Water and Environmental Programs
USDA Rural Development’s Mission
Rural Development’s Mission

Rural Development is committed to helping improve the economy and quality of life in all of rural America by providing financial programs to support essential public facilities and services as water and sewer systems, housing, health clinics, emergency service facilities and electric and telephone service. Rural Development promotes economic development by providing loans to businesses through banks and community-managed lending pools, while also assisting communities to participate in community empowerment programs.
Water and Environmental Programs
**Tennessee Water and Waste Investments FY 2009-2018**

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,183,605</td>
<td>Rural residents receiving new or improved water and waste disposal service.</td>
</tr>
<tr>
<td>438,372</td>
<td>Households and businesses benefited by improved service.</td>
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<tr>
<td>4,577</td>
<td>New households and businesses connected.</td>
</tr>
<tr>
<td>249</td>
<td>Projects funded (173 water / 63 waste / 13 Combo)</td>
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<tr>
<td>447.9 million</td>
<td>Invested to build new or improved infrastructure:</td>
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<tr>
<td></td>
<td>• $316.9 million in loans and $131 million in grants</td>
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<td></td>
<td>• 70.8% / 29.2% loan/grant ratio.</td>
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<td>110 million</td>
<td>Leveraged from other funding sources (17.9%).</td>
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<tr>
<td>490,000</td>
<td>Technical Assistance funds provided to assist Rural America</td>
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<tr>
<td>21,401</td>
<td>Technical assistance visits to help rural systems and communities.</td>
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<tr>
<td>81</td>
<td>Counties served in Tennessee.</td>
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</tbody>
</table>
Our Customers – Exclusively Rural

In FY 2017:

- 78% Of projects served populations of 5,000 or less.
- 39% Of projects served populations of 2,500 or less.
- 17% Of projects served populations of 1,500 or less.
- 14% Of projects served populations of 1,000 or less.

In rural communities receiving funding:

- The average annual household income is: $35,736
- Average monthly household water costs are: $41.04
- Average monthly household sewer costs are: $44.06
Water and Environmental Programs (WEP)

- Provides funding for clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and storm water drainage to households and businesses.
- Improve planning and management of solid waste sites in rural areas.
FY 2019 Funding Announcement:

$40,517,000 – Loan Funding

$12,304,000 – Grant Funding

Interest Rates
Poverty – 2.5
Intermediate – 3.375
Market Rate – 4.25

Term: Up to 40 Years
Who’s Eligible?

- A public body, such as a municipality, county, district, authority or other political subdivision of a state, territory or commonwealth.
- An organization operated on a not for profit basis.
- Indian tribes on Federal and State reservations and other Federally recognized Indian Tribes.
- Serving rural areas 10k or less.
Eligible Projects

• Projects must serve a rural area which, if such project is completed, is not likely to decline in population below that for which the project was designed.

• Projects must be necessary for orderly community development and consistent with a current comprehensive community water, waste disposal, or other current development plan for the rural area.

• Examples:
  • Waterline Extensions
  • Meter Replacements
  • Water/Wastewater Treatment Plant Upgrades
  • Construction of Water Storage Tanks
  • Pump Stations
Example Projects

- Water and Waste Program
- Treatment Plant
- Line Extension
- Water loss
- Plant Expansion
- System Upgrade
Specialty Grant Programs
Specialty Grant Programs

- Emergency Community Water Assistance Grants (ECWAG)
- Predevelopment Planning Grants (PPG)
- Special Evaluation Assistance for Rural Communities (SEARCH)
Emergency Assistance

Emergency Community Water Assistance Grants (ECWAG)

• Helps eligible communities prepare, or recover from, an emergency that threatens the availability of safe, reliable drinking water

• Events included but not limited to*:
  - Drought or flood, earthquake, tornado or hurricane, disease outbreak, chemical spill leak or seepage

• Funds can be used for water transmission line grants up to $150,000 and water source grants up to $1,000,000

Eligible applicants include: most state and local governmental entities, private non-profits, federally and state recognized tribes, serving rural areas 10k or less
Water and Waste Disposal Predevelopment Planning Grants (PPG)

• Assists low-income communities with initial planning and development of applications for RD WWD direct loan/grant loan guarantee programs

• Eligible applicants include: most state and local governmental entities, nonprofits, and federally recognized tribes

• Eligible areas include rural towns (10k or less), **federally recognized tribal lands**, and Colonia's and have an MHI below the poverty line or less than 80% of statewide non-metro MHI

• Max. grant amount is $30,000 or 75% of predevelopment planning costs

• Applicant or a 3rd party must cover 25% of the project cost
**Assistance for Developing Application Documents**

*Special Evaluation Assistance for Rural Communities (SEARCH)*

- Help for very small, financially distressed rural communities (2,500 or less) and have an MHI below the poverty line or less than 80% of statewide non-metro MHI
  - Predevelopment feasibility studies, design and engineering assistance, and technical assistance for funding applications

Eligible applicants include: most state and local gov’t entities, non-profits, and federally recognized tribes
Value Proposition
Value Proposition

- Local Presence
  - No fee application assistance
  - Onsite review of project
  - No fee assistance from application to project completion
- Financing Term
  - Up to 40 years
  - No prepayment penalty
  - Multi-note available
How to access funds

Contact your local USDA Office. We will assist you with understanding the application requirements and process to include:

• Application items
• Preliminary Engineering Report
• Environmental Report
• Construction – Preconstruction conferences, inspections, prefinal and ribbon cutting

Our team include:
• Loan specialists
• Engineers
• Environmental Coordinator
Rural Development Offices

8 Area Offices
1 State Office
1 National Office in DC
Questions