



**A Shared Resource,
A Shared Responsibility**

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USDA Rural Development**





Committed to the future of rural communities.

Water and Waste Programs

- **Water & Waste Loan & Grant Program**
- **Native American Water & Waste Grants**
- **Predevelopment Planning Grants**
- **SEARCH Grants**
- **Emergency and Imminent Community Water Assistance Grants**
- **Household Water System and Small Water and/or Waste Projects Revolving Fund**

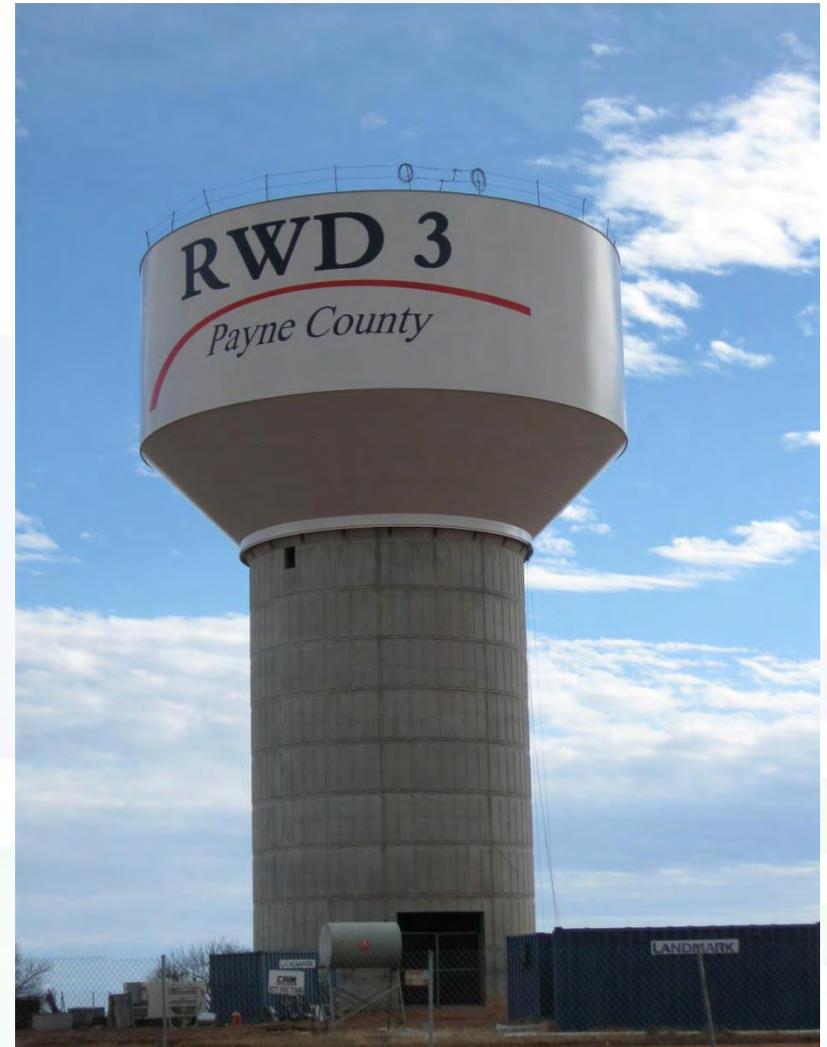


Committed to the future of rural communities.

Basic Applicant Eligibility

- **Public Body, Non-profit Organization or Indian Tribe**
- **Towns under 10,000 population and all rural areas**
- **Have the authority to own, operate & maintain the facilities, obtain, give security for & repay a loan**

- **Water and Waste Disposal Loan and Grant Program (WWD)**



Purpose

- **Provide loans and grants to eligible entities in rural areas and towns for maintaining or developing water and waste disposal and solid waste facilities**

Rates and Terms

- **Rates are fixed, set quarterly**
 - **Effective 10/1/10 – 12/31/10**
 - 2.25% Poverty
 - 3.00% Intermediate
 - 3.75% Market
- **Term is useful life of facility, not to exceed 40 years**

Grant Consideration

- **For Grant consideration, Median Household Income below \$31,707**
- **Grant assistance may only be provided to financially needy communities to keep user costs at a reasonable level, but not lower than similar type systems**
- **Grant may be further limited due to the availability of funds**

WWD Project Priority

- Population less than 1,000
- Correcting Health/Sanitary Standard
- Low Income
- Mergers
- Serving new users
- Leverage funds
- Target areas
- Loan/Grant Ratio

WWD Funding (FY10)

- **\$38,294,085**
in loans
- **\$13,632,010**
in grants
- **27 projects**



ARRA Funding

- **American Recovery and Reinvestment Act of 2009 (Recovery Act) – ARRA “STIMULUS FUNDING”**
 - Stimulate local economies
 - Create jobs
 - Protect and restore the environment
- **Additional requirements**
 - Buy American
 - Davis Bacon Act
 - Recipient Reporting

ARRA Funding

- **14 Water and Waste ARRA Projects**
 - \$39,418,240 loan
 - \$31,441,550 grant
- **Projects must expend all ARRA funds by 9/30/2015**
- **Technical Assistance available**
 - ORWA
 - CRG, Inc.



Guaranteed WWD

- **Eligible Lender** - subject to credit examination by either a Federal or State agency, i.e. banks, savings and loans, mortgage companies, farm credit banks, state bond pools
- **Rates and Terms** - negotiated between you and lender
- **Percentage of Guarantee** - normally not exceed 90%
- **Must be a taxable issuance** - cannot be tax-exempt
- **Cannot use with a RUS grant**
- **Benefits to Lender** - Guaranteed portion does not count against lending limits; can sell guarantee on secondary market; meet Community Reinvestment Act requirements
- **Less Rural Development oversight**
- **\$1,242,000 (FY10)** - Approved 1 guarantee for \$391,000



- **Native American Water and Waste Grants**



Purpose

- **Provide loans and grants to eligible entities in rural areas and towns for maintaining or developing water and waste disposal and solid waste facilities**

Additional Applicant Eligibility

- **Federally recognized Native American Tribes**
- **Public Bodies or Non-profit organizations where 50% of the service area are tribal members.**
- **Per Capita income less than \$15,110**
- **Unemployment rate 12.75% or higher**
- **Maximum \$1,000,000 grant from setaside**



Project Priority

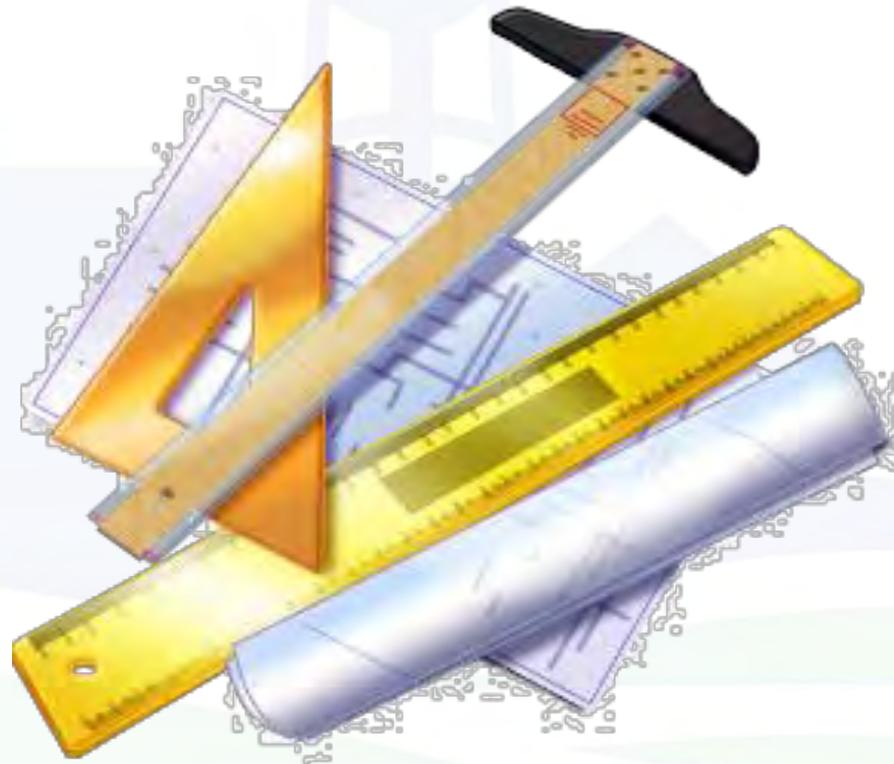
- **Population under 1,500**
- **Low Income**
- **Leverage funds**
- **Priority for those projects involving loan funds**

Allocations

- Applications compete on a national basis
- \$16,000,000



- **Predevelopment
Planning Grants**



Purpose

- Pay cost associated with developing an application for a water or waste disposal project that can be funded by Rural Development.



Eligible Costs

- Those “necessary” expenses to be incurred to develop a complete application. For example:
 - Engineering report
 - Environmental Analysis
 - Archaeological survey

Additional Applicant Eligibility

- Median Household Income below \$25,366
- Have no available resources to pay costs
- Costs must be agreed to and accepted prior to disbursement of grant
- Limited to those projects agency expects to fund soon after application is submitted



Funding Limit

- **Up to \$25,000 or 75% of the project costs, which ever is less**
 - Example – Engineering Report will cost \$12,000 to prepare. Our agency participation is limited to granting \$9,000 ($12,000 \times 75\%$)

Funding



- Allocated on a project by project basis
- Up to .5% of State's initial water and waste disposal grant allocation
- 1 approved for \$16,700 FY10

- **Special Evaluation Assistance for Rural Communities and Households (SEARCH Grants)**



\$EARCH Grants

- **Authorized under the Farm Bill 5/22/08**
- **Similar to PPG – broader scope**
 - Feasibility studies
 - Design assistance
 - Technical assistance
- **Distressed communities with a pop of 2500 or less**
- **Median Household Income below \$25,366**
- **Maximum Grant - \$30,000**



\$EARCH Grants

- **Can pay up to 100% of eligible costs**
- **Associated costs must be agreed to and accepted by Agency prior to disbursement of grant**
- **Regulation 7 CFR Part 1774**
- **Funding to be available October 1, 2010**





- **Emergency and Imminent Community Water Assistance Grants**

Purpose

- **Provide grants to eligible entities in rural areas and towns that have experienced a significant decline in quantity or quality of drinking water, or in which such a decline is considered imminent**

Additional Applicant Eligibility

- Median Household Income below \$31,707

Maximum Grants

- **\$500,000**
 - Significant decline in quantity or quality of water occurred within 2 years of application, from an emergency incident, or expected to occur within 12 months

Maximum Grants continued....

- **\$150,000**
 - For waterline extensions, repairs, partial replacement, or significant maintenance on an established system to remedy an acute shortage or significant decline in quantity or quality of water or an anticipated acute shortage or significant decline

Definitions

- **Emergency**
 - Occurrence of an incident such as a drought, earthquake, flood, tornado, hurricane, disease outbreak or chemical spill, leakage or seepage
- **Acute shortage**
 - Situation where system cannot deliver water at all through its distribution system or can only deliver water on a sporadic basis

Eligible Costs

- **New waterlines, waterline extensions**
- **Repairs to an existing system or equipment replacement**
- **New wells, reservoirs, transmission lines, treatment plants, and other sources of water**

Eligible Costs continued....

- **Significant maintenance to an existing system**
- **Connection and/or tap fees**
- **Fees associated with construction costs, such as:**
 - **Engineering, legal, inspection, environmental, acquiring rights, etc.**

Eligible Costs continued....

- Pay costs that were incurred within 6 months of the date an application was filed with our agency to correct an emergency situation that would have been eligible for funding
- 100% of eligible project costs

Priority

- **Entities with a median household income below \$22,194 (70% of SNMHI)**
- **Population below 1,500**
- **Rural areas that are not served by an established water system, but have had a significant decline in quantity or quality of individual water source**

Allocations

- Annual Congressional appropriation
- Disaster Declarations may be required year to year (None for last 3 FYs)
- \$13,000,000 allocation for FY10
- Funds were available until 6/30/10
- 1 project for \$76,500 approved FY10

- **Household Water System and Small Water and/or Waste Projects**
Revolving Fund
New Programs



Purpose

- **Provide grants to a private, non-profit organization (Intermediary) to establish a revolving loan program for:**
 - **Household Water Systems**
 - **Small Water and/or Waste Projects**

Household Water System

- **Provide loan to homeowners to construct, refurbish, rehabilitate or replace household water well systems that will be owned by the homeowner**
- **Administrative expenses associated with providing loan**

Household Water System

- **Terms of the Loan**
 - 1% Interest Rate
 - Maximum 20 year term, but should be as short as possible based on ability to repay
 - Maximum loan per household is \$11,000

Household Water System

- Program not available in Oklahoma (yet)
- All intermediaries who have been approved under this program to date serve other states
- NOFA published 3/26/10
 - \$993,000 grant funds available
 - Applications were due by 5/31/10



Small Water and/or Waste Projects

- Loans will be made to entities who would be eligible for the regular loan/grant RUS program
- Purpose:
 - Pre-development costs associated with a proposed project
 - Short-term costs incurred for equipment replacement and small-scale extension of services
 - Small capital improvement projects not normally associated with regular O&M

Small Water and/or Waste Projects

- **Maximum loan - \$100,000**
- **Maximum term – 10 years**
- **Interest Rate – negotiated between the lender (Intermediary) and borrower, and approved by Rural Development**

Small Water and/or Waste Projects

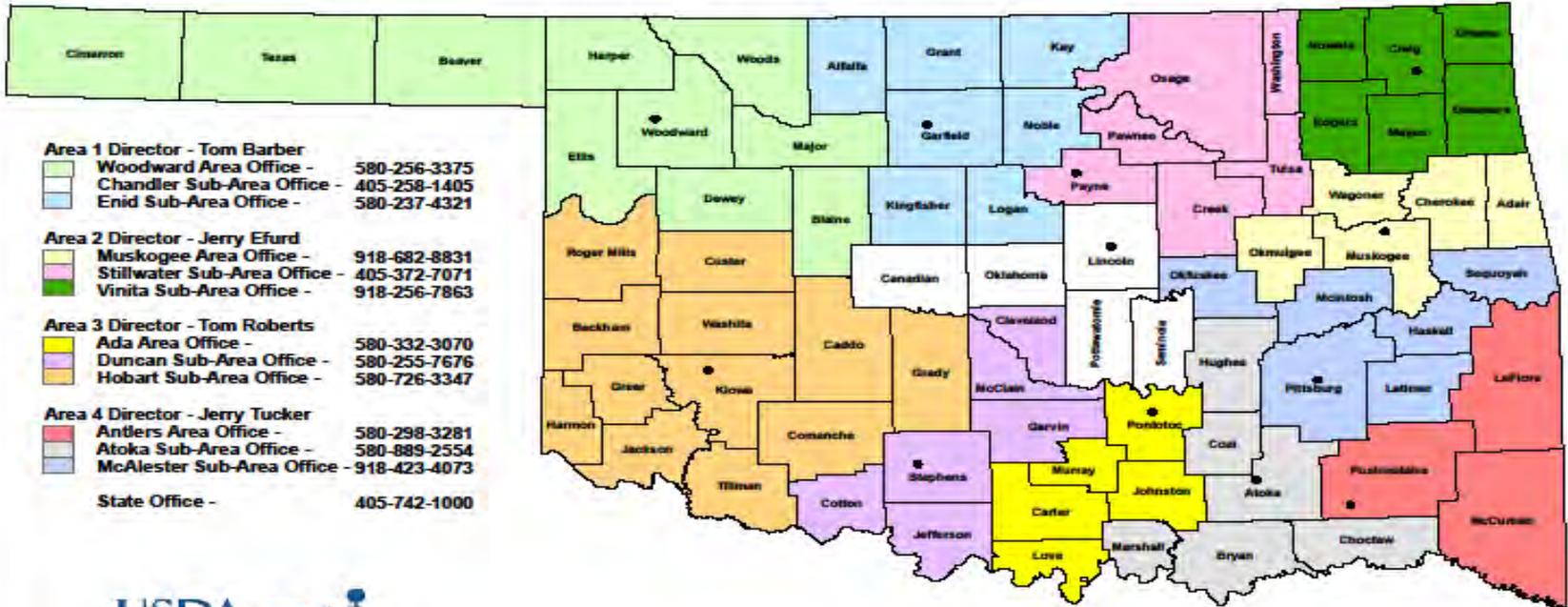
- **NOFA published 3/26/10 in Federal Register**
- **\$497,000 in grant funds available**
- **Applications were due by 5/25/10**

Small Water and/or Waste Projects - Lenders

- **Community Resources Group, Inc.**
- **National Rural Water Association**



Oklahoma Rural Development Offices



Revision 05/15/2009

