

Intergovernmental Review Consultation

Re: Rifle Regional Economic Development's USDA RBEG Revolving Loan Fund Application

Mayor Frank Breslin
Town of New Castle
450 West Main Street
PO Box 90
New Castle, CO 81647

February 22, 2013

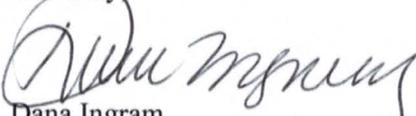
Dear Mayor Breslin and Town of New Castle,

We are initiating the Executive Order 12372, "Intergovernmental Review of Federal Programs" process on behalf of the U.S. Department of Agriculture, Rural Development (Agency). The Agency is being asked to consider providing financial assistance for the proposal described below and your comments are invited on this proposal regarding:

- 1) Consistency with State and local government planning goals;
- 2) Extent to which the proposal duplicates, runs counter to, or needs to be coordinated with other activities, or might be revised to increase its effectiveness;
- 3) Contribution to achieving State or local government goals relating to natural and human resources, or economic and community development;
- 4) Extent of environmental impacts and alternatives that should be considered in the Agency's environmental review;
- 5) Influence on area growth or delivery of services, including any disproportionate effects on minority groups;
- 6) Impacts on energy resource supply and demand;
- 7) Possible displacement of people or businesses; and
- 8) Location in a Coastal Zone or Coastal Barrier Resource Area and consistency with any State coastal management plan.

Please send your comments directly to the Agency at 145 Commerce Street, Craig, CO 81625. If you choose not to respond within 60 days of this correspondence, the Agency will assume that you have chosen not to respond and may proceed with their decision. If you have any questions concerning this proposal, please contact P.J. Howe, 970 824-3476 x 111.

Sincerely,



Dana Ingram
Communications Coordinator, RREDC
Attachments: Proposal's Description and Maps

Proposal's Description and Maps

PROGRAM: Revolving Loan Fund for business start-up or expansion the in City of Rifle, Town of New Castle and Town of Parachute, which are municipal partners of the Rifle Regional Economic Development Corporation (RREDC) that serves Western Garfield County. The RREDC is seeking \$50,000 with an organizational match of \$25,000.

NO DUPLICATION: The RREDC Revolving Loan Fund will provide funding that is not readily available for small, businesses. The fund will provide a revolving loan fund for local businesses (otherwise not readily available), but it does not duplicate existing resources.

TIME FRAME: The RREDC anticipates providing an average of five loans at \$10,000 each from June 1st, 2013 to June 1st, 2014. Given the current economic climate, we expect many small, local businesses to take advantage of potential revolving loan funds.

JOBS CREATED OR SAVED: The RREDC anticipates creating one job per \$10,000. For a start-up business, this would generally include any and all employees of the business. For existing business, this could be the funding that ensures a viable enterprise with possible expansion, and the number of job saved should include the existing positions (minimum 1-2 jobs).

HISTORY: This is the first federal grant the RREDC has applied for. This application allows the RREDC to better serve its region in economic development initiatives. This application also allows the RREDC to deepen its commitment to business retention and expansion efforts throughout Western Garfield County.

LOAN APPLICATIONS: An RREDC Revolving Loan Fund Committee has been created to manage and oversee the RLF fund. Guidelines and an application format are currently being drafted. After a review of applications, the committee will make award recommendations to the RREDC Board of Directors. Committee members represent a broad representation of the community, who largely hail from professional financial backgrounds. At least one committee member will sit on the RREDC Board of Directors and will serve as the communicative liaison between the committee and the RREDC board at-large. The RREDC Board of Directors will review the RREDC RLF committee recommendations and approve all loans to be granted. If the RBEG grant is accepted and approved, we will begin to advertise available loan funds to our business communities.

BUDGET/MATCHING FUNDS: The anticipated budget of the Revolving Loan Fund will be \$75,000. \$50,000 will be from the USDA RBEG funding and \$25,000 will be from matching funds.

*At this time, the RREDC is currently drafting a 2013 budget and we are actively recruiting matching funds from our municipal partners that would contribute to the RLF. We anticipate these efforts generating up to \$50,000 in additional matching funds. However, for application purposes, the RREDC is committing \$25,000 in organizational matching funds at this time.

EDUCATED BORROWERS: Loan applicants must provide financial statements, projections and a business plan with an executive summary. In addition, loan applicants must also provide an economic development impact statement in order to qualify for loan funds. The RREDC acknowledges the importance of supporting local commerce and may consider assuring the education of the growing business community by contracting with other economic development non-profits to help educate new and existing business owners. The RREDC understands the value of ensuring loan applicants are fully prepared to carefully and conservatively manage received loan funds.

FUND MANAGEMENT: The RREDC RLF Committee will oversee the duration of the RLF. The committee will collect, track and manage RLF applications and approvals. In the event an applicant requires detailed management, the RREDC RLF Committee will refer the applicant to a financial specialist.

- 1) *Environmental information relating to compliance of the proposed activity with applicable environmental statutes, description of the current environmental condition of the proposed site, and potential impacts to protected resources;*

New Castle is a signatory of the Mayors Agreement on Climate Change and thus addresses environmental issues in all its actions. We have an active recycling program. New buildings and remodels must meet the 2009 International Energy Conservation Code. Developers must revegetate to prevent erosion.

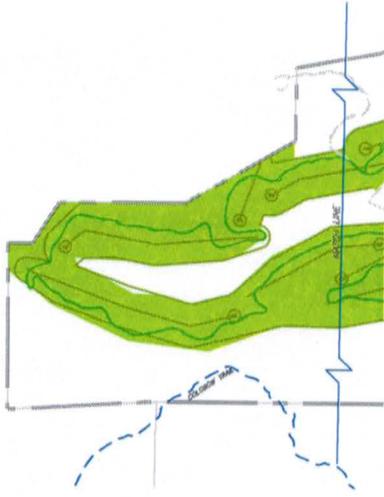
Water conservation is enforced with both an alternate day outdoor watering schedule and steeply stepped rate increases for excessive use of water. The town is a member of Garfield Clean Energy and works with them to reduce energy usage. Our Water Treatment Plant has been cited as an example of energy efficiency.

The town uses all legal means to encourage our citizens to participate in recycling, water conservation, and energy conservation. Our parks and recreation department monitors noxious weeds and eradicates as much as possible. The town is bordered to the north by BLM land, which is subject to wildlife preservation rules

The area in question is within the Town of New Castle and thus under environmental statutes within the Town of New Castle Municipal Code. The anticipated uses of the Revolving Loan Fund will not have negative impacted to protected resources.

- 2) *The geographic location of the proposal in the form of a USGS 7.5 minute quadrangle map showing the proposed site, alternative sites considered, and area of potential impacts; and*
- 3) *Site plan showing buildings, roads, resource locations and other key features of the proposed site.*

STREET LOCATION MAP
 TOWN OF NEW CASTLE, COLO. 2001
 INCORPORATED: 1888



ELEVATION: 5,556 FEET ABOVE SEA LEVEL

GRAPHIC SCALE



LEGEND

- T: TOWN HALL 5,556 FT. ELEVATION
- L: LIBRARY
- M: MUSEUM
- F: U.S. POST OFFICE
- B: BURNING MOUNTAIN PARK
- R: RITTER PLAZA

FROM THE OFFICE OF THE TOWN CLERK
 P.O. BOX 90
 NEW CASTLE, CO 81647
 (970) 984-2311



SCHMEISER | GORDON | MEYER
 ENGINEERS & SURVEYORS



Town of New Castle Administration Department
450 W. Main Street **Phone:** (970) 984-2311
PO Box 90 **Fax:** (970) 984-2716
New Castle, CO 81647 www.newcastlecolorado.org

March 5, 2013

P.J.Howe
USDA
Rural Development Agency
145 Commerce Street
Craig, Colorado 81625

Dear Mr. Howe,

Please accept this letter on behalf of the Town of New Castle as evidence of our support of the "Intergovernmental Review of Federal Programs" process.

The New Castle Town Council is also in support of the Rifle Regional Economic Development Corporation's (RREDC) grant application for revolving loan funds. The RREDC is a local agency that provides support to local businesses for start-up and expansion. As a member of the RREDC, the Town of New Castle and a number of businesses in New Castle expect to benefit from the RREDC's administration of the proposed revolving loan fund.

The Town of New Castle appreciates all the support that USDA Rural Development Agency gives our region and we will continue to be good partners with our regional colleagues.

Sincerely,

Frank Breslin
Mayor