Drug Administration (FDA) approves or legalizes it
 - A project using the seeds or fibers for a product may be eligible though
 - *Note: If ineligible costs are >10% of grant request, entire application will be deemed ineligible*

- FY 2026: April 15, 2026, at 1pm EST

Value Added Producer Grant (VAPG)

- **Resources for Additional Guidance:**

- **Agricultural Marketing Resource Center:** <https://www.agmrc.org/>
 - Have guide for VAPG and has multiple other resources
 - Phone: 866-277-5567
- **National Sustainable Agriculture Coalition:** <https://sustainableagriculture.net/>
 - Conducts advocacy and provides additional guidance on resources provided by USDA, including the VAPG: <https://sustainableagriculture.net/publications/>
 - Phone: 202-547-5754
 - Email: info@sustainableagriculture.net (general inquiries)
- New [Grant Application Portal \(GAP\)](#) for 2025 and onward

How to Get Started Applying for Business Programs

PA Rural Development Business Programs Area Specialists



Rural Business & Cooperative Specialists for Pennsylvania

Crawford Area Office

14699 N. Main Street, Extension
Meadville, PA 16335-9441

Cara Zomcik, Area Specialist

Phone: 814-547-5949

Email: cara.zomcik@usda.gov

Butler Area Office

625 Evans City Road, Suite 101 Butler,
PA 16001-8704

Richard Clouse, Area Specialist

Phone: 724-482-5292

Email: richard.clouse@usda.gov

Cumberland Area Office

401 E. Louthier St., Suite 304 Carlisle,
PA 17013-2652

David Foster, Rural Business & Cooperative Program Specialist

Phone: 717-601-3254

Email: david.foster@usda.gov

Westmoreland Area Office: 214 Donohoe Road, Suite A, Greensburg, PA 15601-7552

Elizabeth Wise, Area Specialist

Phone: 724-261-3888

Email: elizabeth.wise@usda.gov

Karen Kuhns, State Environmental Protection Specialist

Phone: 724-261-3893

Email: karen.kuhns@usda.gov

Gary Reed, Area Director for the West

Phone: 724-261-3892

Email: gary.reed@usda.gov

★ Pennsylvania State Office

359 East Park Drive, Suite 4 Harrisburg,
PA 17111-2747

Phone: 717-237-2299 (General)

Fax: 855-813-2863

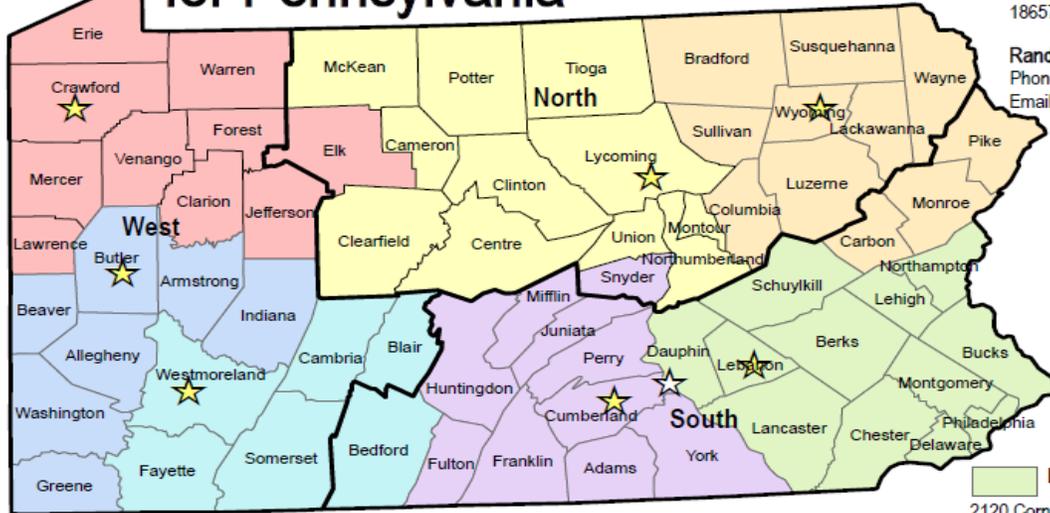
(Please notify a contact if faxing an item)

Mike Cabell, State Director

Phone: 223-369-3465

Email: michael.cabell@usda.gov

North



Wyoming Area Office
21 Hollowcrest Road Tunkhannock, PA
18657-6632

Randy Donovan, Area Specialist

Phone: 570-836-5111 ext. 122

Email: randy.donovan@usda.gov

★ Field Office

Lebanon Area Office

2120 Cornwall Road, Suite 7
Lebanon, PA 17042-9790

Currently, No Area Specialist

Phone: 717-237-2299 (State Office)

Lycoming Area Office

542 County Farm Rd, Suite 205
Montoursville, PA 17754-9209

Allen Hopkins, Area Specialist

Phone: 570-433-5083

Email: hobart.hopkins@usda.gov

Tom Wellington, Area Director of the North

Phone: 570-433-5081

Email: thomas.wellington@usda.gov

Rana Pfeil, Business Programs Specialist & State Energy Coordinator

Phone: 717-237-2288 | Email: rana.pfeil@usda.gov

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Jeff Gatano, Program Director

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Dethon Kistler, Loan Specialist & PA Rural Development Beginning Farmer/Rancher Champion

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Raquel (Kelly) Greene, State Environmental Coordinator

Phone: 717-237-2176 | Email: raquel.greene@usda.gov

Amber Albright, Area Director of the South

Phone: 717-237-2295

Email: amber.albright@usda.gov

Please contact your local Area Specialist when applying for a Rural Development program.

The Specialist will:

- Let you know if the project sounds eligible
- Send program application materials
- Help answer some questions/provide feedback while filling out application materials

It is recommended to turn in applications at least a couple weeks before the official deadline. So, there is a better chance to resolve any application issues.

Note: Map is color-coded by Area Specialist and dark black lines separate Area Director jurisdictions

Items Needed to Get Started for Grants

After ensuring a project is eligible, the first steps in applying for any non-loan RD programs are to get the following completed:

1. **Register with the System for Award Management (SAM)** (usually takes 2 weeks to be approved)
 - **What SAM is:** Allows the Agency to check if an Applicant is delinquent on federal debt
 - **Outline of Registration Steps:** <https://sam.gov/entity-registration>
 - **SAM Registration Website:** <https://www.sam.gov/SAM/>
 - Make sure to fully complete the registration process
2. **Register, download application, and submit it at <https://www.grants.gov/>, our rd.usda.gov website, use the Grant App Portal (for Value Added Producer Grant only), or get an application from your local Area Specialist and submit it to them**

Beginning Farmer/Rancher & Veteran Resources

- **Beginning Farmer**
 - Independent producer or an Applicant entity (with 50% or greater of ownership or members) farming for less than 10 years.
- **Veteran Farmer**
 - A farmer or rancher who has served in the Armed Forces, as defined in section 101(10) of title 38 United States Code, and who either has not operated a Farm or Ranch or has operated a Farm or Ranch for not more than 10 consecutive years

PA USDA Beginning Farmer/Rancher Coordinator & Champions

- **Farm Service Agency (FSA):** Michael Sherman
County Executive Director & PA BFR Coordinator
Lycoming County Farm Service Agency
542 County Farm Road
Montoursville, Pa 17754
 - **Phone:** 570-433-5075
 - **Fax:** 855-831-7930
 - **Email:** michael.sherman@usda.gov
 - **Agency Website:** <https://www.fsa.usda.gov/>
- **Natural Resources Conservation Service (NRCS):** Janette Leshner
District Conservationist & PA BFR Champion
USDA-NRCS
441 Plum Creek Rd
Sunbury, PA 17801
 - **Phone:** (570) 415-3117
 - **Email:** janette.lesher@pa.usda.gov
 - **Agency Website:** <https://www.nrcs.usda.gov/>
- **Risk Management Agency (RMA):** Tonya Harris
 - **Phone:** 919-875-4907
 - **Email:** tonya.d.harris@usda.gov
 - **Agency Website:** <https://www.rma.usda.gov/>
- **Rural Development (RD):** Dethon Kistler
Loan Specialist & PA BFR Champion
U.S. Department of Agriculture
359 East Park Drive, Suite 4
Harrisburg, PA 17111
 - **Phone:** 717-237-2284
 - **Email:** dethon.kistler@usda.gov
 - **Agency Website:** <https://rd.usda.gov/>

THANK YOU!

Special thanks to these contributors from Rural Development to helping create this slideshow presentation:

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