

Rural Development

Office of Community Development

Creating Community in the 21st Century

USDA Rural Development's Office of Community Development (OCD) administers the Rural Community Development program. This effort promotes self-sustaining, long-term economic and community development in areas of pervasive poverty, unemployment, and general distress. The program works by helping distressed communities develop and implement innovative, comprehensive strategic plans, which are supported by partnerships among private, public, and nonprofit entities. This assistance is available through USDA Rural Development field offices to rural communities throughout the United States. This help includes technical assistance and support in obtaining additional financial resources and assistance in forging local and regional partnerships.

USDA's Office of Community Development administers three rural community empowerment efforts: Empowerment Zones/Enterprise Communities (EZ/EC), Champion Communities (CC) and the Rural Economic Area Partnership (REAP) Zones. OCD also administers the Rural Community Advancement Program (RCAP) and other supported communities.

Empowerment Zones/Enterprise Communities

The Empowerment Zones/Enterprise Communities (EZ/EC) Program provides economically depressed rural areas and communities with real opportunities for growth and revitalization. Its mission is to help create long-term economic and community development and assist communities in empowering themselves to improve local conditions and become self-sustaining.

EZ/EC efforts begin at a grassroots level, where communities, in cooperation with state and local governments, work together to write strategic plans to address the economic and social problems they face. The strategic plan also identifies partnerships and ways to combine private and public resources to implement their plans.

The EZ/EC program works by focusing community efforts on achieving four basic principles:

1. Economic opportunity;
2. Sustainable community development;
3. Community-based partnerships; and
4. A strategic vision for change.

Key features of the EZ/EC program include:

- Rural EZs receive substantial flexible grant dollars to help implement their strategic plans. Rural ECs receive somewhat less for the same purpose.
- Rural EZs are eligible for tax credits, such as the Work Opportunity Tax Credit and Section 179 tax deductions, as well as tax-free facility bonds.
- Both rural EZs and ECs receive primary consideration for many other Federal and State programs.

In 1994, the Round I EZ/EC designations named three rural Empowerment Zones and 30 Enterprise Communities. In 1998, five Round II rural Empowerment Zones and 20 Enterprise Communities were designated. A third round of two additional rural EZs will be named in December 2001.

Champion Communities

In 1999, USDA formalized the Champion Communities (CC) program by inviting all communities that submitted strategic plans for Round I and II EZ/EC designations to continue implementing their plans through a partnership agreement with USDA.

Key features of the CC program include:

- USDA Rural Development has funded more than \$431 million in development projects in Champion Communities from 1995 to 2000.
- USDA and other Federal agencies have targeted funds and other assistance to Champion Communities.
- USDA sponsors conferences to train Champion Community leaders and promote idea-sharing and networking among communities.

Rural Economic Area Partnership (REAP) Zones

While poverty-related issues are the main challenge for some rural communities, many others face economic and community development issues of a very different character. Often, these challenges are due to geographic isolation, low population density, over-dependence on agriculture, population loss, out-migration, and economic distress. To address these issues, USDA advocated a pilot concept for rural revitalization and community development called Rural Economic Area Partnership Zones. Two zones in North Dakota were designated in 1995 to be the first participants in the REAP initiative. In 1999, two areas in upstate New York were added, and in 2000 an area in Vermont was designated as the fifth zone. The North Dakota zones and the

Vermont zone cover multi-county areas, while the two in New York are basically single counties.

Each REAP Zone developed a strategic plan for economic revitalization. Through grassroots efforts in strategic planning and community action, millions of dollars in State, Federal, private, and nonprofit assistance are being brought to these areas.

Key features of the REAP Zone program include:

- REAP Zones follow strategic planning and benchmarking procedures similar to EZ/EC and Champion Communities.
- USDA provides REAP Zones with technical assistance and resources to develop and implement their strategic plans.

With assistance from USDA Rural Development, REAP Zones have obtained over \$110 million in funds from Federal, State, and local governments; the private sector; and nonprofit organizations.

Rural Community Advancement Program (RCAP)

The 1996 Farm Bill established the Rural Community Advancement Program (RCAP). RCAP features strategic planning assistance, grants, loans, loan guarantees, and other assistance to meet the development needs of rural communities. Special emphasis is placed on the smallest communities with the lowest per capita income.

Key features of the RCAP Program include:

- USDA provides technical assistance to RCAPs in the development and implementation of their strategic plans.
- RCAPs can be assigned a higher priority in project applications for USDA Rural Development financial assistance.
- USDA Rural Development sponsors conferences to train community leaders and promote networking among communities.

National Rural Development Partnership

The National Rural Development Partnership builds collaborations among key rural institutions, enabling them to work more effectively and efficiently. The Partnership brings together partners from local, State, Tribal, and Federal governments, and from the for-profit and nonprofit sectors, through State Rural Development Councils. Councils are operating in 40 States.

Rural Community Empowerment Program Operations: They All Start Locally

The Office of Community Development's goal is to create empowered communities -- no longer beset by hopelessness, pervasive poverty, unemployment, and general distress. These communities should be able to implement self-generated strategic plans that solve some of their most difficult economic and social challenges. OCD promotes Federal, State, and local agencies, private sector, and not-for-profit organizations working cooperatively and in partnership with communities.

We're Here to Help

For more information, please call USDA Rural Development's Office of Community Development, at 202-619-7980 or 1-800-645-4712.

Email: ocd@ocdx.usda.gov

Further information can also be obtained at the following Web sites:

<http://www.rurdev.usda.gov/ocd>

<http://www.ezec.gov>

<http://www.rurdev.usda.gov/nrdp>

Or write:

USDA Rural Development
Office of Community Development
Reporters Bldg., Room 266
300 7th St., SW
Washington, DC 20024

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