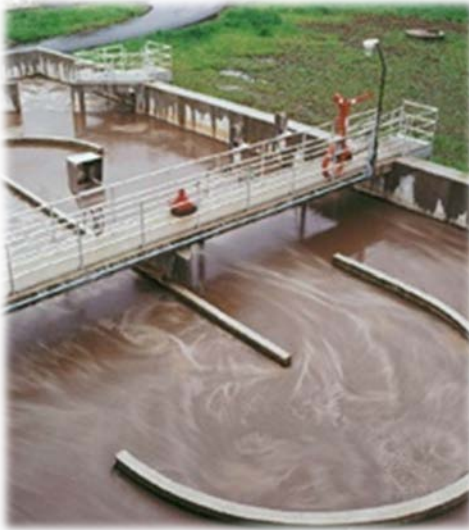


Rural Development

Silverton, OR



Garibaldi, OR



Rockaway Beach Civic Center



Community Programs



Rural Development

Rural Development is a Mission Area within USDA

Rural Development includes:

Rural Housing Service (RHS)

Rural Utility Service (RUS)

Rural Business and Cooperative Service (RBS)

~

Community Programs manages

**The Water and Environmental Program (WEP) of RUS and
the Community Facility Program (CF) of RHS**



Rural Development

Eligible Projects – WEP/RUS

Capital Improvement Projects

Costs associated with construction, enlargement, extension or improvement to:

Water Systems

Sewer Systems

Solid Waste Disposal Facilities

Storm Wastewater Facilities

Rural Development

Eligible Entities

- Public Bodies
- Nonprofits
- Federally Recognized Indian Tribes and those on Federal and State Reservations

Rural Development

Eligible Community Size

- Water, Wastewater, Solid Waste and Stormwater projects:

Limited to Rural areas and incorporated areas with populations less than 10,000



Rural Development

Loan Terms Available

- Municipalities, Non-profits, Tribes: 40 Years
Water and Sewer Districts: 30 years
- Terms are also limited by:
 - Statutory Limitation on Organization
 - Useful Life of the Facility

There are no prepayment penalties



Rural Development

Security for Loan

- Public Borrowers:
 - General Obligation Bonds
 - Revenue Bonds
 - Pledge of Taxes or Assessments
- Non Profit Borrowers:
 - Promissory Note & DOT/Mortgage
 - Assignment of Revenues



Rural Development

WEP Interest Rates

Quarter Ending December 31, 2014

- Market Rate: **4.00%**
Median Household Income (MHI) is over State Non-Metropolitan MHI (SNMHI) of \$52,855
- Intermediate Rate: **3.250%**
80% to 100 % of SNMHI
- Poverty Line Rate: **2.375%**
Less than 80% of SNMHI and document Health or Primary Sanitary Standards presently not being met that will be corrected as a result of the project.

Applicants may choose the lower of the market rate at obligation or the rate applicable to them at the time of closing their loan



Rural Development

WEP Grant Funds

- ELIGIBILITY:
 - 75% Grant
 - MHI is below the higher of the poverty line or 80% of the SNMHI of \$52,855 AND a health violation exists or primary drinking water standard is being violated and will be repaired by the project.
 - 45% Grant:
 - MHI exceeds the 80% of SNMHI but not more than 100%
 - Subject to availability of funds

Rural Development

Other Credit Analysis

- Applicant contributes available resources to the project.
- Applicant seeks financing through commercial sources.
- If credit is **not** available on reasonable terms, RD can consider funding.



Rural Development

WEP Similar System EDU Costs

A similar system is one that is similar in:

- Design
 - Size
 - Technology
 - Number of service connections
 - Functional age of system
 - MHI of the Project Service Area
 - Other factors
-
- RD uses historical information and reliable surveys to obtain similar systems data.



Rural Development

Predevelopment Planning Grants (PPG/SEARCH)

- Max grant is < \$30,000 or 75%/100% of the project
- Applicant MHI < \$42,284 (80% of SNMHI - \$52855)
- Must be used for a project that RD is likely to fund within the next 12-18 months
- Priority given to smallest systems with limited resources & Population served <1,000

Rural Development

Environmental Policy

- Environmental Review in compliance with NEPA. Prepared by applicants consultant and approved by RD
- Requires Close coordination with RD staff
- May require consultation with:
 - SHPO/THPO
 - US F&W
 - Others depending on resources and impacts
- May require public notification
- May require mitigation measures during construction



Rural Development

Additional Information and Services

- RD staff assists with application process and monitored construction.
- RD provides permanent funding, interim funding is usually necessary.
- Standardized Engineering and Architects Agreements and Contract Documents (EJCDC/AIA)
- Standardized WW Facility Plans guidance for projects that have multiple agency funding (DEQ/RD/CDBG)

Rural Development

Additional Services

- RD contracts with TA providers to help when needed:

Rural Community Assistance Corporation (RCAC) & Oregon Association of Water Utilities (OAWU) to provide a wide range of services including, but not limited to:

- Community Planning and Development
- Strategic Planning / Management Assistance
- Rate Structure and Studies
- Board Training
- O&M advise/assistance



Rural Development

Tips

TO ASSURE MAXIMUM POTENTIAL PROJECT FUNDING & REIMBURSEMENT OF ALLOWABLE COSTS

- Contact with USDA RD **EARLY** in the project planning
- Coordinate Engineering/Architecture and Environmental planning with RD State Engineer/state Architect (SE/SA) & State Environmental Coordinator
- NEVER start bid solicitations, construction, purchase of property, etc. without RD WRITTEN approval.



Rural Development

Fund Obligations

	2009 (w/ARRA)	2010 (w/ARRA)	2013	2014
Water and Waste	\$52,204,826	\$43,685,090	\$14,397,778	\$27,487,178
Community Facility	\$21,551,690	\$2,090,000	\$9,514,769	\$463,681
Total	\$73,756,516	\$45,775,090	\$23,912,547	\$27,950,859



Rural Development

Field Representatives	Counties Served
Drew Davis Drew.davis@or.usda.gov (503) 414-3336	Benton, Lane, Lincoln, Linn, Polk, Clackamas, Clatsop, Columbia, Hood River, Marion, Multnomah, Tillamook, Washington and Yamhill
LaDonn McElligott Ladonn.mcelligott@or.usda.gov (541) 278-8049 x 132	Baker, Gilliam, Grant, Malheur, Morrow, Sherman, Union, Wallowa, Umatilla, Wasco and Wheeler
Kimberley Young Kimberley.Young@or.usda.gov (541)-923-4358 x 137	Crook, Deschutes, Harney, Jefferson, Klamath and Lake
Deanna Quimby/Jennifer Bacigalupo Deanna.quimby@or.usda.gov Jennifer.bacigalupo@or.usda.gov (541) 673-0136 x 120	Coos, Curry, Douglas, Jackson and Josephine
Sam Goldstein Community Programs Director Sam.goldstein@or.usda.gov (503)414-3362	All



Rural Development

QUESTIONS?

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