

News Briefs

Housing Pilot Programs

USDA Rural Development is expanding and extending two manufactured housing pilots that were implemented under the Section 502 Program in a limited number of states.

The first pilot involves financing existing manufactured homes. The second pilot involves the ownership requirement for new energy-efficient manufactured and modular homes in land-lease communities operating on a nonprofit basis.

The extension will be on a limited basis to obtain balanced and adequate regional representation that will help USDA Rural Development better gauge the impact of the pilots, which are slated to run for at least two years from the date of implementation.

For more information, please contact Trudy Teter by emailing her at Trudy.teter@wa.usda.gov.



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USDA's Guaranteed Rural Rental Housing Program

USDA Rural Development's Section 538 Program, also known as the Guaranteed Rural Rental Housing (GRRH) Program, was originally enacted by Congress in the Housing Act of 1949, along with the Section 514, 515 and 516 multifamily programs, to increase the supply of affordable rural rental housing.

Unlike USDA's other multifamily programs, which are directly funded from USDA to nonprofit or for-profit rural housing developers, the Section 538 Program focuses on partnerships between USDA and qualified lenders. Today the section 538 program provides funding guarantees for construction to permanent, acquisition rehab and or the permanent loans for affordable projects throughout rural communities nationwide.

Originally the section 538 program was developed to be used for workforce housing and Low Income Housing Tax Credits (LIHTCs) were not considered. As lenders and developers continued to explore the possible uses of this program they quickly realized



its ability to be used in conjunction with LIHTC. Lenders took notice and lender participation began to increase. The meshing of the 538 Program and LIHTC programs has provided much needed affordable financing to rural markets and has reduced the risk to both lenders and USDA.

Each fiscal year the program has received an average of \$150 million, now exceeding \$230 million in funding authority in FY17. Since the program's inception, the Section 538 Program has built and/or preserved approximately 48,000 plus affordable units nationwide.

Today, USDA Rural Development continues to improve the Section 538 Program with new tools and underwriting flexibly to make it consistent with industry standards as it pertains to the preservation and construction of affordable housing. In fact, the section 538 Guarantee has become the loan of choice in Rural Markets.

For more information, please contact Mary Traxler by calling (360) 704-7725 or email her at mary.traxler@wa.usda.gov or Ed Reynolds at 360-704-7765; benjamin.reynolds@wa.usda.gov.

USDA Seeks Applications for Value Added Grant

USDA Rural Development is accepting applications for grants to help farmers, ranchers and producer-based businesses nationwide develop new product lines through USDA's Value-Added Producer Grant (VAPG) program.

APG grants can be used to develop new products from raw agricultural products or promote new markets for established products. Veterans, socially-disadvantaged groups, beginning farmers and

ranchers, operators of small- and medium-sized family farms and ranches, and farmer and rancher cooperatives are given special priority.

The deadline to submit paper applications is January 31, 2018.

Electronic applications submitted through grants.gov are due January 24, 2018.

For information on how to apply for

these grants, see page 40987 of the August 29 Federal Register.

For additional information and assistance, contact:

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USDA Helps Spokane County Seniors Find Their Dream Home

Mac and Vicky Tibbetts needed a home and fast. They were living with family in their recreational vehicle and desperately needed to find safe and affordable housing before winter started.



Vicky and Mac Tibbetts find a home of their own in Newman Lake Washington with the help of USDA Rural Development's Direct Home Loan Program. USDA Photo by Patty Grant.

The Tibbetts learned about USDA Rural Development's Direct Home Loan Program. Also known as the Section 502 Direct Loan Program, this program assists low- and very-low-income applicants like the Tibbetts obtain decent, safe and sanitary housing in eligible rural areas by providing payment assistance to increase an applicant's repayment ability.

The program offers mortgages to build, repair, renovate, or relocate homes, or to purchase and prepare sites, including providing water and sewage facilities. They may also be used to refinance certain debts when necessary to avoid losing a home or when required to make necessary rehabilitation of a house affordable.

With the help of USDA Rural Development Housing Specialist Patty Grant, and after some time searching, the Tibbetts were able to find a house that fit their needs in Newman Lake, Spokane County, Wash.

"Previously, we were unable to buy a home because of our low income," Vicky said. "But USDA Rural Development offered us a program that allowed us to follow our dream.

"We are thankful that USDA has a program that helped us own a home of our own," she continued. "It was a long process but with Patty's help, we made it! We now have a beautiful home!"

Energy Audit & Renewable Energy Development Assistance

The Renewable Energy for America Program (REAP) Energy Audit and Renewable Energy Development Assistance Program (EA/REDA) provides assistance to agricultural producers and rural small businesses for energy audits and renewable energy technical assistance including renewable energy site assessments.

Applicants must submit separate applications for assistance, limited to one energy audit and one REDA per fiscal year.

The maximum aggregate amount of an energy audit and REDA grant in a Federal fiscal year is \$100,000. Approximately \$2 million in EA/REDA grant funding is available on an annual basis.

Eligible project costs for eligible applicants includes salaries directly related to the project, travel expenses directly related to conducting energy audits or renewa-



Solar panels installed at Dungeness Valley Creamery in Sequim, Wash., using funding through a Renewable Energy for America Program (REAP) grant.

ble energy development assistance, office supplies (e.g., paper, pens, file folders), administrative expenses, up to a maximum of 5 percent of the grant, which include but are not limited to utilities, office space, operation expenses of office and other project related equipment.

Land grant colleges and universities are referred to above as schools, public universities, and

institutions; K-12 schools are not eligible for this grant.

Applications are due by January 31, 2018.

For more information on the REAP EA/REDA Grant, please contact Randy Baird, Washington State Rural Development Energy Coordinator for Washington State by emailing randy.baird@wa.usda.gov.

Renewable Energy/Energy Efficiency Grant Deadlines

USDA Rural Development's Rural Energy for America Program (REAP) provides grant funding to agricultural producers and rural small businesses for renewable energy systems or to make energy efficiency improvements. Funds may be used for the purchase, installation and construction of renewable energy systems, such as wind, solar, and

geo thermal. Funds may also be used for the installation and construction of energy efficiency improvements, such as air conditioning, lighting, and refrigeration systems.

The deadline to submit for REAP grants \$20,000 or less is October 31st.

For additional information and assistance, contact:

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Renewable Energy For America Program Loan Guarantees

USDA Rural Development provides guaranteed loan financing and grant funding to agricultural producers and rural small businesses for renewable energy systems or to make energy efficiency improvements.

Agricultural producers with at least 50 percent of gross income

coming from agricultural operations, and small businesses in eligible rural areas may apply. Agricultural producers may be in rural or non-rural areas.

Businesses must be in an area Projects greater than \$200,000 require a technical report. Energy efficiency projects require an

energy audit or assessment. Applications for this program are accepted year round.

For more information, please contact Randy Baird, Washington State Rural Development Energy Coordinator for Washington State by emailing him at randy.baird@wa.usda.gov.

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