

USDA Rural Development

Assistance for Rural Communities

USDA Rural Development administers several programs that help improve the quality of life in rural communities across the nation. These programs are offered as our regular programs and are available also to help businesses and individuals in rural areas that have been affected by disasters such as hurricanes, fire, severe drought or **earthquakes**. *To learn about additional resources and information on how to apply for these programs, you can contact the contact person identified below or visit our website at: www.rd.usda.gov/pr or call us at: (787)-766-5095*

Assistance for Homeowners or Renters:

Home repair loans & grants:

- USDA provides loans and grants to help homeowners make repairs.
- Grants are limited for people 62 years or older. Loans have no age restriction. Grants are available with an interest of 1% and up to 20 years for repayment.
- Applicants must meet low or very low income parameters and the home must be located in an eligible area with a population of 35,000 inhabitants or less
- Grants of up to \$ 10,000 and loans of up to \$ 40,000 for repairs (available until 9/30/2020).
- Contact: Arlene Zambrana, Housing Program Director
arlene.zambrana@usda.gov or 787-766-5709
- Our Area offices are: Caguas, Morovis, Juana Diaz, Utuado, Camuy and Mayagüez.

Direct Rural Home loans:

- USDA provides loans to eligible low and very low income individuals to buy existing property or construct new homes.
- Applicants **must** meet repayment requirements.
- Applicants must meet low or very low income parameters and the home must be located in an eligible area with a population of 35,000 or less.
- Contact: Arlene Zambrana, Housing Program Director
arlene.zambrana@usda.gov or 787-766-5709
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Disaster assistance for existing constituents:

- Existing USDA borrowers who have lost their job, or have suffered reduced hours due to a loan modification (re-amortization), protective advanced subject to eligibility. (Requires loan modification).
- Through the Rural Housing Direct Loan Program, USDA can offer subsequent loans to existing borrowers to make essential repairs to their homes.
- USDA Customer Service Center:
Call free of charge 24 hours a day, 1-800-414-1226.
Customer Service Representatives are available 7:00 am - 5:00 pm (Central Time), Monday - Friday. 7 days a week.

Multifamily housing:

- USDA provides affordable rental housing in rural areas for families with low income, farm workers, the elderly and people with special needs.
- USDA provides rental assistance for very low and low-income tenants in USDA-financed properties to prevent rent payments that exceed 30% of the tenant's income.
- Any person affected by a natural disaster can receive a Letter of Priority Entitlement (LOPE) for USDA-funded properties.
- Contact: Ruth Andujar, Multi-Family Housing Specialist. ruth.andujar@usda.gov or 787-766-5155

Community Facilities Assistance:

Loans & Grants program for Community Facilities:

- USDA provides loans and a limited amount of grants for community facilities for public use in rural areas.
- Examples of eligible projects include: facilities for public safety, police and fire, community centers, hospitals, schools, public vehicles, food banks, child care centers, among other community facilities. Eligible applicants include most government entities, nonprofit organizations and federally recognized tribes.
- The projects **must** be located in rural areas with a maximum population of 20,000 inhabitants.
- Infrastructure loans can be financed anywhere from 25 to 40 years. Vehicle loans can be financed up to 7 years. The repayment term will depend on the type of facility to be improved or the equipment installed, and its useful life.
- USDA can help rural communities repair or rebuild their community facilities and replace damaged equipment after a disaster.
- Contact: Clery Morales, Acting Community Programs Director clery.morales@usda.gov or 787-766-5671

Loans & Grants program for Water and Solid Waste:

- USDA provides loans and a limited amount of grants for construction, renovation and purchase and installation of equipment for water systems and waste disposal systems in eligible rural communities.
- Eligible applicants include most government entities, nonprofit organizations and tribes recognized by the federal government.
- Donations can be provided in combination with loans to help reduce rates. Loans are usually long-term with fixed interest.
- The projects must be located in rural areas with a maximum population of 10,000 inhabitants.

Business & Industry Assistance:

Business & Industry Loans and Guarantees:

- USDA guarantees loans to rural businesses granted by commercial banks or credit unions. We can guarantee up to 80% on loans up to \$ 5 million, 70% on loans up to \$ 10 million and 60% up to \$ 25 million.
- Terms and interest rate are agreed between the financial institution and the business.
- USDA guarantee cost is an initial charge of 3% of the guaranteed amount of the loan and an annual renewal fee equivalent to 0.50% of the guaranteed amount.
- A bank, credit union, insurance company or other lender may request a USDA guarantee on a loan granted to an owner, partnership, corporation, LLC, cooperative, trust, nonprofit, tribe or public entity for projects in eligible rural areas.
- The funds can be used to purchase equipment, real estate, working capital, refinancing, among others.
- USDA can help companies recover from the damage caused by a natural disaster by securing their business loans with eligible financial institutions.
- Contact: Danna Quiles, Business & Industry Program Director danna.quiles@usda.gov or 787-766-5379

Revolving funds loans:

- USDA provides initial capital to revolving loan funds managed by nonprofit organizations and eligible public bodies. Known as intermediaries, these entities finance small and emerging businesses and community development projects in rural areas. USDA can connect rural businesses and nonprofit organizations with these intermediaries to analyze the eligibility and availability of funds, except these nine municipalities: San Juan, Bayamón, Guaynabo, Cataño, Carolina, Trujillo Alto, Caguas, Mayagüez and Ponce.
- USDA can help companies recover from the damage caused by a natural disaster by securing their business loans with eligible financial institutions.
- Contact: Danna Quiles, Business & Industry Program Director danna.quiles@usda.gov or 787-766-5379