



# Area III Community Facilities Program

USDA Rural Development – Virginia

*USDA Rural Development is committed to helping improve the economy and quality of life in rural America. Through our programs, we help rural Americans in many ways. Together, America Prospers.*



**Water and Environmental Programs**



**Telecommunications**



**Disaster Assistance**



**Community Programs**



**Energy Programs**



**Housing Programs**



**Electric Programs**



**ReConnect**



**Business Programs**

# Community Facilities Programs

- Our Community Facilities (CF) Program provides direct loans, grants and loan guarantees to support rural infrastructure.
- CF provides affordable funding for the development of **essential community facilities** in rural areas.
  - Examples: Health care clinics, Adult & childcare centers, Rehabilitation centers, Drug addiction centers.

# Community Facilities Programs - Eligibility

- An applicant must be:
  - A public body
  - A Not-for-profit Corporation
  - Federally Recognized Tribes
- Project must be located in a town/city with a population of:
  - 20,000 or less residents for a direct loan and/or grant
  - 50,000 or less residents for guaranteed loans.
- Other stipulations as outlined in the handout.

# Eligible Loan & Grant Purposes

- Purchase of:
  - Existing Facilities
  - Vehicles or Equipment
- Construction, expansion or renovations to essential community facilities
- Project related costs
- Technical services
- Soft costs

Fees must be reasonable and necessary

# Direct Loan Rate & Terms & Grant Information

- Fixed interest rates change quarterly
- Terms
  - New construction or renovations – Maximum of 40 years
  - Equipment – Based on useful life of asset
- Grant funds are very limited and offered to eligible entities that do not have the capacity to repay a loan.
  - RD can offer up to a \$50,000 grant for equipment purchases.

# Community Facilities Programs – Interim Financing for Direct Loan

- Interim financing is required for construction loans greater than \$500,000.
  - RD will review and approve the Lender's interim finance terms.
  - Once construction is complete, RD will close its permanent financing and pay off the interim loan.

# Community Facilities Programs – Guarantee Program

- Loan guarantees are provided to eligible private lenders to assist essential community facilities in rural areas.
  - Maximum guarantee for FY 2022 is 80%.
  - Maximum amount of a guaranteed loan is \$100,000,000.



# Examples of Community Facilities Projects

# Generations Crossing

- Non-Profit Adult and Child Day Care Center
- Newly Constructed 10,000 sq. ft facility
  - Supports 30 Full Time Adults
  - 112 Children (from Infancy to Age 9)
  - Before and After -School Care
- Total Project Cost: **\$2,100,000.00**
- USDA-RD Loan \$1,300,000
- USDA-RD Grant \$50,000
- Applicant Contribution \$750,000



# Washington Volunteer Fire & Rescue

- Washington VFR updated their fleet by acquiring new fire trucks and rescue vehicles. The new fleet allows them to respond timely to fire and medical emergencies within the town and surrounding areas.
- Total Project Cost: **\$452,156**
- USDA-RD Loan **\$170,000**
- FEMA Grant **\$237,500**
- Applicant Contribution **\$44,656**



# Culpeper Airport Hangars

- RD collaborated with the Federal Aviation Administration (FAA) to provide funding to assist Culpeper County to construct 3 new airport hangar units.

• Total Project Cost:	<b>\$4,741,000</b>
• USDA-RD Loan	\$2,650,000
• Virginia Dept. of Aviation Grant	\$1,725,000
• Applicant Contribution	\$366,100



# CF Loan/Grant Summary – FY22

	<u>Loans/ Grants</u>	<u>Funding</u>
Community Facilities Loans	<b>29</b>	<b>\$31,468,000</b>
Community Facilities Grants	<b>51</b>	<b>\$9,108,000</b>

## Area Office Contact Information

**Steven Davis, Area Director**

**540-534-3064**

[Steven.Davis@usda.gov](mailto:Steven.Davis@usda.gov)

**Cyndy Leonard, Area Specialist**

**540-534-3060**

[Cynthia.Leonard@usda.gov](mailto:Cynthia.Leonard@usda.gov)

**Daniel Wanamaker, Area Specialist**

**540-317-7734**

[Daniel.Wanamaker@usda.gov](mailto:Daniel.Wanamaker@usda.gov)

**Deidre Land-Koch, Loan Specialist**

**540-534-3057**

[Deidre.LandKoch@usda.gov](mailto:Deidre.LandKoch@usda.gov)

# Questions Regarding RD Community Facilities Programs?

