



**RURAL DEVELOPMENT SERVICES**  
**Sources of Grants & Loans for Rural Grocery Stores**  
**Updated March 4, 2025**

*Disclaimer: This list is not all inclusive and is a continual work in progress.*

**Federal Programs**

[Healthy Food Financing Initiative Food Access and Retail Expansion \(HFFI FARE Fund\)](#) -- up to \$250,000 for implementation and up to \$100,000 for early-stage planning, predevelopment, and technical assistance. Funding inquiries for 3 are due Aug. 4, 2025.

[Business & Industry Loan Guarantee Program](#) – financial institution applies to guarantee the loan (up to 80% depending on the size of the loan).

[Rural Energy for America Program \(REAP\)](#) – *USDA paused applications under the Inflation Reduction Act funding (grants up to 50%) on Dec. 31, 2024, but is still accepting applications for Farm Bill funding (grants for 25% or less of total eligible project costs) through March 31, 2025.* Loan and grant program for agriculture producers and small businesses for renewable energy systems or to make energy efficiency improvements. Area REAP grant writers and project managers providing free services:

- Realizing Rural, ph. 605-295-3688
- Lake Agassiz Development Group, 701-235-1197

[USDA Rural Economic Development Loan and Grant Program \(REDLG\)](#) – Requires a resolution of support from the rural electric or broadband co-op serving the area. NDAREC rural development staff can assist with a loan application for up to \$1 million, maximum 80% of project, 0% interest. See other project evaluation criteria.

[North Central Regional Food Business Center “Business Builder” Grants](#) -- *The application window for 2025 was intended to be March 1-April 30, but is indefinitely postponed due to federal funding uncertainty.* Up to \$50,000 toward small to mid-sized food value chain businesses and funding of local food aggregation and distribution, technology advancements and activities including feasibility studies, market assessments, and succession planning.

[Rural Business Development Grant \(RBDG\)](#) – *The deadline for 2025 applications was Feb. 28.* Eligible applicants include non-profits and government entities, for buildings and equipment that are in turn leased to the business. Other uses include marketing assistance and feasibility studies. North Dakota allocation limited to about \$125,000 annually.

**North Dakota Programs**

[Rural Development Finance Corporation](#) (supported by rural electric and broadband co-ops)

- Participation Loans – subject to funding availability, up to 50% of total loan amount, 2% interest, 1% origination fee
- Interest Buydown – up to 50% of local share toward a Bank of North Dakota Flex PACE interest buydown, reducing the total interest rates by up to 5 percentage points.
- Meat & Poultry Intermediary Lending Program – generally structured as a loan participation with a lead lender of the borrower’s choice, up to 80% of project funding, 2% interest, 1% origination fee. Revolved funds may be used for other food supply chain projects.

[Rural Food Sustainability Grant Program](#) -- This program administered by the N.D. Commerce Department could be a possibility for new applicants if re-authorized under Senate Bill 2228 in the 2025 legislative session. The soonest this would likely become available is July or August.

*Additional resources welcomed.*