



United States
Department of
Agriculture

Rural Development



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WEP Basic Training February 23, 2021

Introduction and Welcome!

- **About Rural Development**

- Housing, Business, and Community Programs
- Jurisdiction, Office Locations and Staff Organization
 - **CT:** Norwich & Windsor
 - **MA:** Amherst, Hadley, Holden, & Wareham
 - **RI:** Warwick



- **USDA RD RUS Program: Water and Environmental Programs (WEP)**

- Provides loans, grants & loan guarantee for rural water/wastewater facilities
- Funds Technical Assistance provided for support and training

Eligibility, Who's In and Who's Out

Who is eligible to apply for Rural Development assistance?

1. Most State and Local governmental entities (Districts, Public Bodies, etc.)
2. Private Non-Profits
3. Federally-recognized Tribes

What areas or locations are eligible for WEP?

1. Rural areas and towns with fewer than 10,000 people (Check eligible addresses on the website or with RD Specialists)
2. Tribal reservation, if Tribe is Federally recognized



Eligible APPLICANT...? Check!
Eligible AREA...? Check!
Now, what can WEP funds be used for?

To Acquire, Construct or Improve:

- Drinking water sourcing & treatment
- Drinking water storage & distribution
- Sewer collection, transmission, treatment & disposal
- Solid waste collection, disposal & closure
- Storm water collection, transmission & disposal

In some cases for...

- Legal & Engineering Fees
- Permits & Equipment
- Start-up Operations & Maintenance
- Purchases of existing facilities to improve service
- Interest during construction (RI/CT ONLY!)

Allocations for Direct Loans and Grants

FOR LOANS FY20:

- MA = \$11,403,000*
- CT = \$11,676,000
- RI = \$6,942,000

Total \$30,021,000 SNE

FOR GRANTS FY20:

- MA = \$3,444,000*
- CT = \$3,527,000
- RI = \$2,087,000

Total \$9,058,000 SNE

*FY 2021 Allocation not yet available



Estimated Interest Rates for Q1 2021!

Market	Intermediate	Poverty
2.125%	1.75%	1.25%

What about Loan Term and Rate?

- Up to a 40 Year term
 - Based on the Useful Life of the facilities financed
- Fixed Interest Rate, Depends on...
 - Need for project
 - Median Household Income (MHI)

What about Grants?

- Always subject to availability!
- Depends on...
 - System Rates are above similar systems
 - Projects are necessary to alleviate a health and sanitary issue and the service area has an MHI below the State's non-metro MHI (Poverty rates may also be utilized)

**Note: Projects will never be eligible for 100% grant funding unless the ECWAG program is being utilized*

Planning Grant Programs

SEARCH/PPG

Program Highlights

- Purpose
 - assist low-income communities with initial planning and development of applications
- Eligible Areas
 - rural areas and towns with populations of 10,000 (PPG)/2,500 (SEARCH) or less
 - median household income below the poverty line or less than 80% of statewide non-metropolitan median household income
- Eligible Uses Include
 - Feasibility studies
 - Preliminary design and engineering analysis
 - Technical assistance for the development of an application for financial assistance
- Grant Terms
 - may not be used to pay for work already completed
 - grants do not have to be paid back if the connected loan/grant application is not successful
 - SEARCH: Max grant amount \$30,000 or 75% eligible costs, whichever is less. Match required
 - PPG: Max grant amount \$30,000 or 100% of eligible costs. No match required

Loan or Grant Consideration...

Red Flags to Watch for!

- Did the borrower experience a loss in the last 3 years on their audit?
- Are the revenues broken out by system?
- Do they have legal authority to construct, operate, and maintain the proposed facilities and/or services?
- Will the project be used for a public purpose?

Contact us to set up a teleconference or site visit with you and the applicant!

- Contact: Joseph Delbove



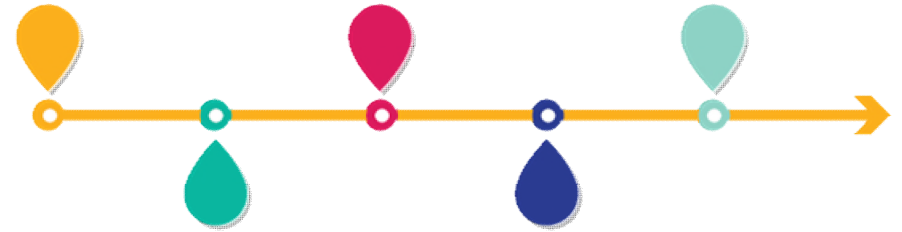
RD Apply

What is RD apply?

- RD Apply is the new system that allows an applicant to apply for our programs online!
 - Technical Assistance Providers and Engineers can set up e-Authentication and help applicants fill out the online application.

Application Timeline

- Typical turn around time with pre-applications is 2 – 3 weeks, with whether or not to proceed to full application or not.
- From a full application, 1 – 2 months. Depending on National Office review.
- Off season applications are best! (October – February)



Thank You!



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