




USDA United States Department of Agriculture
Rural Development

Committed to the future of rural communities

NJWA Annual Conference
October 18, 2017
www.rurdev.usda.gov/nj/

USDA Rural Development


- Mission Area
 - Rural Housing Service
 - Rural Business & Cooperative Service
 - Rural Utilities Service



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USDA Rural Development

- WEP Program – What’s new??
 - Interest rates slowly increasing
 - Interest Rates 3.50% 2.75% 2.125%
 - Continuing Resolution 12/8/17
 - 2018 funding opportunities / backlog?
 - RD Apply
 - SEARCH / PPG / ECWAG




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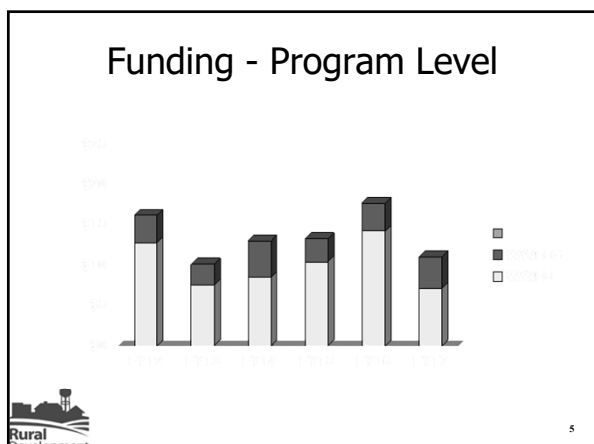
USDA Rural Development

WEP Program – What’s not new

- Eligibility requirements
- Grants
- Priorities
- Application process




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Funding Cycle

- Applications accepted at any time
- Federal Fiscal Year begins October 1st
- Mid-year pooling in early April
- Year-end pooling in early August
- Fiscal Year ends September 30th



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SEARCH Grants

- Pay for feasibility studies, prelim design assistance, TA for financially distressed communities
- Proposed service area has MHI < \$73,083 and population <2,500
- Maximum Grant - \$30,000
- No required match. 100% of TPC



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Water & Waste Disposal Program Eligibility

- Type of Applicant
 - Public Body
municipalities, authorities
 - Non-profit Organization
associations, cooperatives, private corporations
- Is other commercial credit available/affordable?
- Legal authority and responsibility



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Water & Waste Disposal Program Eligibility

- Population

The project must serve a rural area. The current definition of a "rural area" is a city/town less than 10,000 residents.

Based on 2010 Census Data



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Eligible Purposes

- Water (wells, storage, treatment plants, distribution lines, pump stations, etc)
- Sanitary Sewer (collection lines, pipes & manholes, sewage treatment facilities, etc)
- Storm Sewer (storm water collection)
- Solid Waste (recycling or landfill facilities)



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Current* Interest Rates

- Market Rate 3.50%
- Intermediate 2.75%
- Poverty 2.125%

*Subject to change quarterly
but fixed once loan is approved / closed



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Interest Rates / Term

- NJ Median Household Income (MHI)
\$91,354 per 2010 US Census
- 80% of NJ MHI is \$73,083
- Poverty rate – project purpose to meet health/sanitary standards
- Loan term is 40 years



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Water and Waste Disposal Grants

- For projects serving the most financially needy communities to reduce user costs to a reasonable level
 - Maximum Potential Grant
 - 45% when MHI of Service Area < \$91,354
 - 75% when MHI of Service Area < \$73,083
- 75% Grant must also be used to comply with health/sanitary standard.



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Priorities

- Population
- Health
- Income
- Other
 - Efficiency Improvements
 - Public Body
 - Leverage \$\$
 - Discretionary



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Water & Waste Disposal Program Request for Eligibility Determination

- Preliminary application – purpose is to determine if the applicant and proposed project meet basic eligibility requirements.
 - Brief Project Description
 - Legal Authority
 - Other Credit
 - Rural Location



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Pre-development Grants

- Pay for Preliminary Engineering Report & Environmental Report or other costs associated with developing a complete USDA application
- Proposed service area has MHI < \$73,083 and population < 10,000
- Maximum Grant - \$30,000 or 75% of eligible costs whichever is less



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Pre-development Grants

- Priority Scoring – same as regular program
- Grant Repayment- only if additional funds are approved for the project.



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Water & Waste Disposal Program Complete Application

- Preliminary Engineers Report
- Environmental Assessment
- Financial Statements
- Professional Agreements
 - Engineer
 - Attorney
 - Bond Counsel
 - Auditor



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RDAPPLY

- **What is RDApply?**
- **Why is RDApply Important?**
- **Convenience**
- **Identity Security**
- **Reduced Paper Consumption**



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Emergency Community Water Assistance Grant (ECWAG)

- Assist Rural Communities that have a decline in quantity/quality of drinking water due to an emergency
- Communities must be less than 10,000 in population
- MHI less than \$91,354
- Demonstrate financial need
- Grants may be 100% of total project cost
- Max \$500,000 for water source up to treatment
- Max \$150,000 distribution water lines
- Applicants use FEMA and insurance first



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VA/ERP

- Vulnerability Assessment (VA)
- Emergency Response Plan (ERP)
 - Due once every 3 years throughout the life of the water/sewer loan/grant.
 - Who can help with the VA and ERP?



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Key Points

- Applicants = Public Bodies or Non-profit Organizations
- Rural = Communities under 10,000
- Townships OK w/ unincorporated communities <10,000
- Grant possible if MHI is less than \$91,354
- Most water/sewer improvement projects eligible
- Apply at any time / No deadline / Funding Cycle
<https://www.rd.usda.gov/nj>
- To discuss your project please call me 856-787-7753 or Christine 856-787-7751
- Email Kenneth.Drewes@nj.usda.gov or Christine.Schmelzle@nj.usda.gov for the pre-application package (Eligibility Determination)



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THANK YOU!!



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