Water and Waste Disposal Predevelopment Planning Grants

What does this program do?
This program helps eligible low-income communities plan and develop applications for proposed USDA Rural Development water or waste disposal projects.

Who can apply?
• Most state and local governments
• Nonprofit organizations
• Federally recognized Tribes
(A list is available at this link: https://tinyurl.com/4vfb3n4m)

What is an eligible area?
• Rural areas and towns with populations of 10,000 or fewer. (Check your eligibility at this link: https://go.usa.gov/xhWZ2)
• Federally-recognized Tribal lands
• Colonias

NOTE: The area must have a median household income below the poverty line or less than 80 percent of the statewide non-metropolitan median household income.

How can funds be used?
This program helps eligible low-income communities plan and develop applications for proposed USDA Rural Development water or waste disposal projects.

What are the grant terms?
• Grants cannot be used to pay for work already completed.
• The amount of the grant will be subtracted from the total grant eligibility if a USDA grant is awarded for part of the water or waste disposal project.
• These grants do not have to be paid back if the application for the USDA direct loan or loan and grant combination is not successful.
• Grants are based on demonstrated need and availability of funds.
• Partnerships with other federal, state, and local organizations are encouraged, and grants are awarded only when the applicant cannot afford to borrow the needed funds.

Is there a maximum grant amount?
The maximum grant award is $60,000 — or 75 percent of predevelopment planning costs.

Are matching funds required?
Yes. At least 25 percent of the project cost must come from the applicant or third-party sources. In-kind contributions do not count toward this minimum.

How do we get started?
Applications are accepted year-round through your local Rural Development office. (A list of offices is available at: https://tinyurl.com/2p9ewras)

Program resources — forms needed, guidance, certifications and more — are available online at this link: https://go.usa.gov/xzBym.

Who can answer questions?
• Help is always available through your local Rural Development office. (A list of offices is available at: https://tinyurl.com/2p9ewras)
• Participating nonprofit associations also offer assistance and training. You can work with your local Rural Development staff to learn about available help in your area.
What governs this program?

- Code of Federal Regulations, 7 CFR 1780. (Information is available at this link: https://tinyurl.com/5i4ds79e)
- Section 306 of the Consolidated Farm and Rural Development Act (information is available at this link: https://tinyurl.com/23hjt2et)

Forms and Resources

NOTE: Please speak to a program specialist in the state in which your proposed project is located before you attempt to complete your application. (A list of offices is available at this link: https://tinyurl.com/2p9ewras)