



United States Department of Agriculture

Water Conservation Program
Community Water Assistance Program

Community Programs

- Community Facilities (town halls, fire halls, DPW buildings, fire trucks, police cars, libraries, etc.)
- Water & Waste (water, sewer, stormwater projects)

USDA Water & Sewer website -

http://www.rurdev.usda.gov/UWEP_HomePage.html

USDA Community Facilities website -

http://www.rurdev.usda.gov/HCF_CF.html

Community Programs

- Community Facilities: eligible applicants include:
 - Public bodies, non-profits, & tribes located in communities or a service area less than 20,000 population.
- Water & Waste: eligible applicants include:
 - Public bodies, tribes, non-profits located in communities or a service area less than 10,000 population.

Community Programs

- Community Facilities Programs:

- Direct loan program

- 20,000 population limit

- 3.125% fixed interest rate, updated quarterly

- Loan terms up to 40 years, dependent upon useful life of facility

- No prepayment penalties

- Loan amounts dictated by repayment ability

Community Programs

- Community Facilities Programs:
 - Direct grant program

Typically used for equipment purchases

Maximum grant \$50,000

Sliding grant based on MHI and population

	MHI	Population	Legal	% Grant
	less than	of or less than	Maximum	Recommended
HHS Poverty Level	\$23,050	5000	75%	70%
60% of state MHI	\$31,258	5000	75%	55%
70% of state MHI	\$36,468	12000	55%	40%
80% of state MHI	\$41,678	20000	35%	25%
90% of state MHI	\$46,887	20000	15%	10%
State MHI	\$52,097			

Community Programs

- Community Facilities Programs:

- Economic Impact Initiative Grant program

Project must be located in an area where the not-employed rate is at least 19.5%.

Same grant parameters as the direct grant program.

Community Programs

- Community Facilities Programs:
 - Tribal College Grants, Cap of \$250,000

This program provides grant funds to Tribal Colleges and Universities to develop essential community facilities such as classrooms, libraries, cultural centers, childcare centers, laboratories, and healthcare facilities.

Must be one of the Native American Tribal colleges or Universities recognized under the Equity in Educational Land Grant Status Act of 1994.

5% tribal match

Community Programs

- Community Facilities Programs:

- **Rural Community Development Initiative**

Minimum grant of \$50,000 to \$250,000 maximum

Population limit of 50,000

To develop the capacity and ability of qualified private, non-profit community based housing and community development organizations, low-income rural communities and federally recognized Native American Tribes to undertake projects related to housing, community facilities or community and economic development in rural areas.

50% match

Community Programs

- Community Facilities Programs:
 - **Guarantee Loans**

Same eligibility parameters as the direct loan and grant program

90% guarantee

1% commitment fee

Can leverage with lender's direct loan or the CF direct loan program

FY 2015 Community Facility Obligations

69 Projects:

Direct Loan - \$66,311,000

Direct Grant - \$492,000

Economic Impact Initiative Grant - \$142,900

Tribal College Grant Initiative - \$482,400

Guaranteed Loan - \$5,266,969

TOTAL - \$66,273,006

WEP Interest Rates

Updated on a quarterly basis

Current interest rates – 1/1/2016 – 3/31/2016

- **Poverty Interest Rate**
 - MHI of less than \$41,678 with a third-party documented violation of a health or sanitary standard 1.875%
- **Intermediate**
 - MHI between \$41,678 - \$52,097 2.500%
- **Market**
 - MHI over \$52,097 3.125%

Community Programs

- Water/Sewer Programs (WEP):
 - **Direct Loans and Grants**

Funds may be used for new systems, rehabilitation of existing systems, and storm sewer separation.

10,000 population limit of service area.

Grant funds are used to keep user rates at an affordable level based upon 1.5% of the MHI of the service area.

3 tiers of interest rates, which change on a quarterly basis

No prepayment penalties or call periods

Up to 40 year term

Community Programs

- Water/Sewer Programs:

- **Guaranteed Loans**

Same eligibility parameters as the direct loan and grant program

90% guarantee

1% commitment fee

Can leverage with lender's direct loan or the WEP direct loan program

- Can be used to refinance existing debt, either USDA or other commercial loans!

Community Programs

- Water/Sewer Programs:
 - Predevelopment Planning Grants (PPG)

Funding Limit - \$25,000 or 75% of the project cost, whichever is less.

Available to communities under population of 10,000

Restricted to communities with MHI below 80% of SNMHI or \$41,678

Grant pays for the costs associated with developing a complete application

Applicants must prove that they are unable to pay these development costs on their own.

PPG funds cannot be used to pay for work already completed.

Costs incurred prior to grant approval will not be considered eligible.

Community Programs

- Water/Sewer Programs:
 - Special Evaluation Assistance for Rural Communities and Households (SEARCH)

Same grant eligibility parameters as PPG

Funding Limit - \$30,000 or 100% of the project cost, whichever is less.

Available to communities under population of 2,500

Community Programs

- Water/Sewer Programs:
 - Emergency Community Water Assistance Grants (ECWAG)

To assist rural communities that have experienced a significant decline in quantity or quality of drinking water due to an emergency, or in which such decline is considered imminent, to obtain or maintain adequate quantities of water that meets the standards set by the Safe Drinking Water Act. This emergency is considered an occurrence of an incident such as, but not limited to, a drought; earthquake; flood; tornado; hurricane; disease outbreak; or chemical spill, leakage, or seepage.

Two levels of funding limits

- \$150,000 limit for distribution waterline work
- \$500,000 limit for water source and treatment plant

MHI of service area must be below the SNMHI of \$52,097

Population of service area must be below 10,000

Community Programs

- Water/Sewer Programs:
 - Section 306C Water and Waste Disposal Grants

These funds have been set aside for eligible projects that benefit members of Federally Recognized Native American Tribes. Residents of the rural area to be served must face significant health risks due to the fact that a significant proportion of the community residents do not have access to, or are not served by, adequate, affordable, water and/or waste disposal systems. Documentation to support the poor sanitary waste disposal and health risks should be provided to USDA. Water and waste disposal systems can obtain up to 100 percent grants to construct basic drinking water, sanitary sewer, solid waste disposal and storm drainage. Also, under this program, the systems can obtain funds to provide grant assistance directly to individuals to install necessary indoor plumbing like bathrooms and pay other costs of connecting to the system.

Funding Limit - \$1,000,000 per project

Community Programs

- Water/Sewer Programs:

- Section 306E Household Water Well Systems Grants

The Household Water Well System (HWWS) Grant Program provides grants to qualified private non-profit organizations to establish lending programs for household water wells in rural areas. Homeowners or eligible individuals may borrow money from an organization receiving a HWWS grant so they may construct or upgrade their private well systems.

Rural areas are defined as locations other than cities or towns of more than 50,000 people and the contiguous and adjacent urbanized area of such towns and cities.

An individual cannot receive a HWWS grant. An individual may receive a loan from an organization receiving a grant award. An individual must apply for loans through non-profit organizations that USDA Rural Development has approved to receive grant funds. The loan limit is \$11,000 at 1 percent for 20 years.

Community Programs

- Water/Sewer Programs:
 - Section 306E Household Water Well Systems Grants (continued)

Funds may be used to create a revolving loan fund to provide low-interest loans to eligible individuals to construct, refurbish, and service individually-owned household water well systems. Loans may not be provided for home sewer or septic system projects. Eligible individuals must occupy and own or will own an existing home whose well system will be improved with the proceeds of the HWWS loan.

The non-profit organizations applying for the grant funds must contribute at least 10 percent of the HWWS grant to capitalize the revolving loan fund. The cost-sharing funds may be contributed from an applicant own resources or third-party resources sources other than the proceeds of the HWWS grants. In-kind contributions will not be considered.

Community Programs

- Water/Sewer Programs:
 - Solid Waste Management Program (SWM)

To evaluate current landfill conditions to determine threats to water resources. Provide technical assistance and/or training to enhance operator skills in the operation and maintenance of active landfills. Provide technical assistance and/or training to help communities reduce the solid waste stream. Provide technical assistance and/or training for operators of landfills which are closed or will be closed in the near future with the development and implementation of closure plans, future land use plans, safety and maintenance planning, and closure scheduling within permit requirements.

Eligible applicants include non-profit organizations, public bodies, tribes, and academic institutions.

Grant awards have averaged \$100,000 or less.

FY 2015 Water/Sewer Obligations

32 Projects:

Direct Loan - \$56,656,000

Direct Grant - \$15,697,000

306C Tribal - \$0

PPG/SEARCH Grants - \$30,000

Solid Waste Management - \$95,000

TOTAL - \$72,478,000

2016 Levels of Funding:

Water & Sewer Allocation

Direct Loan: \$39,653,000*

Direct Grant: \$11,614,000*

Community Facilities Allocation

Loan: \$62,138,750*

Guarantee: \$ -0-

Direct Grant: \$ 343,000*

Economic Impact

Initiative Grant: \$ 119,100*

*Estimated – funding still not allocated to states.

Public-Private Partnership

- LEVERAGING – Funds from other sources including, but not limited to:

CDBG

SRF/DWRF

MDOT

DDA/TIFA

Applicant's general and/or enterprise funds

- The percentage of leveraging may give your project priority over another project by assigning additional priority points!

Miscellaneous Items

- Rural Development accepts applications year round and can fund projects any time, subject to funding availability and approval of funding allocations.
- If project is not selected for funding, the project remains on our application list until withdrawn by the applicant.
- For those pending applications, it is strongly suggested that either the applicant or the engineer keep us informed on any changes of project scope and amount of funds needed.
- Rural Development projects funded with our regular allocation are not required to comply with Davis Bacon.

Contact

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