

RURAL DEVELOPMENT COMMUNITY PROGRAMS



Committed to the future of rural communities.



Water & Waste Disposal Loans/Grants

USDA Rural Development makes direct loans and grants to build or improve essential public use facilities such as water and sewer facilities, storm sewers and solid waste facilities.

Loans can be used for construction and non-construction costs including land, equipment, engineer services, legal services, capitalized interest, and initial operating funds.

Who is Eligible?

Non-profit corporations and public bodies such as municipalities, counties and special purpose districts and authorities. Projects may only benefit rural areas or incorporated communities of up to 10,000 population.

Funding may be obtained through Rural Development only when the applicant is unable to secure funding from other sources at reasonable rates and terms.

The applicant must have legal capacity to borrow and repay loans, to pledge security for loans and to operate and maintain the facilities. The applicant must be financially sound and able to manage the facility effectively as well as have a financially sound facility based upon taxes, assessments, revenues, fees or other satisfactory sources of income to pay costs of operating, debt service and reserve.

What are Maximum Loan Limits, Interest Rates, and Terms?

There is no maximum dollar amount. The amount loaned is usually determined by the amount needed to meet the applicant's needs and its ability to handle the repayment schedule. Interest rates vary depending upon the median household income of the service area. Maximum term of 40 years, State Statute, or the useful life, whichever is less.

What is Repayment Requirements?

Must have assured sources for repayment such as revenue from taxes, assessments, income taxes, user charges, etc.

Are Grants available?

Grant funding is used to supplement loans to reduce debt service where necessary to achieve reasonable user rates.

Areas with median household incomes above \$37,769 are not grant eligible. Rural Development's maximum grant consideration is 75% of eligible project costs where the median household income of service area is below \$30,215 or 45% of eligible project costs where the median household income is between \$30,215 and \$37,769. (These percentages are only the maximum consideration and are not guaranteed.)

Environmental and Other Requirements

Note: Rural Development Regulations, Bulletins and Forms can be accessed at www.usda.gov/rus/water/regs.htm and some forms are also available in a fillable format through the USDA eForms link at www.rurdev.usda.gov/

The applicant must submit an Environmental Report, in accordance with the format prescribed by Rural Development, for the proposed project. Must employ the services of an engineer and an attorney to provide necessary technical and legal services associated with the project.

What is Funding Priority?

Funding is on a first come, first serve basis with priority to low income communities, to communities with populations of less than 5500 and for projects necessary to meet established health or sanitary standards.

In addition, applications are evaluated on the basis of:

- Improved operating efficiency.
- Extension of service to additional rural residents.
- Amount of funds provided from private, local or state sources.
- Financial soundness.
- Quantity of Rural Development funding required.

Additional information and applications may be obtained from the USDA Rural Development State Office in Casper at:

100 East B Street, Suite 1005
P.O. Box 11005
Casper, WY 82602-5006

Phone: (307) 233-6706 / Fax: (307) 233-6739

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Applications

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