

Water and Environmental Programs

Loans and Grants



Eligibility

- **Rural communities with populations of less than 10,000 (2010 Census)**
- **For Guaranteed WEP Loans, the population limits will be increasing to 50,000**
- **Cannot obtain financing through bonds or from other lenders at reasonable rates and terms**
- **Must be a Public Body or Non-Profit Corporation**
- **Must have the legal authority to incur debt**

Facilities eligible for funding

Small municipal and rural:

- water systems
- sewer systems
- stormwater systems

NOTE: Projects must primarily benefit *rural residential users.*



USDA funds cannot be used for:

- **On-site utility system**
- **Business and industrial buildings in industrial parks**
- **Recreational facilities**
- **Lavish facilities**
- **Combined sanitary and storm water facilities**

Terms of Repayment

- **Useful remaining life of facility or 40 years, whichever is less**
- **Up to 3 year deferral of principal to allow a new facility to become operational and financially stable**
- **Interest payments are due during the deferral period**
- **No prepayment penalty**

Security

➤ **Public Bodies**

- **revenue bonds**
- **general obligation bonds**
- **special assessment bonds**

➤ **Non-Profit Corporations**

- **promissory notes**
- **real estate mortgages**
- **financing statements**
- **security agreements**

Maximum Loan Amount

Up to 100% of eligible project costs subject to:

- **Adequate security**
- **Ability to repay**
- **Applicant's authority to borrow funds**
- **Availability of funds**



Grants

- Cannot be received with a guaranteed loan
- Are used to supplement direct loans to reduce user rate costs to a reasonable level (at least 1.0% - 1.5% MHI)
- Cannot exceed 75% of eligible costs for projects eligible for poverty rate or 45% for intermediate rate (80% to 100% State Non-metropolitan MHI)

Georgia FY 2021 Funding Allocation

Direct Loan Funds	\$45,369,000
Grant Funds	\$13,143,240
Guaranteed Loan Funds	\$ 1,867,000

Program Interest Rates (as of April 1, 2021)

Present rates (subject to change quarterly):

Market -	2.250% (above \$49,785)
Intermediate -	1.750% (\$39,828 - \$49,785)
Poverty -	1.375% (below \$39,828)

NOTE: *Interest rate is based on applicant's median household income as shown in the 2006-2010 American Community Survey. The Poverty Rate also involves alleviating a documented health or sanitary problem.*

Other USDA Infrastructure Grant Programs

Emergency Community Water Assistance Grants

- **Grant to alleviate a significant decline in the quality or quantity of water as a result of an emergency or specific event**
- **Repair of distribution lines – up to \$150,000**
- **Improvements to water source – up to \$500,000**
- **Public body or non-profit corporation in a rural area with a population of less than 10,000**
- **Simplified application process**
- **Abbreviated PER and ER**

SEARCH Grants

- **Grant for feasibility studies, design assistance and technical assistance**
- **Not to exceed \$30,000**
- **Public body or non-profit corporation in a rural area with a population of less than 2,500**
- **MHI of less than \$39,828**
- **No resources to pay predevelopment expenses (PER, ER, etc.)**

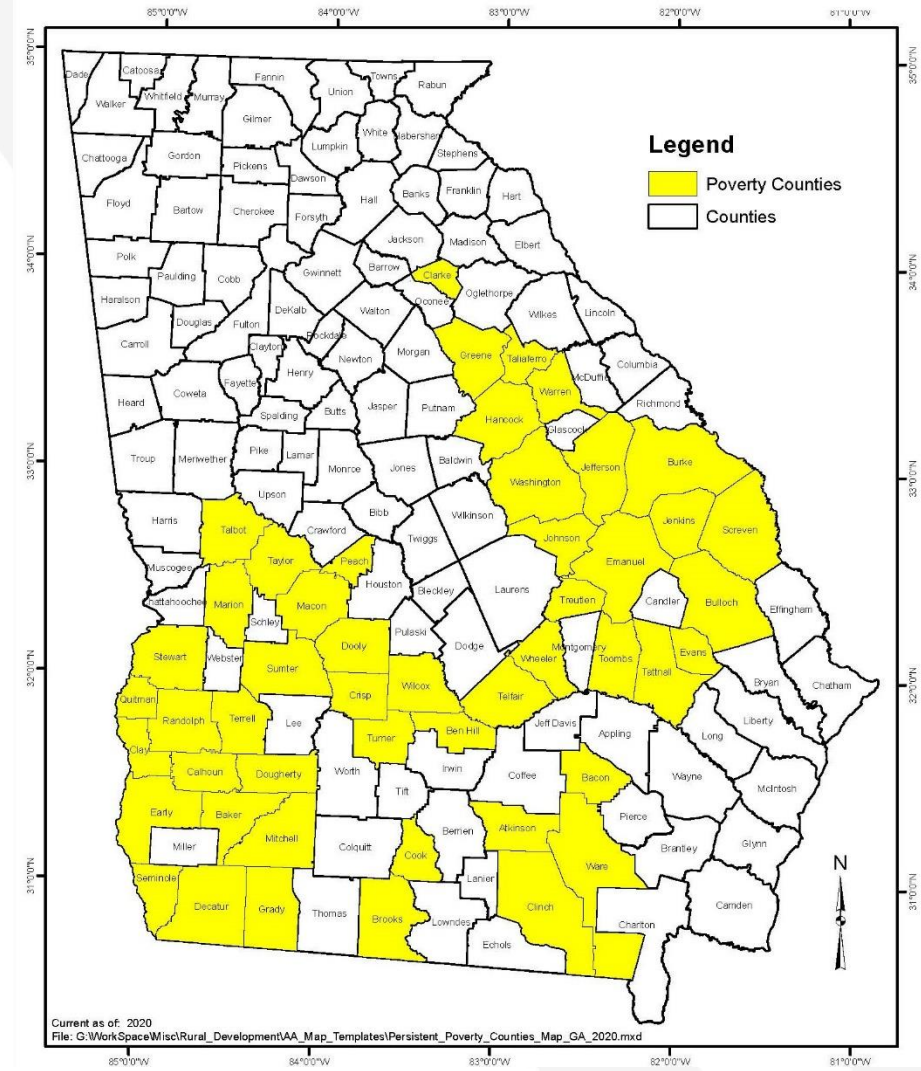
Predevelopment Planning Grants (PPG)

- **Grant for development of PER and ER**
- **Not to exceed \$30,000 or 75% of eligible costs, whichever is less**
- **Public body or non-profit corporation in a rural area with a population of less than 10,000**
- **MHI of less than \$39,828**
- **No resources to pay predevelopment expenses (PER, ER, etc.)**

Miscellaneous Items

Persistent Poverty Counties

- Focus on Persistent Poverty Counties
- 49 Counties in Georgia
- Separate Allocation of Funds



RD Apply

- Electronic submission of water and wastewater applications
- Went live October 1, 2015
- All USDA WEP applications must be submitted electronically
- Must have a Level 2 Assurance eAuthentication Account to use RD Apply
- This Account can be created on-line
- <https://rdapply.sc.egov.usda.gov/Intake/spring/AppHomeFlow?execution=e1s1>

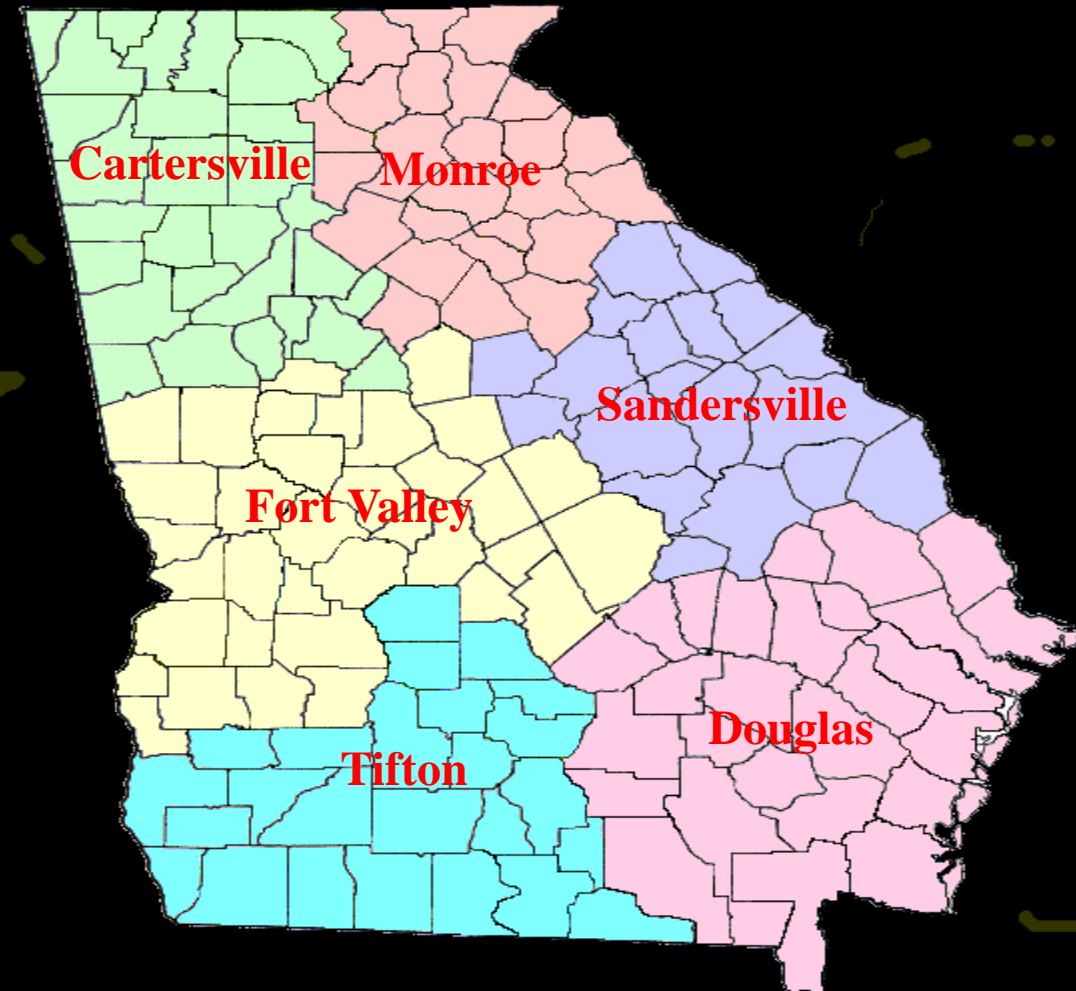
Click on “Help” in upper left corner for Customer User Guide and You Tube Videos

GEORGIA

USDA

Rural Development

Area Offices



USDA Area Offices

→ Cartersville

678-719-3508

→ Monroe

770-267-1413

→ Fort Valley

478-827-0016

→ Sandersville

478-552-0901

→ Tifton

229-382-0273

→ Douglas

912-384-4811

USDA State Office – 706-546-2171

[**http://www.rd.usda.gov/ga**](http://www.rd.usda.gov/ga)

When the well's dry, we know the worth of water.

Benjamin Franklin (1706-1790)

Poor Richard's Almanac, 1746



Questions?

Hope Williams
USDA, Rural Development
Community Programs Specialist
(706) 546-2171
Hope.williams@usda.gov