



Sources of Grants & Loans for Rural Grocery Stores

Updated October 2025

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

Federal Programs

[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%) and for Farm Bill funding (grants for 25% or less of total eligible project costs). An Oct. 1, 2025 re-opening was anticipated prior to the federal government shutdown.* 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 resolution of support from rural electric or broadband co-op serving area. NDAREC rural development staff can assist with a loan application for up to \$1 million, maximum 80% of project, 0% interest. See other evaluation criteria.

[Rural Business Development Grant \(RBDG\)](#) – *Watch for a 2026 funding opportunity early in the year.* 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, 2% interest, 1% origination fee
- Interest Buydown – Up to 50% of local share toward a Bank of North Dakota Flex PACE interest buydown, reducing total interest rate by up to 5 percentage points.
- N.D. Food Impact Fund – Supporting start-up and expanding meat processing projects meeting USDA standards or licensed as custom exempt. Revolved funds may be used for other projects in the mid-tier of the food supply chain (not retail). Loans generally structured as a participation with a lead lender of the borrower's choice, up to 80% of project funding, 2% interest, 1% origination fee. Funded largely through the USDA Meat & Poultry Intermediary Lending Program.

[Rural Electric & Broadband Cooperatives](#) – Many have revolving loan funds to assist with economic development projects. Check with the cooperative utility providers in your area.

Other Programs (not unique to grocery stores)

[BCBSND Caring Foundation](#) – Recognizing that access to affordable, nutritious food is essential to the health of residents, some types of projects may be eligible for the Impact, Health Innovation or Rural Health grants that range from \$5,000 to \$50,000.

(over)

CoBank Co-op Start Grant – Start-up grant for co-ops having positive impacts on food system or rural America, up to \$50,000 with a 1:1 equity match, in first five years of operation. Applicants must be sponsored by and applications submitted through a rural Cooperative Development Center such as the NDAREC. Applications due by Aug. 1 annually.

Rural Catalyst Committee & Grant program – Made possible with passage of Senate Bill 2390 in the 2025 Legislative Session and administered by the N.D. Commerce Department. Among eligible uses is preserving or reopening rural grocery stores in rural communities with a population of 4,500 or fewer people. Requires a 1:1 match. Applications open Oct. 28, 2025 to Jan. 7, 2026.

State Energy Program - Funds available to applicants for a variety of energy efficiency related activities including building audits, lighting retrofits, HVAC upgrades, etc. This could work for store buildings owned by a political subdivision such as a city or county, or public economic development organization, or non-profit. Awards range from \$5,000 to \$50,000.

ND Development Fund - Loans and equity with an interest rate subject to risk of project. Non-primary sector projects are now eligible per action from the 2025 Legislative Assembly.

Dakota Business Lending – programs include SBA504.

Regional Councils – Many of the 8 regional councils in the state have revolving loan funds and staff knowledgeable about other sources of loans and grants.

County & Community Job Development Authorities & Economic Development Organizations – check with your county or city auditor on what you have in your area.

Anonymous Donor – A charitable organization that prefers to go unknown will consider serving as a funder of the last resort for assistance to cooperatives or other public or nonprofit entities that demonstrate strong community support from businesses, individuals, and other sources as demonstrated by the breadth and depth of fundraising for a particular project or need. The primary purpose of services and products provided must be to add to the quality of life of low-income farmers, ranchers and other rural residents. Inquiries and applications are facilitated by the NDAREC Rural & Cooperative Development Center. Contact us if you think you have a project that fits the criteria.

Additional resources welcomed.