

Single Family Housing Rural Disaster Home Repair Grants

What does this program do?

It provides grants to very-low- and low-income homeowners to repair owner-occupied homes damaged in calendar year 2022 Presidentially Declared Disaster areas.

Who can apply?

To qualify, your property must have been damaged in an area designated in a calendar year 2022 Presidential disaster declaration, and you must:

- **Be the homeowner and occupy the house (occupancy after repair can be authorized)**
- **Have an adjusted household income within very-low- or low-income limits**

What is an eligible area?

Properties must be located in an eligible rural area. You can visit the USDA Income and Property Eligibility website (available at this link: <https://go.usa.gov/xzcdM>) for complete details.

What disaster areas are eligible?

Properties located in calendar year 2022 Presidentially Declared Disaster areas are eligible to apply. A list maintained by the Federal Emergency Management Agency (FEMA) is available at this link: <https://tinyurl.com/2p8hp2km>. In the dropdown boxes on that webpage, select the year 2022, and then choose "Major Disaster Declaration" or "Fire Management Assistance Declaration" as the declaration type.

How can funds be used?

- Disaster-related home repair expenses, including costs incurred prior to application
- Site preparation
- The cost to move a manufactured home to a new location

Is there a deadline to apply?

Applications are available year-round as long as funding is available, and are processed in the order in which they are received.

What are some of the grant terms?

- The maximum grant award is \$40,675.

- Grant recipients must certify there is no duplication of benefits with other funding or awards.
- Very-low income applicants may also be eligible to apply for Single Family Housing Home Repair Loans and Grants (information is available at this link: <https://go.usa.gov/xzDFr>).

How do I get started?

Contact a USDA home loan specialist in your area. You will find a map connecting to state-based information at this link: <https://go.usa.gov/xzHPf>.

What governs this program?

- The Consolidated Appropriations Act of 2023 (available at this link: <https://tinyurl.com/2mtbsknc>)
- The Housing Act of 1949 as amended: 7 CFR, Part 3550 (available at this link: <https://go.usa.gov/xzcvG>)
- HB-1-3550 - Direct Single Family Housing Program Field Office Handbook (available at this link: <https://go.usa.gov/xzcvM> - PDF)

NOTE: Because citations and other information is subject to change, always consult the program instructions listed in the section above titled "What Governs This Program?" You can also contact your local office for assistance (a list is available at this link: <https://go.usa.gov/xzjP7>). You will find additional forms, resources, and program information at <https://rd.usda.gov>. USDA is an equal opportunity provider, employer, and lender.

Community Facilities Direct Loan & Grant

What does this program do?

This program provides affordable funding to develop essential community facilities in rural areas. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community in a primarily rural area, and does not include private, commercial, or business undertakings.

Who may apply for this program?

Eligible borrowers include:

- **Public bodies**
- **Community-based nonprofit corporations**
- **Federally recognized Tribes**

What is an eligible area?

Rural areas including cities, villages, townships, and towns including Federally recognized Tribal lands with no more than 20,000 residents according to the latest U.S. Census Data are eligible for this program.

How may funds be used?

Funds can be used to purchase, construct, and/or improve essential community facilities, to purchase equipment, and to pay related project expenses.

Examples of essential community facilities include:

- Healthcare facilities such as hospitals, medical clinics, dental clinics, nursing homes, or assisted living facilities
- Public facilities such as town halls, courthouses, airport hangars, or street improvements
- Community support services such as child care centers, community centers, fairgrounds, or transitional housing
- Public safety services such as fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles, or equipment
- Educational services such as museums, libraries, or private schools
- Utility services such as telemedicine or distance learning equipment

- Local food systems such as community gardens, food pantries, community kitchens, food banks, food hubs, or greenhouses

For a complete list see Code of Federal Regulations 7 CFR, Part 1942.17(d) for loans; 7 CFR, Part 3570.62 for grants.

What kinds of funding are available?

- Low interest direct loans
- Grants
- A combination of the two above, as well as our loan guarantee program. These may be combined with commercial financing to finance one project if all eligibility and feasibility requirements are met.

What are the funding priorities?

Priority point system based on population, median household income

- Small communities with a population of 5,500 or less
- Low-income communities having a median household income below 80% of the state nonmetropolitan median household income.

What are the terms?

Funding is provided through a competitive process.

Direct Loan:

- Loan repayment terms may not be longer than the useful life of the facility, state statutes, the applicants authority, or a maximum of 40 years, whichever is less.
- Interest rates are set by Rural Development, contact us for details and current rates.
- Once the loan is approved, the interest rate is fixed for the entire term of the loan, and is determined by the median household income of the service area.
- There are no pre-payment penalties.
- Contact us for details and current interest rates applicable for your project.

Grant Approval:

Grant funds must be available. Applicant must be eligible for grant assistance, which is provided on a graduated scale with smaller communities with the lowest median household income being eligible for projects with a higher proportion of grant funds. Grant assistance is limited to the following percentages of eligible project costs:

Maximum of 75 percent when the proposed project is:

- Located in a rural community having a population of 5,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 60 percent of the State nonmetropolitan median household income.

Maximum of 55 percent when the proposed project is:

- Located in a rural community having a population of 12,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 70 percent of the State nonmetropolitan median household income.

Maximum of 35 percent when the proposed project is:

- Located in a rural community having a population of 20,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 80 percent of the State nonmetropolitan median household income.

Maximum of 15 percent when the proposed project is:

- Located in a rural community having a population of 20,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 90 percent of the State nonmetropolitan median household income. The proposed project must meet both percentage criteria. Grants are further limited.

Are there additional requirements?

- Applicants must have legal authority to borrow money, obtain security, repay loans, construct, operate, and maintain the proposed facilities
- Applicants must be unable to finance the project from their own resources and/or through commercial credit at reasonable rates and terms
- Facilities must serve rural area where they are/will be located
- Project must demonstrate substantial community support
- Environmental review must be completed/acceptable

How do we get started?

Contact your local RD office to discuss your specific project. Applications are accepted year round.

Who can answer questions?

Contact your local RD office.

What governs this program?

- Direct Loan: 7 CFR Part 1942, Subpart A
- Grant: 7 CFR Part 3570, Subpart A

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Emergency Community Water Assistance Grants

What does this program do?

This program helps eligible communities prepare, or recover from, an emergency that threatens the availability of safe, reliable drinking water.

The following events qualify as an emergency:

- Drought or flood
- Earthquake
- Tornado or hurricane
- Disease outbreak
- Chemical spill, leak, or seepage
- Other disasters

NOTE: A federal disaster declaration is not required.

Who may apply for this program?

- Most State and local governmental entities
- Nonprofit organizations
- Federally recognized Tribes

What is an eligible area?

- Rural areas and towns with populations of 10,000 or less – check eligible addresses
- Tribal lands in rural areas
- Colonias

The area to be served must also have a median household income less than the state's median household income for non-metropolitan areas. Contact your local RD office for details.

How may funds be used?

- Water transmission line grants up to \$150,000 to construct waterline extensions, repair breaks or leaks in existing water distribution lines, and address related maintenance necessary to replenish the water supply
- Water source grants up to \$1,000,000 to construct a water source, intake or treatment facility

Are matching funds required?

Partnerships with other federal, state, local, private, and nonprofit entities are encouraged.

How do we get started?

- Applications for this program are accepted year round online at <https://www.rd.usda.gov/programs-services/rd-apply> or through your local RD office.
- Program Resources are available online (forms, guidance, certifications, etc.).

Who can answer questions?

- Staff in your local RD office.
- Participating nonprofit associations

What law governs this program?

- Code of Federal Regulation, 7 CFR 1778
- Section 306A of the Consolidated Farm and Rural Development Act

“Why does USDA Rural Development do this?”

This program helps prevent damage or restore households and business' access to clean, reliable drinking water in eligible rural areas and towns following natural disasters. Funding can improve the natural environment and encourage manufacturers and other businesses to locate or expand operations.

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