



# **USDA Rural Development**

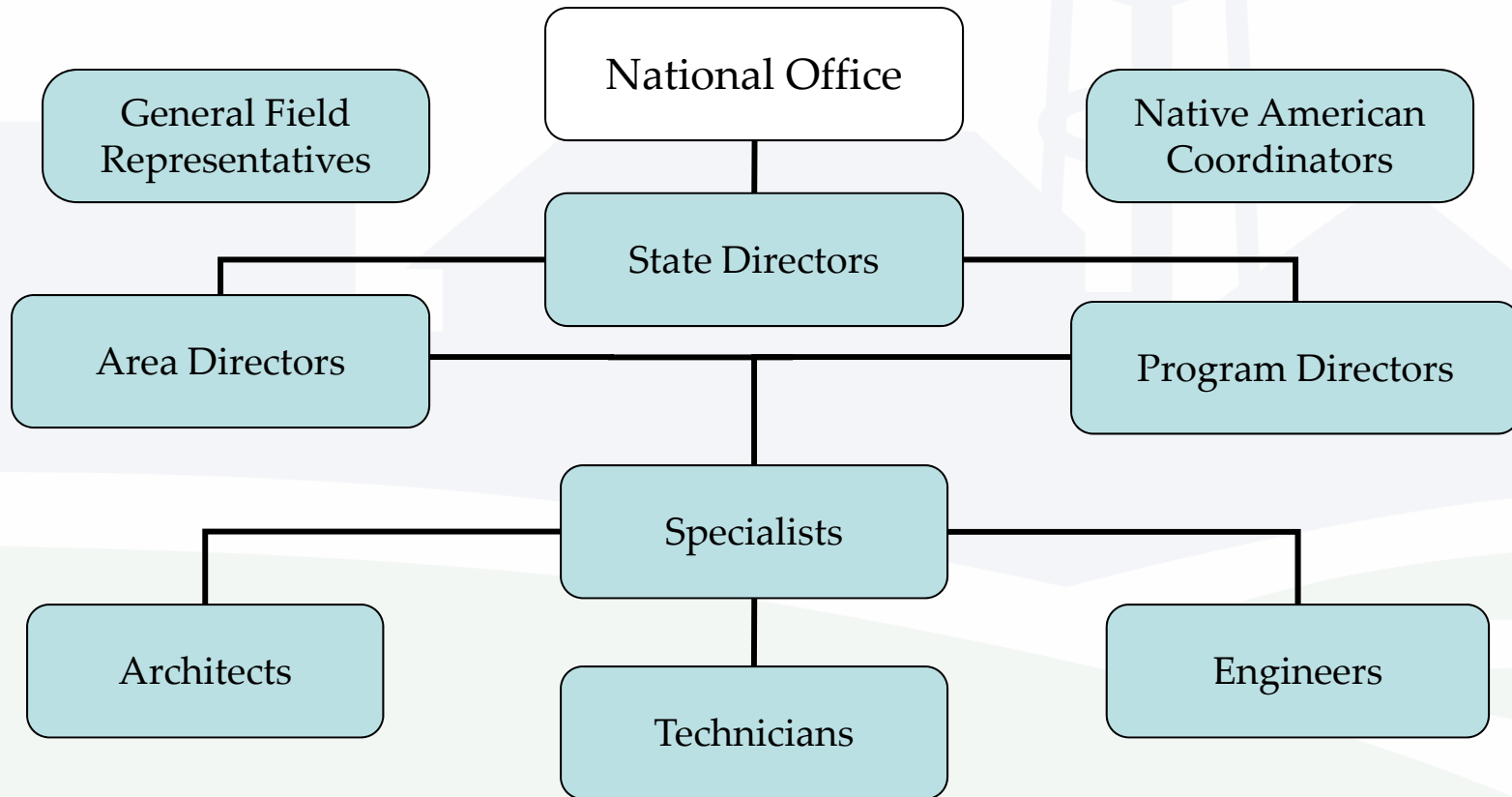
## **Update on Funding Opportunities American Recovery and Reinvestment Act**



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# USDA Rural Development Organizational Structure





# USDA Rural Development

## 4 Types of Program Delivery

- Guaranteed Loans
- Direct Loans
- Grants
- Direct Payments

## 3 Program Areas

- Rural Business and Cooperative
  - Business, Energy & Cooperatives
- Rural Housing and Community Facilities
  - Single Family, Community Facilities & Multi Family
- Rural Utilities
  - Water and Environmental, Telecomm & Electric



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# USDA Rural Development

## ARRA Funding Summary (Program Levels)

Business & Industry (B&I) Guaranteed Loans	<del>\$1,572,709,903</del>
Rural Business Enterprise Grants (RBEG)	<del>\$19,400,000</del>
Single Family Housing Direct Loans	\$1,562,971,449
Single Family Housing Guaranteed Loans	<del>\$10,093,671,102</del>
Community Facility Grants & Direct Loans	\$1,238,392,047
Water and Waste Direct Loans	\$3,264,374,999
Broadband	\$3,352,600,000
<b>Total</b>	<b>21,104,119,573.00</b>



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## ARRA Funds Remaining as of May 14, 2010

(Program Levels)

Business & Industry (B&I) Guaranteed Loans	\$0
Rural Business Enterprise Grants (RBEG)	\$0
Single Family Housing Direct Loans	\$688,000,000
Single Family Housing Guaranteed Loans	\$0
Community Facility Grants & Direct Loans	\$228,000,000
Water and Waste Grants & Direct Loans	\$570,000,000
Broadband Initiatives Program Satellite, TA & Libraries	\$105,000,000



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# USDA Rural Development ARRA Funding Summary



- No Rural Development ARRA programs included funds legislatively mandated for the federally recognized tribes
- 10 percent of the funding (**except Broadband**) was allocated for assistance in counties with persistent poverty
- Most Rural Development ARRA programs (**except Broadband**) look and feel the same as existing programs

# USDA Rural Development

## Business and Industry Loan Guarantee Program



- **Recovery Act Funds Fully Committed**
- **2010 regular program funds may still be available**
  - Rural = 50,000 or less
  - Tribes, tribal enterprises and individually owned businesses are eligible
  - Acquisitions, conversions, enlargement, repair, modernization, development
    - Purchase land, easements, rights-of-way, buildings, facilities, equipment, leasehold improvements, machinery, supplies, or inventory
  - You work with a lender, we guarantee the loan



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# USDA Rural Development

## Rural Business Enterprise Grant Program



- **Recovery Act Funds Fully Committed**
- **2010 regular program funds may still be available**
  - Rural = 50,000 or less
  - Tribes, other public entities and non-profits are eligible
    - Funds do not go directly to businesses!
  - Very flexible program
    - Rural job & business creation / economic development
    - Revolving loan funds
    - Business Incubators
    - Training



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# USDA Rural Development

## Single Family Housing Direct Loans



- **\$688 million** available through ARRA
- **2010 regular program funds are available**
  - Rural = 20,000 or less
  - Very low and low income applicants who cannot qualify for other credit are eligible
  - 100% financing available
  - Up to 38 year terms
  - Interest rates as low as 1%
  - No monthly mortgage insurance required



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# USDA Rural Development

## Single Family Housing Guaranteed Loans



- **Recovery Act Funds Fully Committed**
- **2010 regular program funds are fully committed**
  - Rural = 20,000 or less
  - Low and moderate income applicants are eligible
  - 100% financing available
  - No monthly mortgage insurance required
  - 30-year fixed rate loans
  - You work with a lender, we guarantee the loan
  - Interest rates determined by lender



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# USDA Rural Development Community Facility Grants & Direct Loans



- \$228 million available through ARRA
- **2010 regular program funds are available**
  - Rural = 20,000 or less
  - Tribes, units of local government & non-profits eligible
  - Essential community facility acquisition, construction, renovation, or the purchase of equipment & furnishings
  - Loan / Grant Combinations
  - Up to 40 year terms on loans
  - Grants are available on a prorated basis for projects in communities with smaller populations and lower median household incomes.
  - **Grants are capped at 75% of the project cost.**



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# USDA Rural Development

## Water and Environmental Grants

### & Direct Loans

- \$570 million available through ARRA
- **2010 regular program funds are available**
  - Rural = 10,000 or less
  - Drinking water, sanitary sewer, solid waste and storm drainage facilities in rural areas
  - Tribes, Public bodies and non-profit organizations are eligible
  - Direct loan and grant combos very common
  - **Grants are capped at 75% of the project cost**

# USDA Rural Development

## Broadband Initiatives Program (BIP)



- Cross Agency effort with the Department of Commerce (NTIA) and the Federal Communications Commission
- 1<sup>st</sup> NOFA Highlights
- 2<sup>nd</sup> NOFA Update
- Current Request For Proposals (RFP)
  - Applications due June 7<sup>th</sup>, 2010
  - Technical Assistance Grants (\$3 million)
    - Webinar 5/20 at 2 PM EDT
  - Satellite Grants (\$100 million)
    - Webinar 5/19 at 2:00 PM EDT
  - Rural Library Grants (\$2 million)
    - Webinar was held earlier today



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# USDA Rural Development ARRA Investments in Indian Country \*



- WEP – 26 Projects - \$24.7 million
- CF – 15 Projects - \$15.3 million
- SFH Direct – 124 Loans - \$15.5 million
- SFH Guaranteed – 461 Loans - \$52.9 million
- RBEG – 9 Grants - \$1.3 million
- BIP – 4 Projects - \$46 million

**Total = \$155.7 Million**



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\* Direct benefits as of May 14, 2010

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# USDA Rural Development SUTA Provision



- **Substantially Underserved Trust Areas (SUTA)**
  - Section 6105 of the Food, Conservation & Energy Act of 2008 (2008 Farm Bill)
- **Affects RUS Programs Only**
  - Rural Electrification Program
  - Water & Waste Disposal Program
  - Telecommunications Program
- **Must consult to implement**
  - RES 2010 Listening Session
  - NCAI Mid-Year Conference: June 23<sup>rd</sup> in Rapid City
  - Other opportunities forth coming

# USDA Rural Development More Info



- **USDA Rural Development Recovery Act**  
[www.rurdev.usda.gov/recovery.html](http://www.rurdev.usda.gov/recovery.html)
- **USDA Rural Development AI/AN Page**  
[www.rurdev.usda.gov/rd/aian](http://www.rurdev.usda.gov/rd/aian)
- **USDA Rural Development Offices**  
<http://www.rurdev.usda.gov/StateOfficeAddresses.html>
- **USDA Recovery Act Information**  
[www.usda.gov/recovery](http://www.usda.gov/recovery)



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