



USDA Rural Development Funding for Rural Sewer Systems

Community Programs

- Community Facilities (town halls, fire halls, DPW buildings, fire trucks, police cars, libraries, etc.)
- Water & Waste (water & sewer projects)

USDA Water & Sewer website -

http://www.rurdev.usda.gov/UWEP_HomePage.html

USDA Community Facilities website -

http://www.rurdev.usda.gov/HCF_CF.html

Community Programs

- Community Facilities: eligible applicants include:
 - Public bodies, non-profits, & tribes located in communities or a service area less than 20,000 population.
- Water & Waste: eligible applicants include:
 - Public bodies, tribes, non-profits located in communities or a service area less than 10,000 population.
- Community Facilities Programs:
 - Direct loan program
 - 20,000 population limit
 - 3.375% fixed interest rate, updated quarterly
 - Loan terms up to 40 years, dependent upon useful life of facility
 - No prepayment penalties
 - Loan amounts dictated by repayment ability
- Water/Sewer Programs (WEP):
 - **Direct Loans and Grants**
 - Funds may be used for new systems, rehabilitation of existing systems, and storm sewer separation.
 - 10,000 population limit
 - Grant funds are used to keep user rates at an affordable level based upon 1.5% of the MHI of the service area.
 - 3 tiers of interest rates, which change on a quarterly basis
 - No prepayment penalties or call periods
 - Up to 40 year term

Single Family Housing

- Section 504 Home Repair Program
- Home repairs including
 - Wells/Septic Repairs/Replacements
 - Roofing
 - Interior plumbing/electrical
 - Exteriors/Windows/Siding
- Statewide Michigan RD obligated \$1,000,000 in grants
 - About 200 grants
- Statewide Michigan RD obligated \$1,000,000 in loans
 - About 200 loans
- Many states don't utilize their allocation so we could do more



UNITED STATES
DEPARTMENT OF
AGRICULTURE

504 SINGLE
FAMILY HOUSING
HOME REPAIR
PROGRAM

Fiscal Year 2019 Community Programs Obligations

Community Facilities

Direct Loan - \$24,035,509

Direct Grant - \$1,854,904

31 police/fire/emergency vehicles, 13 DPW trucks/snowplows/loaders, 5 fire stations/twp halls/medical facilities, 24 other equipment

Water and Sewer

Direct Loan - \$78,183,000

Direct Grant - \$28,764,000

28 water and sewer projects, 177% of loan allocation, 230% of grant allocation

Water and Sewer Interest Rates Jan 1, 2020 – Mar 31, 2020

- Poverty Interest Rate
 - MHI of less than \$41,678 with a third-party documented violation of a health or sanitary standard 1.625%
- Intermediate
 - MHI between \$41,678 - \$52,097 2.25%
- Market
 - MHI over \$52,097 2.75%

Grants for Planning

- Water/Sewer Programs:
 - Predevelopment Planning Grants (PPG)

Funding Limit - \$30,000 or 75% of the project cost, whichever is less.

Available to communities under population of 10,000

Restricted to communities with MHI below 80% of SNMHI or \$41,678

Grant pays for the costs associated with developing a complete application

Applicants must prove that they are unable to pay these development costs on their own.

PPG funds cannot be used to pay for work already completed.

Costs incurred prior to grant approval will not be considered eligible.

Grants for Planning Continued and 306C

- Water/Sewer Programs:
 - Special Evaluation Assistance for Rural Communities and Households (SEARCH)

Same grant eligibility parameters as PPG

Funding Limit - \$30,000 or 100% of the project cost, whichever is less.

Available to communities under population of 2,500

- Water/Sewer Programs:
 - Section 306C Water and Waste Disposal Grants

These funds have been set aside for eligible projects that benefit members of Federally Recognized Native American Tribes. Residents of the rural area to be served must face significant health risks due to the fact that a significant proportion of the community residents do not have access to, or are not served by, adequate, affordable, water and/or waste disposal systems. Documentation to support the poor sanitary waste disposal and health risks should be provided to USDA. Water and waste disposal systems can obtain up to 100 percent grants to construct basic drinking water, sanitary sewer, solid waste disposal and storm drainage. Also, under this program, the systems can obtain funds to provide grant assistance directly to individuals to install necessary indoor plumbing like bathrooms and pay other costs of connecting to the system.

Funding Limit - \$2,000,000 per project

Other Funding Partners and Miscellaneous Items

- LEVERAGING – Funds from other sources including, but not limited to:

CDBG

SRF/DWRF

MDOT

DDA/TIFA

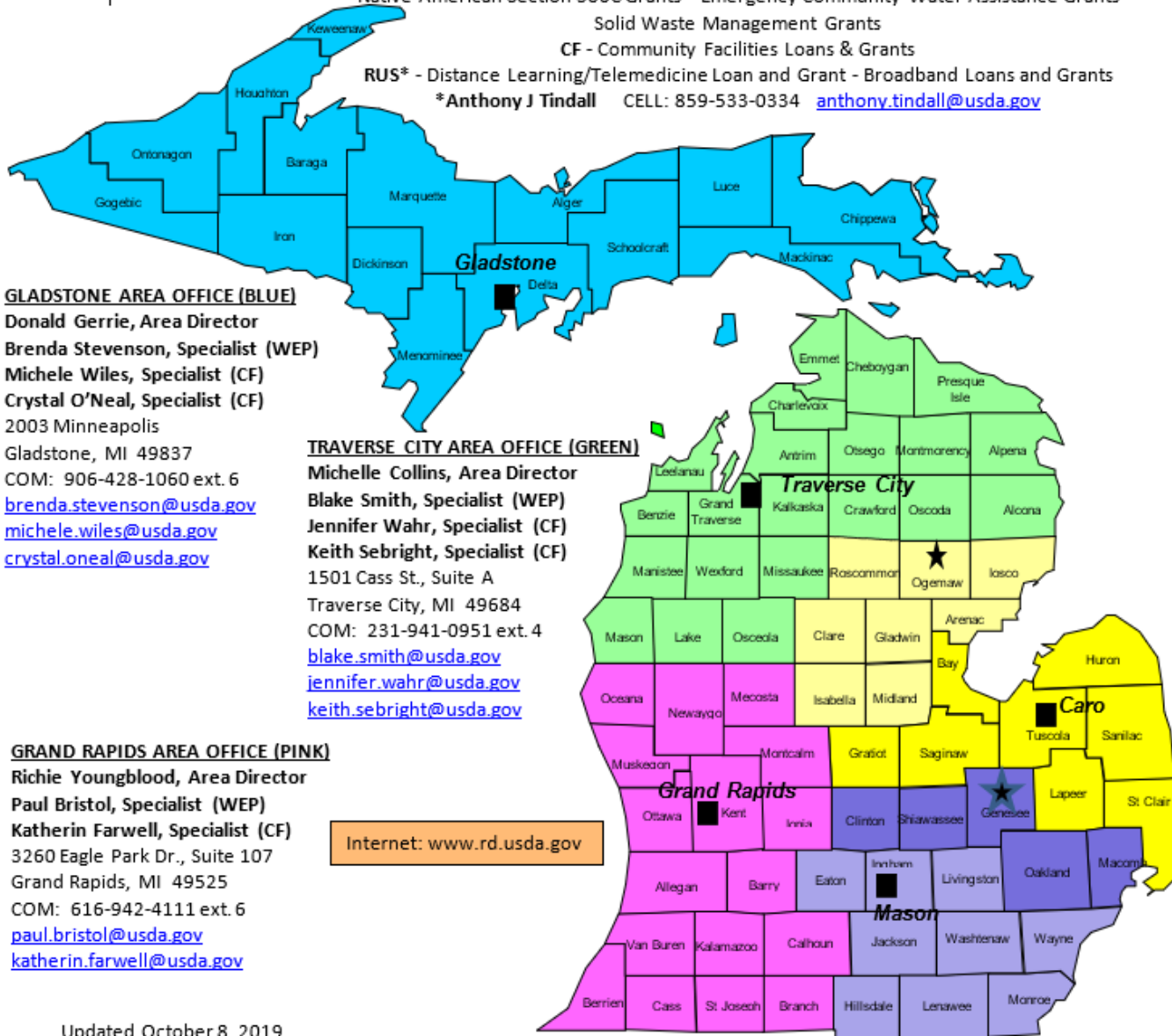
Applicant's general and/or enterprise funds

- The percentage of leveraging may give your project priority over another project by assigning additional priority points!
- Rural Development accepts applications year round and can fund projects any time, subject to funding availability and approval of funding allocations.
- If project is not selected for funding, the project remains on our application list until withdrawn by the applicant.
- For those pending applications, it is strongly suggested that either the applicant or the engineer keep us informed on any changes of project scope and amount of funds needed.
- Rural Development projects funded with our regular allocation are not required to comply with Davis Bacon.

USDA – RURAL DEVELOPMENT COMMUNITY PROGRAMS

Community Facilities (CF) and Water/Sewer (WEP)

WEP - Water/ Wastewater Disposal Loans/Grants – Predevelopment Planning/SEARCH Grants
 Native American Section 306C Grants - Emergency Community Water Assistance Grants
 Solid Waste Management Grants
CF - Community Facilities Loans & Grants
RUS* - Distance Learning/Telemedicine Loan and Grant - Broadband Loans and Grants
 *Anthony J Tindall CELL: 859-533-0334 anthony.tindall@usda.gov



GLADSTONE AREA OFFICE (BLUE)

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 Brenda Stevenson, Specialist (WEP)
 Michele Wiles, Specialist (CF)
 Crystal O'Neal, Specialist (CF)
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GRAND RAPIDS AREA OFFICE (PINK)

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 Mary Capizzo, Specialist (Dk Purple)
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mary.capizzo@usda.gov

Rural Community Assistance Program Help

- RCAP can prepare SHPO applications, Environmental Reports (Assessments) and can assist borrowers with publication of NOA's and FONSI's.
- Other services include:
 - Borrower income surveys if approved by RD
 - Rate Analysis
 - RDApply training and assistance for applicants
 - Vulnerability Assessments/Emergency Response Plans
 - Application Assistance
- These services are typically at no cost for the borrower.
- Other services are available on a fee-for-service basis.

Leo Dion

Senior Rural Development Specialist

Traverse City

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Lisa Fought

Senior Rural Development Specialist

Harbor Springs

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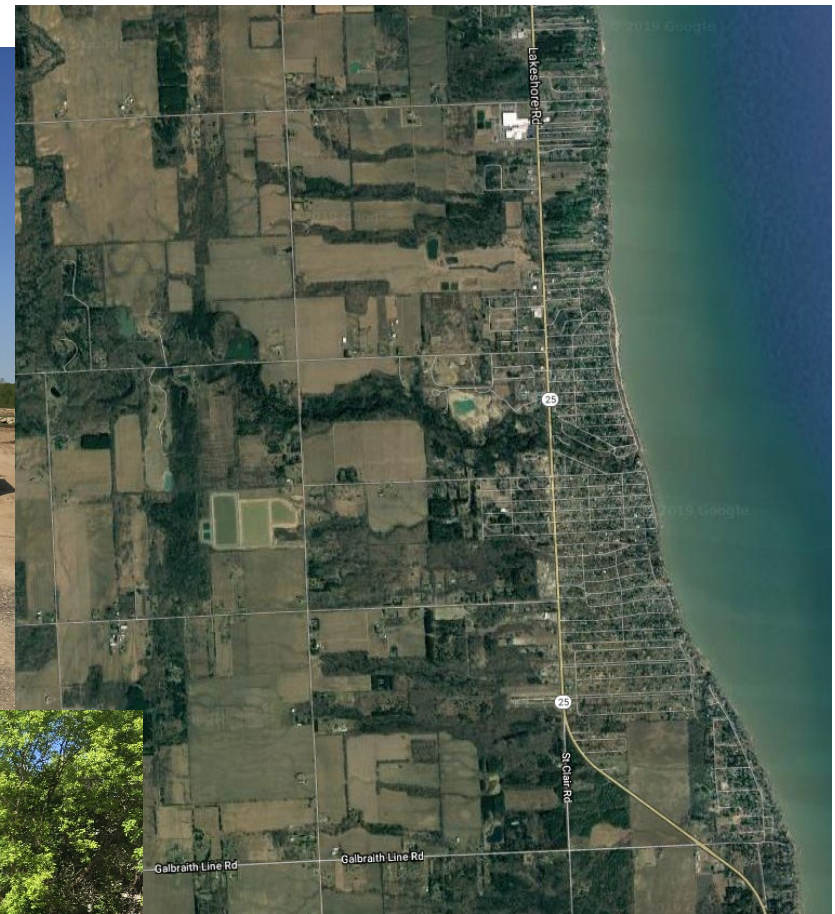
Forsyth Township/Gwinn Water & Sewer

- Started out as a water project but SAW grant identified sewer issues
- \$5,487,441 construction contract
- Obligated \$4,900,000 water August, 2011
- Obligated \$1,900,000 sewer February, 2015.
- Substantially complete May, 2016.



Sanilac County/Worth Township Sewer

- Sanilac Co. Worth Township Sewer
- Over 1700 new sewer customers, 6 lift stations, 24 miles of sewer, 5 cell lagoon.
- 5 contracts totaling \$33,923,495
- Obligated funds 8/2/13 and 7/13/17, started Fall 2017, complete Spring 2019.



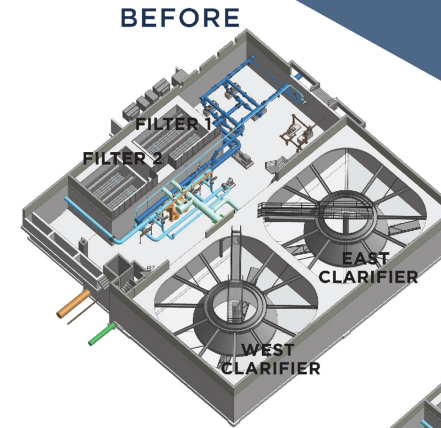
Ludington Water Treatment Plant

- Total Project Cost \$9,817,000
- Funding obligated July 5, 2016
- Upfront procurement of treatment equipment July and August, 2016
- Prime contract bid Sept. 13, 2016
- Loan Closing/Preconstruction Meeting October 18, 2016.
- First milestone pretreatment complete by May 1, 2017.
- Plant maintained operation during entire project.
- Substantial Completion Prefinal Inspection October 10, 2018.
- Plant filter capacity increased from 8 MGD to 12.8 MGD within same footprint.

LUDINGTON WATER TREATMENT PLANT IMPROVEMENTS

OWNER:
CITY OF LUDINGTON
LUDINGTON, MI

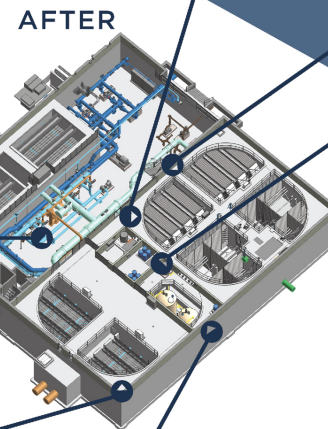
ENGINEERING FIRM:
FISHBECK, THOMPSON, CARR & HUBER
GRAND RAPIDS, MI



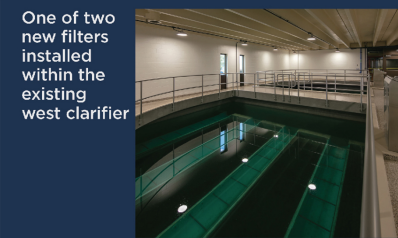
High-rate sedimentation system with inclined plate settlers



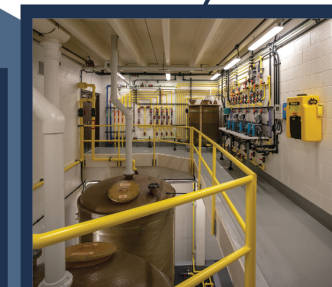
The pretreatment equipment was arranged in two complete treatment trains to meet the total combined capacity of 8 MGD.



New filter transfer pumps and associated piping serving the new filters



One of two new filters installed within the existing west clarifier



Sodium hypochlorite equipment was relocated where it is closer to the process feed points and more accessible to operators.

The City of Ludington retained Fishbeck to increase the capacity of their water treatment plant to 8 million gallons per day (MGD). The plant had been downrated by the Michigan Department of Environmental Quality to 3.2 MGD because it did not have an adequate number of filters to meet current design standards. Fishbeck's innovative approach replaced the existing clarifiers with a high-rate pretreatment system, which provided the needed capacity in the space of only one existing clarifier. The other clarifier was retrofitted with two new filters and chemical feed equipment. Fishbeck's design more than doubled the plant's capacity within the existing footprint, with additional filter capacity to allow future expansion on the same site.

Section 504 Home Repairs

- Section 504 loan and grant eligibility has income limits based on family size and what county (typically very low income).
- There are maximum property market value limits as well.
- Loan funds are available to repair improve, modernize, remove health & safety hazards, and/or remodel for disabled accessibility.
- Home must have access to its own water & waste and located on a publicly maintained road.
- Must own and occupy the dwelling as a primary residence.
- Must be a U.S. citizen.
- Must have legal capacity to incur a debt obligation.
- No manufactured home community homes.
- Loans are up to \$40,000 at 1% for twenty year term.
- Lifetime grant assistance of \$10,000 for applicants over 62.
- A mortgage is required for all loans over \$7,500.
- Grants must be repaid if ownership changes within 3 years of grant approval.

UNITED STATES
DEPARTMENT OF
AGRICULTURE

504 SINGLE
FAMILY HOUSING
**HOME REPAIR
PROGRAM**



STATE OFFICE

3001 Coolidge Rd., Suite 200
East Lansing, MI 48823

COM: (517) 324-5210 TDD: (517) 324-5200

[http://www.rd.usda.gov/programs-services/
single-family-housing-repair-loans-grants/mi](http://www.rd.usda.gov/programs-services/single-family-housing-repair-loans-grants/mi)

Section 504 Details

- Income limits for loans
- Maximum property value limits

504 LOAN INCOME LIMIT PER FAMILY SIZE

FAMILY SIZE	1 – 4	5—8
Allegan	\$36,050	\$47,600
Antrim	\$30,800	\$40,700
Barry	\$35,750	\$47,200
Bay	\$30,550	\$40,350
Benzie	\$31,950	\$42,200
Berrien	\$33,250	\$43,900
Calhoun	\$32,100	\$42,400
Cass	\$31,350	\$41,400
Charlevoix	\$32,700	\$43,200
Clinton	\$37,150	\$49,050
Eaton	\$37,150	\$49,050
Emmett	\$34,000	\$44,900
Grand Traverse	\$38,750	\$51,150
Ingham	\$37,150	\$49,050
Ionia	\$31,000	\$40,950
Isabella	\$31,900	\$42,150
Jackson	\$32,300	\$42,650
Kalamazoo	\$36,950	\$48,800
Kent	\$38,300	\$50,600
Lapeer	\$38,150	\$50,400
Leelanau	\$37,700	\$49,800
Lenawee	\$39,050	\$51,500
Livingston	\$51,200	\$67,600
Macomb	\$38,150	\$50,400
Marquette	\$34,600	\$45,700
Midland	\$37,300	\$49,250
Monroe	\$39,500	\$52,150
Muskegon	\$31,050	\$40,950
Oakland	\$38,150	\$50,400
Otsego	\$30,800	\$40,700
Ottawa	\$42,000	\$55,450
Saginaw	\$31,800	\$42,000
Shiawassee	\$32,400	\$42,800
St. Clair	\$38,150	\$50,400
Van Buren	\$36,950	\$48,800
Washtenaw	\$50,600	\$66,800
Wayne	\$38,150	\$50,400
All other	\$30,550	\$40,350

MAXIMUM PROPERTY MARKET VALUE

Alcona, Alger, Allegan, Alpena, Antrim, Arenac, Baraga, Barry, Bay, Berrien, Branch, Calhoun, Cass, Cheboygan, Chippewa, Clare, Clinton, Crawford, Delta, Dickinson, Eaton, Emmet, Genesee, Gladwin, Gogebic, Gratiot, Hillsdale, Houghton, Huron, Ingham, Ionia, Iosco, Iron, Isabella, Jackson, Kalamazoo, Kent, Keweenaw, Lake, Lapeer, Luce, Mackinac, Macomb, Manistee, Marquette, Mason, Mecosta, Menominee, Midland, Missaukee, Monroe, Montcalm, Montmorency, Muskegon, Newaygo, Oceana, Ogemaw, Ontonagon, Osceola, Oscoda, Otsego, Ottawa, Presque Isle, Roscommon, Saginaw, Sanilac, Schoolcraft, Shiawassee, St. Clair, St. Joseph, Tuscola, Van Buren, Wayne and Wexford Counties
\$251,862

Benzie, Charlevoix, Grand Traverse, Kalkaska, Leelanau and Lenawee Counties
\$253,000

Oakland County
\$254,000

Livingston County
\$267,000

Washtenaw County
\$297,000



Rural Development

Section 504 Details cont'd.

- Income limits for grants are lower than for loans.
- Loans are originated out of 8 offices statewide
 - Contact information provided.

PURPOSE

The Section 504 loan and grant program helps very low-income homeowners repair and modernize their homes.

HOW CAN FUNDS BE USED?

Loan funds are available to repair, improve, modernize, remove health and safety hazards, and/or remodel dwellings to make them accessible to household members with disabilities.

Grant funds are available to remove health or safety hazards, and/or remodel dwellings to make them accessible to household members with disabilities.

PROPERTY REQUIREMENTS

The property must be in an eligible rural area. Maps indicating eligible areas are located on the website below:

- <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAction=sfp&NavKey=property@11>

Property requirements include, but are not limited to the following guidelines:

- Must not be income producing, no in-ground swimming pool, no active farm structures.
- The home can not be located in a manufactured home community.
- Property must have access to its own water & waste utilities and located on a publicly maintained road.
- Value of property cannot exceed the Maximum Property Market Value.

WHAT ARE THE TERMS?

The loan program offers up to \$40,000 at a 1% interest rate and a 20 year term.

The grant program offers up to \$10,000 of lifetime assistance.

ELIGIBILITY REQUIREMENTS

- Must own and occupy the dwelling as a primary residence
- U.S Citizen or qualified alien status.
- Must have adequate / dependable income and acceptable credit to qualify for a loan
- Must be 62 years or older to be eligible for grant assistance
- Must have household income that does not exceed the very low income guidelines. Please refer to the Income Limit Per Family Size chart on the back of the brochure
- Must have legal capacity to incur debt obligation
- Other restrictions may apply

WHERE CAN I APPLY?

Contact the office that serves the county you want to purchase a home in

Caro Office – (989) 673-8173, Ext. 4
1075 Cleaver Road, Caro, MI 48723
(Bay, Gratiot, Huron, Lapeer, Saginaw, Sanilac, St. Clair and Tuscola counties)

Flint Office – (810) 230-8766, Ext. 4
1525 North Elms Road, Flint, MI 48532
(Clinton, Genesee, Macomb, Monroe, Oakland, Shiawassee and Wayne counties)

Grand Rapids Office – (616) 942-4111, Ext. 6
3260 Eagle Park Drive, Ste 107, Grand Rapids, MI 49525
(Ionia, Kent, Mecosta, Montcalm, Muskegon, Newaygo, Oceana and Ottawa counties)

Mason Office – (517) 676-4644, Ext. 4
525 N. Okemos Street, Ste B, Mason, MI 48854
(Eaton, Hillsdale, Ingham, Jackson, Lenawee, Livingston and Washtenaw counties)

Paw Paw Office – (269) 657-7055, Ext. 4
1035 E. Michigan Avenue, Paw Paw, MI 49079
(Allegan, Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph and Van Buren counties)

Sault Ste. Marie Office – (906) 632-9611, Ext 4
2847 Ashmun, Sault Ste. Marie, MI 49783
(Alger, Baraga, Cheboygan, Chippewa, Delta, Dickinson, Emmet, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinaw, Marquette, Menominee, Ontonagon, Presque Isle and Schoolcraft counties)

Traverse City Office – (231) 941-0951, Ext. 4
1501 Cass Street, Ste A, Traverse City, MI 49684
(Alcona, Alpena, Antrim, Benzie, Charlevoix, Crawford, Grand Traverse, Kalkaska, Lake, Leelanau, Manistee, Mason, Missaukee, Montmorency, Osceola, Oscoda, Otsego and Wexford counties)

West Branch Office – (989) 345-5470 Ext. 4.
240 W. Wright Street, West Branch, MI 48661
(Arenac, Clare, Gladwin, Iosco, Isabella, Midland, Ogemaw and Roscommon counties)

WHAT SECURITY IS REQUIRED?

A mortgage is required for all loans of \$7,500 or more. The agency does not require a first lien position, but the total of all debts secured by the property must not exceed the property's market value.

Grants do not require a security instrument, but must be repaid if ownership changes within 3 years of grant approval.

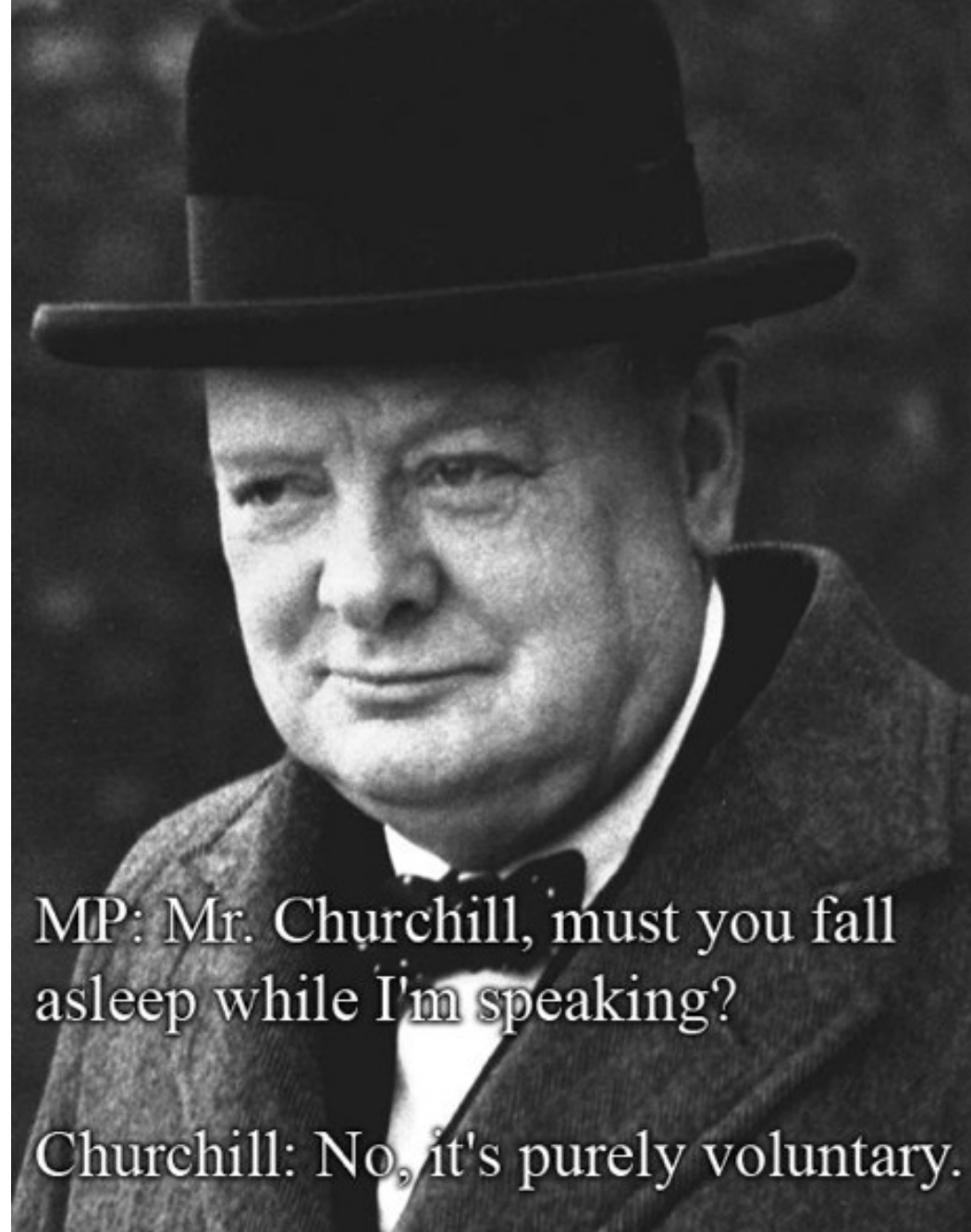
504 GRANT ONLY INCOME LIMIT PER FAMILY SIZE

FAMILY SIZE	1	2	3	4
Allegan	\$15,150	\$17,300	\$19,450	\$21,650
Antrim	\$12,950	\$14,800	\$16,650	\$18,500
Barry	\$15,050	\$17,150	\$19,300	\$21,450
Bay	\$12,850	\$14,650	\$16,500	\$18,350
Benzie	\$13,450	\$15,350	\$17,300	\$19,150
Berrien	\$14,000	\$15,950	\$17,950	\$19,950
Calhoun	\$13,500	\$15,400	\$17,350	\$19,250
Cass	\$13,150	\$15,050	\$16,950	\$18,800
Charlevoix	\$13,750	\$15,700	\$17,650	\$19,600
Clinton	\$15,650	\$17,850	\$20,050	\$22,300
Eaton	\$15,650	\$17,850	\$20,050	\$22,300
Emmett	\$14,300	\$16,300	\$18,350	\$20,400
Grand Traverse	\$16,300	\$18,600	\$20,950	\$23,250
Ingham	\$15,650	\$17,850	\$20,050	\$22,300
Ionia	\$13,000	\$14,900	\$16,750	\$18,600
Isabella	\$13,400	\$15,350	\$17,250	\$19,150
Jackson	\$13,600	\$15,500	\$17,450	\$19,400
Kalamazoo	\$15,550	\$17,750	\$20,000	\$22,150
Kent	\$16,100	\$18,400	\$20,700	\$23,000
Lapeer	\$16,050	\$18,350	\$20,600	\$22,900
Leelanau	\$15,850	\$18,100	\$20,350	\$22,600
Lenawee	\$16,400	\$18,700	\$21,050	\$23,450
Livingston	\$21,500	\$24,600	\$27,650	\$30,700
Macomb	\$16,050	\$18,350	\$20,600	\$22,900
Marquette	\$14,550	\$16,600	\$18,700	\$20,750
Midland	\$15,700	\$17,900	\$20,150	\$22,400
Monroe	\$16,600	\$18,950	\$21,350	\$23,700
Muskegon	\$13,000	\$14,900	\$16,750	\$18,650
Oakland	\$16,050	\$18,350	\$20,600	\$22,900
Otsego	\$12,950	\$14,800	\$16,650	\$18,500
Ottawa	\$17,650	\$20,150	\$22,700	\$25,200
Saginaw	\$13,400	\$15,250	\$17,200	\$19,100
Shiawassee	\$13,600	\$15,550	\$17,500	\$19,450
St. Clair	\$16,050	\$18,350	\$20,600	\$22,900
Van Buren	\$15,550	\$17,750	\$20,000	\$22,150
Washtenaw	\$21,250	\$24,300	\$27,350	\$30,350
Wayne	\$16,050	\$18,350	\$20,600	\$22,900
All other	\$12,850	\$14,650	\$16,500	\$18,350

Questions? Comments?

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MP: Mr. Churchill, must you fall asleep while I'm speaking?

Churchill: No, it's purely voluntary.