

News Briefs

Guaranteed Rural Housing Loans

USDA Rural Development's Guaranteed Rural Housing Loan Program is designed to serve rural residents who have a steady, low or modest income, and yet are unable to obtain adequate housing through conventional financing.

These loans enable low and moderate-income rural residents to acquire modestly priced housing for their own use as a residence through the purchase of a new or existing dwelling or the purchase of a new manufactured home.

In this variation of the Section 502 program, USDA Rural Development does not make a loan directly to an eligible borrower, but guarantees a loan made by a commercial lender.

This guarantee substantially reduces the risk for lenders, thus encouraging them to make loans to rural residents who have only modest incomes and little collateral.

If you have questions, or inquiring about processing times, please send an email to wa-grh@wa.usda.gov or visit the web at <http://www.rd.usda.gov/wa>.

Washington State

Rural Developments is published monthly by USDA Rural Development, Washington State Office, located at 1835 Black Lake Blvd., SW, Suite B, Olympia, WA 98512

Contact Us

<http://www.rd.usda.gov/wa>
Email the Editor: Phil Eggman
philip.eggman@wa.usda.gov

USDA Rural Development is an equal opportunity provider, employer & lender. To file a complaint of discrimination, write

U.S. Department of Agriculture,
Director, Office of Adjudication,
1400 Independence Avenue, S.W.,
Washington, D.C. 20250-9410,
by fax (202) 690-7442 or email at
program.intake@usda.gov.

Washington State

USDA

Rural
Developments

Volume 5 - Issue 11

November 2016

USDA Rural Development Has Resources for Veterans

As we celebrate our military veterans and their families this November, I wanted to highlight some of the resources USDA Rural Development has that are available to our many military veterans and their families.



State Director
Mario Villanueva

USDA's rural housing programs can help veterans become homeowners, repair or improve their existing homes, and offset the costs of rent. For example, our Single-Family Housing Programs finance homes for low- and moderate-income rural Americans through direct loans and loan guarantees, and provide loans and grants to repair or improve existing homes, including accessibility modifications for people with disabilities.

Under the Self-Help Housing program, participants –with expert supervision – perform about 65 percent of the construction labor on each other's homes. The savings from reduced labor costs allows them to obtain low-interest mortgages through USDA. In addition to learning home construction skills, participants receive instruction in managing a household budget to help them develop important skills for being a new homeowner.

Rental assistance is also available to very-low-income individuals to help them offset the cost of rent.

Our veterans in rural areas are also leaders in the revival and redevelopment of their communities. Rural Development Community Facilities Programs provide direct loans, grants and loan guarantees for essential community facilities in rural areas. Typical projects include hospitals, health clinics, schools, fire houses and community. The Multi-Family Housing Programs finance apartment-style rental housing complexes for very-low-, low- and moderate-income individuals and families, the elderly and people with disabilities.

Finally, through our Business Programs, Rural Development provides loans and grants for new, existing and expanding rural business. Funding can be used for projects that provide jobs and job training for veterans.

USDA has also worked hard to do better at hiring veterans and disabled veterans. For example, in February 2012, Agriculture Secretary Tom Vilsack and The American Legion signed an agreement to increase outreach, recruitment, hiring and retention of veterans and to ensure that veterans across America – and especially in rural America – are well-informed about USDA programs.

Mario Villanueva
Washington State Director

Seeking Rural Business Development Grant Program Applications

USDA Rural Development's Rural Business Development Grant Program (RBDG) is a competitive grant designed to support targeted technical assistance, training and other activities leading to the development or expansion of small and emerging private businesses in rural areas that have fewer than 50 employees and less than \$1 million in gross revenues.

Programmatic activities are separated into enterprise or opportunity type grant activities. Enterprise type grant funds must be used on projects to benefit small and emerging businesses in rural areas.

Opportunity type grant funding must be

used for projects in rural areas for business planning, feasibility studies, leadership and entrepreneur training, and community economic development.

Rural public entities including, but not limited to towns, communities, state agencies, authorities, nonprofit corporations, institutions of higher education, federally recognized tribes and rural cooperatives.

Deadline to apply in Washington State is Tuesday, January 31. For more information, please email Brian Buch at brian.buch@wa.usda.gov or visit the web at www.rd.usda.gov/wa.

Community Facilities

The USDA Community Facilities Direct Loan and Grant Program provides direct loans and/or grants for essential community facilities in rural areas. Typical projects include health care facilities, town halls, courthouses, fire stations, and first responder equipment, among other things.

Applicants may apply for one of three options: the Community Facilities Direct Loan Program, the Community Facilities Grant Program, or a combination of the two.

USDA provides grants to assist in the development of essential community facilities in rural areas and towns with populations up to 20,000. Grants are available to public entities such as municipalities, counties, and special-purpose districts, as well as non-profit corporations and tribal governments.

Loans are also available to public entities such as municipalities, counties, and special-purpose districts, as well as to non-profit corporations and tribal governments.

Interest Rates

Here are our interest rates for the last calendar quarter of calendar year 2016. They are historic lows.

For water and wastewater loans:

Poverty Line....decreased to 1.375%
 Intermediate... .decreased to 1.875%
 Market decreased to 2.375%

For Community Facilities

Poverty Line... unchanged at 4.500%
 Intermediate...decreased to 3.375%
 Market decreased to 2.375%

Yakama Power To Receive USDA Funding for Electric System Upgrades

USDA is providing \$3.6 billion in loans to fund 82 electric projects in 31 states, including one project in Washington State. These loans will finance infrastructure upgrades, create jobs and improve system operations for rural electric customers nationwide.

“For 80 years, rural electric utilities have provided reliable and affordable electricity to help rural communities increase productivity and build stronger economies,” said Secretary Tom Vilsack. “These loans will help them continue to do that. The utilities and cooperatives will use some of the money to finance energy efficiency projects, renewable fuel systems and smart grid technologies to increase our energy independence and improve rural electric infrastructure.”

The \$3.6 billion will build or improve 12,500 miles of transmission and distribution line. It includes \$216 million for smart grid technologies, \$35



million for renewable energy, \$26 million for environmental improvements, and nearly \$1.8 million for energy efficiency. For example, in Washington State, Yakama Power will receive \$30.7 million to build or improve 574 miles of line, and make other system improvements. Yakama Power currently serves more than 700 customers, including the Yakama Nation’s office and other tribal enterprises.

The loan is being provided through the Electric Program of the Rural Utilities Service, the

successor to the Rural Electrification Administration. Eighty years ago this spring, President Franklin Roosevelt signed the law that charged USDA to provide electric power to rural America.

The Electric Program makes loans and loan guarantees to non-profit and cooperative associations, public bodies and other utilities.

For more information, please visit USDA Rural Development’s program page on Electric Programs.

USDA to Invest in Clean Water Infrastructure in Rural Communities

USDA Rural Development is investing \$331 million in 85 projects that will improve water and wastewater infrastructure in rural areas in 39 states, including Washington State. Community infrastructure investments are a key piece of USDA’s mission to support America’s rural communities, and these investments build on the \$13.9 billion USDA has invested to support 5,825 water and waste infrastructure projects that currently benefit 19.5 million rural residents nationally.

“Strategic investments like these into community infrastructure provide a path to rural economic growth,” Agriculture Secretary Thomas Vilsack said. “Water and wastewater upgrades protect the health and safety of those who live and work in rural areas, and are especially critical given today’s

aging infrastructure in areas that have not fully benefited from rural America’s economic rebound. Modernizing water and wastewater systems improves the quality of life and can help attract jobs to rural communities.”

USDA is providing \$264 million in loans and \$67 million in grants through Rural Development’s Water & Environmental Programs. These programs provide assistance and financing to develop drinking water and waste disposal systems for communities with 10,000 or fewer residents.

For example, in Washington State, the King County Town of Skykomish will received a \$30,000 grant under the Special Evaluation Assistance for rural Communities and Households (SEARCH) Program to develop a preliminary engineering report/



facility plan to repair the town’s water system.

For more information about USDA Rural Development’s Water and Environmental Programs, please contact Peter McMillin, Community Programs Director, by emailing him at peter.mcmillin@wa.usda.gov or visit USDA Rural Development’s website.