

# Working for Rural Communities Program Guide for Texas

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# Business, Energy & Cooperative Programs

Program	Objective	Applicant	Uses	Eligible Area	Terms/Conditions
<b>Business and Industry Program</b> loan guarantees	Create jobs and stimulate rural economies by providing financial backing for rural businesses.	USDA approved lenders on behalf of their qualified rural business borrowers.	Most legal business purposes except production agriculture. Include acquisition, start-up and expansion of businesses that create rural jobs.	Any area except cities with populations over 50,000 or the adjacent urbanized area.	Lender and borrower negotiate terms. Interest rate tied to published rate that may change no more often than quarterly.
<b>Rural Business Development Program</b> grants	Finance and facilitate the development of small and emerging private business enterprises. Finance technical assistance for business development planning in rural areas.	Public bodies, private non-profits, and recognized tribes.	Buy and develop land, establish revolving loan funds, construct buildings, plants, equipment, access streets and roads, parking areas, utility and service extensions, technical assistance and rural distance learning networks.	Any area except cities with populations over 50,000 or the adjacent urbanized area.	When grant funds are used for revolving loan fund (RLF), the intermediary makes loans to businesses from its RLF on terms consistent with security offered. Grants are awarded on a competitive basis.
<b>Intermediary Relending Program</b> loans	Finance business facilities and community development projects in rural areas.	Public bodies, non-profits, recognized tribes, and cooperatives.	Community development projects, establishment or expansion of businesses, creation or saving of rural jobs.	Any area except cities with populations over 50,000 or the adjacent urbanized area.	The intermediary makes loans to businesses from its revolving loan fund on terms consistent with security offered. Intermediary pays 1 percent for 30 years. Loans are awarded on a competitive basis.
<b>Rural Economic Development Program</b> loans & grants	Finance economic development and job creation in rural areas.	Electric and telephone utilities eligible for financing from the Rural Utilities Service.	Feasibility studies, business startup or expansion costs, business incubators, revolving loan funds and community facilities.	Any area except cities with populations over 50,000 or the adjacent urbanized area.	The intermediary (electric or telephone cooperatives) makes loans to profit or non-profit business and public bodies for rural economic development and/or job creation projects. Loans are 0 percent for 10 years.
<b>Rural Cooperative Development Program</b> grants	Establish and operate centers for cooperative development to improve the economic condition in rural. Improve operations of existing coops.	Non-profit corporations and institutions of higher education.	To conduct feasibility studies, business plans, and applied research as well as provide training and other technical assistance to new and existing cooperatives and businesses.	Any area except cities with populations over 50,000 or the adjacent urbanized area.	Applicants must meet specific selection criteria including a minimum 25 percent fund match. Grants are awarded on a competitive basis.
<b>Value-Added Agricultural Product Market Development Program</b> grants	Assist independent agricultural producers to enter into activities that add value to their commodities.	Independent producers, farmer and rancher cooperatives, and majority-controlled producer-based business ventures.	Planning purposes such as conducting feasibility studies or business plans; or as working capital to help the operations cost of an agricultural business.	No population restriction.	Grants are awarded on a competitive basis. Funds cannot be used to build facilities or purchase equipment. Funds must be matched on a dollar-for-dollar basis.
<b>Small Socially Disadvantaged Producer Program</b> grants	Provide technical assistance to small, minority owned producers.	Coops or associations with a primary focus on providing assistance to small, minority producers. Governing board and/or membership must be at least 75% recognized minorities.	Technical assistance for market research and product/service improvement; legal assistance; feasibility study; business/marketing plans; and training.	Any area except cities with populations over 50,000 or the adjacent urbanized area.	Funds are to be used only for Technical Assistance. No match requirements.
<b>Renewable Energy For America Program (REAP)</b> loans & grants	Finance the purchase of renewable energy systems or to make energy efficiency improvements.	Agricultural producers and rural small businesses. Electric utility that provides service to rural consumers under certain conditions. NOTE- Urban agricultural producers may also be eligible.	Post application construction or improvements, purchase and installation of equipment, energy audits, permit fees, professional service fees, business plans,	Any area except cities with populations over 50,000 or the adjacent urbanized area.	Grant cannot exceed 25% eligible project costs or \$250,000 for Energy Efficiency and \$500,000 for Renewable Energy. Loans cannot exceed 75% of total eligible costs. Grants are awarded on a competitive basis.
<b>Biomass Research and Development Initiative Program</b> grants	Finance the research and development of biomass based products, bioenergy, biofuels, and related processes.	Institutions of higher education, national laboratories, federal or state research agencies, private sector entities, and non-profit organizations.	Research and development of biomass based products, bioenergy, biofuels, and related processes.	No population restriction.	A minimum of 20% cost sharing requirements apply, and may be up to 50% depending on nature of project. Cost share must come from non-Federal sources.

*For loan guarantees – ask your lender to contact Rural Development, your local area office for the most up-to-date eligibility requirements. For all other loan and grant programs – contact the local USDA Rural Development Office that serves your community. Information is subject to change, please call*

# Rural Housing Programs

Program	Objective	Applicant	Uses	Eligible Area	Terms/Conditions
<b>Single Family Homes</b> (Section 502) direct loans	Safe, well-built, affordable homes for rural Americans. For very low and low income households or applicants.	Families and individuals. For low and very low income applicants.	Buy, build, improve, repair or rehabilitate rural home as the applicant's permanent residence.	Rural areas with populations up to 10,000 if located in a metropolitan statistical (MSA) area or up to 20,000 if not in a MSA.	Up to 100% of market value or cost, whichever is less. Loan amortized for 33/38 years. Applicant may be eligible for payment assistance (subsidy) on the loan.
<b>Single Family Homes</b> (Section 502 Loan Guarantee) loan guarantees	Assist eligible applicants in buying their homes by guaranteeing loans made by private lenders.	USDA Approved Lenders on behalf of their qualified home loan borrowers. For very low, low and moderate income applicants.	Purchase new or existing home to be used as the applicant's permanent residence.	Rural areas with populations up to 10,000 if located in a metropolitan statistical (MSA) area or up to 20,000 if not in a MSA.	30 year, fixed rate. Maximum interest rate based on Fannie Mae's 90 day delivery rate. Loans to 100% of market value plus guarantee fee.
<b>Single Family Home Repairs</b> (Section 504) direct loans and grants	To help very-low-income applicants remove health and safety hazards or to repair their homes.	Families and individuals who currently own their home. Grants available only to very low income applicants 62 years or older who cannot afford to pay 1% loan.	Repair or replace roof, winterizing, purchase or repair of heating system, structural repair, and water and sewage connect fees, and similar uses.	Rural areas with populations up to 10,000 if located in a metropolitan statistical (MSA) area or up to 20,000 if not in a MSA.	Loan terms to 20 years at 1%. Assistance to individual may not exceed \$7,500. Grants only available to very-low income applicants 62 years or older who cannot afford to pay 1% loan.
<b>Mutual Self-Help Housing</b> (Section 502) direct loans	Individual homes built by a group of applicants, with construction guidance from a non-profit organization.	Families and individuals. Apply to Rural Development. Loan applications are processed on an individual basis for each participating family.	Construction of a new home, in part by the applicant under supervision.	Rural areas with populations up to 10,000 if located in a metropolitan statistical (MSA) area or up to 20,000 if not in a MSA.	Individual families receive a direct loan from Rural Development. Participating non-profit housing organization gets a grant to hire a supervisor and pay other administrative expenses.
<b>Mutual Self-Help Housing</b> (Section 523) grants	Assist lower income families in building their own homes. Owner's equity is achieved through "sweat equity" in construction of dwelling.	Non-profits and public bodies.	Technical assistance to qualify and supervise small groups of families to build each other's homes.	Rural areas with populations up to 10,000 if located in a metropolitan statistical (MSA) area or up to 20,000 if not in a MSA.	Grant agreement.
<b>Multi-Family Rental Housing</b> (Sections 515) direct loans	Safe, well-built, affordable rental housing for very-low and low income individuals and families.	Individuals, limited profit and non-profit organizations.	New construction and rehabilitation of existing multi-family rental housing in qualified rural areas.	Rural areas with populations up to 10,000 if located in a metropolitan statistical (MSA) area or up to 20,000 if not in a MSA.	Up to 100% of total development cost (non-profits); 97% (for-profits). 30-year term with up to 50 year amortization. For for-profit organizations with Low-Income Housing Tax Credits, 95% of total development costs.
<b>Multi-Family Rental Housing</b> (Section 538) loan guarantees	Safe, well-built, affordable rental housing for low to moderate income individuals and families.	Individuals, partnerships, limited liability companies, trusts, state and local agencies and recognized tribes.	New construction, permanent loan or substantial rehabilitation of multi-family rental housing in qualified rural areas.	Rural areas with populations up to 10,000 if located in a metropolitan statistical (MSA) area or up to 20,000 if not in a MSA.	Up to 90% loan to value of loans made to for-profit entities, and up to 97% loan to value to loans made to non-profit entities. Repayment terms are 25 to 40 year amortization. Annual guaranteed fee may be applicable.
<b>Housing Preservation Grants</b> (Section 533) grants	Repair and rehabilitate housing owned or occupied by very-low and low-income rural families.	Public bodies and non-profit organizations that provide assistance to low to moderate income families or individuals.	Operation of a program which finances repair and rehabilitation activities for single family and small rental properties.	Rural areas with populations up to 10,000 if located in a metropolitan statistical (MSA) area or up to 20,000 if not in a MSA.	Grant agreement.
<b>Farm Labor Housing</b> (Sections 514 & 516) direct loans and grants	Safe, well-built affordable rental housing for farm workers and their families.	Individuals, public and private non-profit organizations.	New construction or substantial rehabilitation of rental housing for farm workers and their families.	No population restriction.	Up to 102% of total development cost. Up to 33 years to repay at 1% interest.

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# Rural Utilities and Community Programs

Program	Objective	Applicant	Uses	Eligible Area	Terms/Conditions
<b>Water and Waste Disposal Program</b> direct loans & grants	Finance water and waste disposal in rural areas to the most financially in need, resulting in reasonable user fees.	Public entities, recognized tribes, and non-profit corporations.	Build, repair, and improve public water systems, and waste collection and treatment systems and other related costs.	Rural areas, cities, and towns with a population up to 10,000.	Interest rates are set quarterly based on an index of current market yields for municipal obligations. Repayment period is a maximum of 40 years.
<b>Water and Waste Disposal Program</b> loan guarantees	Provide loan guarantees to lenders serving financially needy applicants.	USDA Approved Lenders on behalf of public entities, recognized tribes, and non-profits.	Construct, repair, modify, expand, improve water supply and distribution systems, and waste collection and treatment systems.	Rural areas, cities, and towns with a population up to 10,000.	Private lenders obtain up to a 90% guarantee on loans they make and service.
<b>Emergency and Imminent Community Water Assistance Grant ECWAG</b>	Assist areas that have experienced a significant decline in the quantity or quality of water.	Public entities, recognized tribes, and non-profit corporations.	Construct, repair or extend new waterlines, and new water sources such as wells, reservoirs and transmission lines.	Rural areas, cities and towns with a population up to 10,000. Priority to areas under 1,500 in population and a MHI of less than 70% of the state nonmetropolitan median household income.	Grants up to \$500,000 to alleviate significant decline in quality or quantity of water. Grants up to \$150,000 for repairs or partial replacement on an established system to remedy an acute shortage or decline in quality or quantity of water.
<b>Special Evaluation Assistance for Rural Communities and Household Grant SEARCH</b>	Provide financial assistance to the neediest, eligible communities who lack the financial resources to pay for feasibility studies, design assistance and technical assistance.	Public entities, recognized tribes and non-profit corporations.	Pay for eligible predevelopment planning costs such as feasibility studies, preliminary design assistance, and technical assistance for the purpose of constructing, enlarging, extending, or otherwise improving rural water, sanitary sewage, solid waste disposal and storm wastewater disposal facilities.	Any financially distressed area not in a city or town with a population of 2,500 or fewer, according to the latest decennial census of the United States. An area is considered financially distressed if the median household income of the area to be served is either below the poverty line or below 80% of the statewide non-metropolitan median household income based on available historic statistical information from the latest decennial census.	Grants may fund up to 100% of the eligible costs, not to exceed \$30,000.
<b>Predevelopment Planning Grant PPG</b>	Provide financial assistance to pay for costs associated with developing a complete application for a proposed project.	Public entities, recognized tribes, and non-profit corporations.	Pay for the predevelopment costs of necessary expenses to be incurred to develop a complete application as described in Part 1780.33 of RUS Instruction 1780 and is limited to eligible grant purposes as described in Part 1780.9 (e) of RUS Instruction 1780.	Rural areas, cities, and towns with a population up to 10,000. Priority to areas under 1,500 in population and a MHI of less than 70% of the state nonmetropolitan median household income.	Grants can be made up to \$25,000 or 75% of the project costs, whichever is less. Funding for the balance of the eligible projects costs not funded by PPG must be from applicant resources or funds from other sources. PPG funds cannot be used to pay for work already completed. Grants are limited to projects the Agency expects to fund soon after the application is submitted.



# Rural Utilities and Community Programs *(Continued)*

Program	Objective	Applicant	Uses	Eligible Area	Terms/Conditions
<b>Solid Waste Management Programs</b> grants	Provide technical assistance and/or training to help communities reduce/eliminate water pollution, and improve planning and management of solid waste sites.	Non-profit organizations and public bodies.	Provide technical assistance and training to reduce pollution of water resources and improve management of solid waste facilities.	Rural areas, cities, and towns with a population up to 10,000.	Projects are funded based on selection at the National level. Applications are accepted from 10/1 to 12/31 of each year.
<b>Rural Broadband Program</b> direct loans & loan guarantees	The deployment of broadband service to eligible rural communities.	Legally organized entities providing or proposing to provide broadband service in eligible rural communities.	Construction, acquisition, and improvement of broadband transmission facilities and equipment; land and buildings used in providing broadband service; and the refinancing of Telecommunications Program debt.	Eligible rural communities with a population of 20,000 or less.	Interest rate set at US Treasury rate for a period equal to expected composite economic life of assets financed. Guaranteed may be provided up to 80% of principal.
<b>Electric and Telecommunications Program</b> direct loans & loan guarantees	Provide financial aid through direct and guaranteed loans for electric and telecommunications services.	For profit entities, non-profit and cooperative associations, public bodies, and other utilities.	Generation, bulk transmission facilities, and power distribution. Enhance 911 service, digital switching, fiber optics, traditional telecommunications and broadband.	<b>Electric:</b> Rural areas as defined by the U.S. Census. <b>Telecommunication:</b> Rural areas with populations of 5,000 or less.	Interest rates are established in accordance with 7 CFR 1745.
<b>Distance Learning and Telemedicine Program</b> direct loans & grants	Development and deployment of advanced telecommunication services throughout rural America to improve education and health care.	Incorporated entities, including municipal corporations, on a for profit or not-for-profit basis, that operate rural schools, libraries, health care clinics and other organizations that operate educational or health care facilities.	Equipment for classrooms: cameras, video monitors, computers, and LAN. Also for physician consultation, radiology, ex-ray scanners, and digital microscopes.	Rural areas with populations of 20,000 or less.	Matching funds are required.
<b>Technical Assistance and Training Program</b> grants	Identify/evaluate solutions to water and waste disposal issues. Assist applicants with applications for USDA water/wastewater programs. Improve operation and maintenance of existing water and waste disposal systems.	Non-profit organizations.	Provide technical assistance to qualified water and waste disposal utilities serving rural areas.	Rural areas, cities and towns with a population of up to 10,000.	Applications are accepted from October 1 to December 31 of each year.
<b>Rural Community Development Initiative (RCDI)</b> Grants	Assists organizations that provide technical assistance to other organizations to improve their ability to undertake housing, and community or economic development projects in rural areas.	Public or private organizations, including recognized tribes, which have been organized at least 3 years and have experience working with eligible recipients.	Recipient provides technical assistance to organizations serving qualified rural areas.	Rural area, city and towns with population not exceeding 50,000 including urbanized areas.	Matching funds required.
<b>Community Facilities Program</b> direct loans, loan guarantees & grants	Provide essential community facilities for rural communities. Faith-based and community organizations and First Responders are encouraged to apply.	Public bodies, non-profit organizations, and recognized tribes. USDA Approved Lenders may apply for loan-guarantees on behalf of the above entities.	Build facilities and purchase equipment for fire and rescue, early warning systems, police stations, health clinics, schools, libraries, hospitals, etc.	Rural areas, cities and towns with populations of 20,000 or less.	Up to 100% of market value. Up to 40 years or life of security. Grant funds are limited.

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# USDA Texas Rural Development Offices

## Area 1

Lubbock Area Office  
6113 - 43rd Street, Suite B  
Lubbock, TX 79407  
Phone: (806) 785-5644, Ext. 4

Amarillo Area Office  
6565 Amarillo Blvd West, Suite C  
Amarillo, TX 79106  
Phone: (806) 468-8600, Ext. 4

## Area 2

Georgetown Area Office  
505 West University Ave, Suite G  
Georgetown, TX 78626  
Phone: (512) 863-6502, Ext. 4

Edna Area Office  
700 North Wells, Room 204  
Edna, TX 77957  
Phone: (361) 782-7151, Ext. 4

## Area 3

McKinney Area Office  
1400 N. McDonald, Suite 300  
McKinney, TX 75071  
Phone: (972) 542-0081, Ext. 4

Decatur Area Office  
1604 West Business 380, Suite 100  
Decatur, TX 76234  
Phone: (940) 627-3531, Ext. 4

## Area 4

Mount Pleasant Area Office  
1809 W. Ferguson Road, Suite E  
Mount Pleasant, TX 75455  
Phone: (903) 572-5411, Ext. 4

Canton Area Office  
700 Trade Days Boulevard, Suite 3  
Canton, TX 75103  
Phone: (903) 567-6051, Ext. 4

Henderson Area Office  
1305 South Main, Suite 103  
Henderson, TX 75654  
Phone: (903) 657-8221, Ext. 4

## Area 5

Hillsboro Area Office  
1502 Highway 77 North  
Hillsboro, TX 76645  
Phone: (254) 582-7328, Ext. 4

Bryan Area Office  
3833 South Texas Ave, Suite 117  
Bryan, TX 77802  
Phone: (979) 846-0548, Ext. 4

## Area 6

Huntsville Area Office  
2 Financial Plaza, Suite 745  
Huntsville, TX 77340  
Phone: (936) 291-1901, Ext. 4

Angleton Area Office  
711 N. Velasco, Suite B  
Angleton, TX 77515  
Phone: (979) 549-0215, Ext. 4

Lufkin Area Office  
1520 East Denman, Suite 104  
Lufkin, TX 75901  
Phone: (936) 634-9900, Ext. 4

## Area 7

Seguin Area Office  
3251 North Highway 123 Bypass  
Seguin, TX 78155  
Phone: (830) 372-1043, Ext. 4

Fredericksburg Area Office  
1906 North Llano, Room 102  
Fredericksburg, TX 78624  
Phone: (830) 997-8902, Ext. 4

## Area 8

Uvalde Area Office  
101 Weeping Willow  
Uvalde, TX 78801  
Phone: (830) 278-9503, Ext. 4

## Area 9

Alice Area Office  
2287 North Texas Blvd, Suite 1  
Alice, TX 78332  
Phone: (361) 668-0453, Ext. 4

Edinburg Area Office  
2514 South Veterans Blvd, Ste 4  
Edinburg, TX 78539  
Phone: (956) 383-4928, Ext. 4

Hebbronville Area Office  
1700 North Smith Street, Ste A  
Hebbronville, TX 78361  
Phone: (361) 527-3253, Ext. 4

## Area 10

Fort Stockton Area Office  
2306 West Dickinson Blvd, Ste 2  
Fort Stockton, TX 79735  
Phone: (432) 336-7585, Ext. 4

El Paso Area Office  
11940 Don Haskins Drive, Ste E1  
El Paso, TX 79936  
Phone: (915) 855-1229, Ext. 4

## Area 10

Abilene Area Office  
4400 Buffalo Gap Road, Ste 4150  
Abilene, TX 79606  
Phone: (325) 690-6162, Ext. 4

Brownwood Area Office  
2608 Hwy 377 South, Ste A  
Brownwood, TX 76801  
Phone: (325) 643-1585, Ext. 4

Ozona Area Office  
Post Office Box 1149  
201 E 11th Street  
Ozona, TX 76943  
Phone: (325) 392-2301, Ext. 4

## Texas State Office

101 South Main Street,  
Suite 102  
Temple, TX 76501  
Phone: (254) 742-9700  
Fax: (254) 742-9709  
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