

Your Partner to Fund Clean, Reliable Water

Presented by Robert Wilson ~ Area Specialist

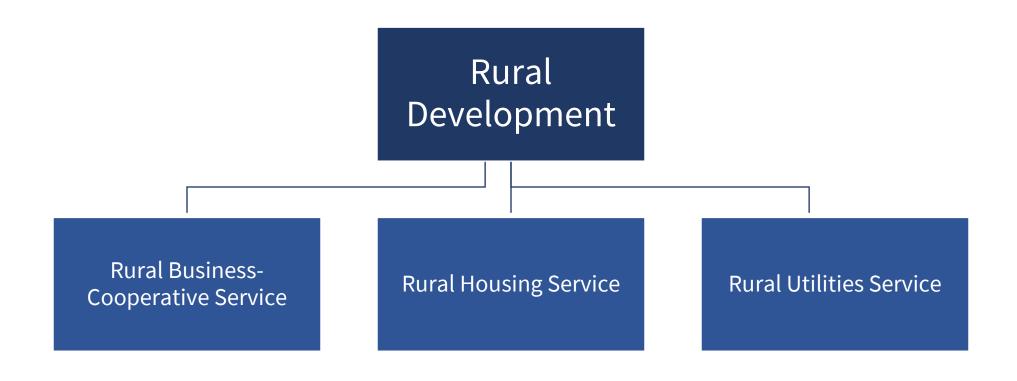




USDA Rural Development's Mission



### Rural Development Agencies





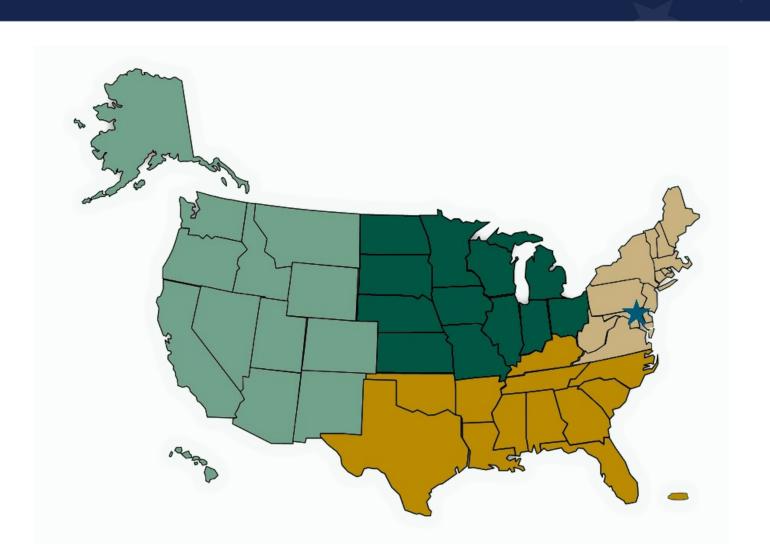
### Rural Development Offices

4 Regions

**47 State Offices** 

400 Area Offices

1 National Office in DC





# Water and Waste Disposal Grants SEARCH AND PPG

 Special Evaluation Assistance for Rural Communities and Households.

Water & Waste Disposal Predevelopment Planning Grants.

#### SEARCH GRANT

#### What does this program do?

 This program helps very small, financially distressed rural communities with predevelopment feasibility studies, design, and technical assistance on proposed water and waste disposal projects.

#### What is an eligible area?

Areas to be served must be rural and financially distressed.

Must have a population of 2,500 or less and a median household income of no more than \$42,794.

check eligible addresses:

https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do

#### Who may apply?

- Most State and local governmental.
- Non-profits.
- Federally Recognized Tribes.

#### How may the funds be used?

To pay predevelopment planning costs, including:

 Feasibility studies to support applications for funding water or waste disposal projects.

Preliminary design and engineering analysis.

 Technical assistance for the development of an application for financial assistance.

#### Water & Waste Disposal Predevelopment Planning Grants (PPG)

#### What does this program do?

• It helps small, financially distressed rural communities with a population of 10,000 or less and a median household income of \$42,794 or less.

check eligible addresses:

https://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do

#### How may the funds be used?

 Grants may be used to pay part of developing a complete application for USDA Rural Development Water & Waste Disposal direct Loan/Grant and loan Guarantee programs.

#### To include:

Feasibility studies to support applications for funding water or waste disposal projects.

Preliminary design and engineering analysis.

#### Additional

The predevelopment planning costs must be related to a proposed project that meets the following requirements:

- Construct, enlarge, extend, or improve rural water, sanitary sewage, solid waste disposal, and storm wastewater disposal facilities.
- Construct or relocate public buildings, roads, bridges, fences, or utilities and to make other public improvements necessary for the successful operation or protection of facilities.
- Relocate private buildings, roads, bridges, fences, or utilities, and other private improvements necessary for the successful operation or protection of facilities.

#### What are the terms for the grants?

- Grants may NOT be used to pay for work already completed.
- The amount of the grant will be subtracted from the total grant eligibility if a USDA grant is awarded for part of the water or waste disposal project.
- These grants do not have to be paid back if the application for the USDA direct loan or loan/grant combination is not successful.
- Grants are based on demonstrated need and subject to the availability of funds.
- Partnerships with other federal, state, and local entities are encouraged, and grants are awarded only when the applicant cannot afford to borrow the needed funds.

#### Is there a maximum grant amount?

SEARCH Grant up to \$30,000

• PPG to a maximum of \$30,000 or 75 percent of the predevelopment planning costs. (at least 25 percent of the project cost must come from the applicant or third-party sources.)

#### Water and Waste Disposal Loans and Grants

What does this program do?

 Provides funding for clean and reliable drinking water, sewage disposal, solid waste disposal, and storm water drainage in eligible rural areas utilizing long-term, low-interest loans. If funds are available, a grant may be combined with a loan if necessary to keep user costs reasonable.



#### Water and Waste Loans and Grants.

 Up to 40-year period, based on the useful life of the facilities financed.

Fixed interest rate.

 The interest rate is based on the need for the project and the median household income of the area to be served.

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#### Water and Waste Loans and Grants cont.

Current rate structure until March 31, 2021 (Rates subject to change quarterly).

- Poverty Line Rate = 1.250% MHI less than \$42,794 & health hazard.
- Intermediate Rate = 1.750% MHI below \$53,493.
- Market Rate = 2.125% MHI Above \$53,493.

Rate is determined based on the approval date of the loan.

#### **Grant Determination**

- 75% If below \$42,794 and if a health hazard, the rate may equal the Poverty Rate
- 45% grant eligible if less than State MHI, \$53,493 and greater then \$42,794 = intermediate rate.
- Over \$53,493 no grant assistance available.

(Other factors may apply for grant determination)

### How may funds be used?

Funds may be used to finance the acquisition, construction or improvement of:

- Drinking water sourcing, treatment, storage and distribution.
- Sewer collection, transmission, treatment and disposal.
- Solid waste collection, disposal and closure.
- Storm water collection, transmission and disposal.

# In some cases, funding may also be available for related activities such as:

- Legal and engineering fees.
- Land acquisition, water and land rights, permits, and equipment.
- Start-up operations and maintenance.
- Interest incurred during construction.
- Purchase of facilities to improve service or prevent loss of service.
- Other costs determined to be necessary for completion of the project (See 7 CFR Part 1780.7 and 1780.9 for a complete list).



### FY 2020 Funding.

• FY 20 VA WEP Loan Allocation \$31,676,000

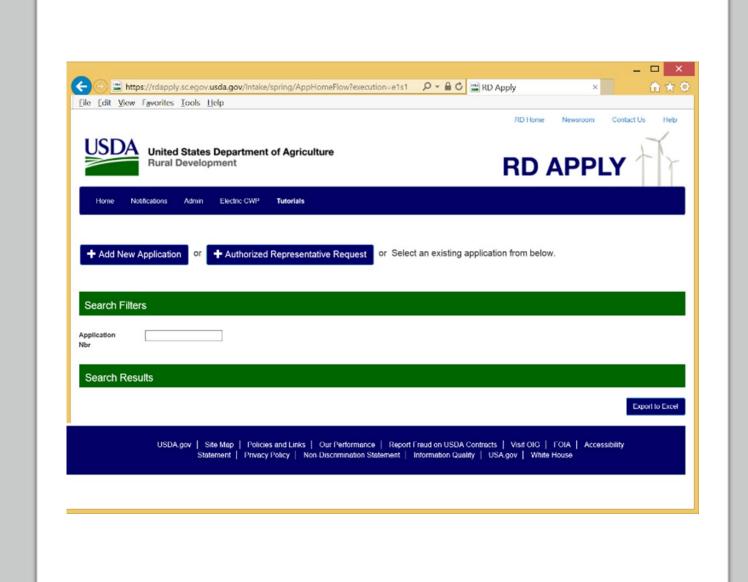
• FY 20 VA WEP Grant Allocation 8,732,000

• FY 20 VA WEP Loan Obligations 51,338,000

• FY 20 VA WEP Grant Obligations 13,333,500

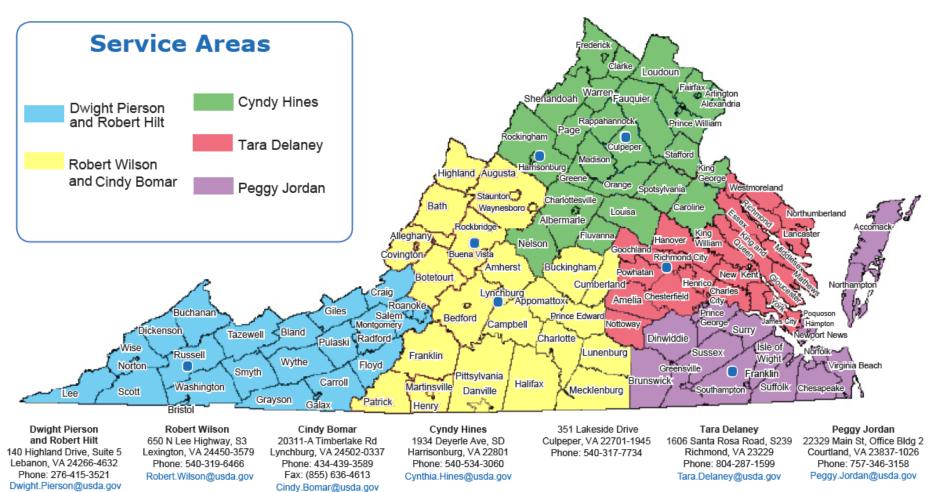
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## Rural Development's Programs

Summary of Programs PDF







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