

Benton Rural Electric Association Receive RDLEG

USDA Rural Development awarded organizations in 14 states loans and grants to support rural infrastructure, job creation efforts and business development, including the Benton Rural Electric Association in Washington State.

The funding was provided through USDA's Rural Economic Development Loan and Grant (REDLG) program. Under this program, USDA provides zero-interest loans and grants to utilities that lend funds to local businesses for projects to create and retain employment in rural areas.

These revolving loan funds broaden the program's reach and create a multiplier effect for its impact.

Benton Rural Electric Association will use a \$750,000 loan and a \$300,000 grant to expand the wastewater treatment facility at the port of Sunnyside.

This project serves value-added agricultural processing facilities in the Pacific Northwest. With improvements made possible by this investment, 50 jobs will be created and 263 others will be saved.

Funding was awarded in 14 states including Washington.

"Our small rural businesses need first-class infrastructure to be world-class competitors in the global economy," said Ag Secretary Thomas Vilsack. "To achieve our community-based development goals, USDA is investing in the infrastructure of the rural economy by providing loans and grants to local partners who can leverage the funds with other financing for projects that have broad economic impacts."

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June is National Homeownership Month

Dear Rural Stakeholders,

Last week, Agriculture Secretary Tom Vilsack kicked-off National Homeownership Month by highlighting USDA's record delivery of single-family housing assistance to rural families and encouraging rural residents to purchase or refinance homes in rural areas.



"Since the start of USDA's single-family housing programs in 1949, USDA employees have helped nearly 3.4 million rural residents buy homes of their own," Vilsack said. "Many of these are lower-income, first-time homebuyers who are taking a step into the middle class. Homeownership is a critical step on the ladder of opportunity as it helps build equity and increase assets. Simply put, homeownership means long-term financial stability and security for these rural families."

USDA Rural Development will be highlighting National Homeownership Month with events across the Nation throughout June.

The Obama Administration housing's policies are helping to strengthen rural communities and the overall rural economy. In 2013 alone, USDA helped more than 170,000 rural residents become homeowners, investing more than \$23.4 billion in loans, grants and technical assistance to provide affordable, safe housing for rural families. In both people served and dollars, 2013 was the most successful year in the history of USDA single-family housing programs.

USDA Rural Development programs that support rural

homeownership include:

- Direct home loans for very-low-income applicants. Payment assistance is provided that can lower the loan's interest rate to as low as one percent.
- Guaranteed home loans for moderate-income families. The agency works in partnership with private-sector lenders to back the lenders' loans.
- Home repair loans and grants to help rural homeowners make improvements or repairs. Examples include making homes accessible for people with disabilities or removing health and safety hazards like poor wiring or plumbing.

Additionally, USDA is making changes to the guaranteed home loan program to help create jobs, enable more people to participate, spur new home construction and inject more capital into rural areas. The changes take effect on September 1, 2014, and include:

- Increased lender eligibility. Many small community banks and credit unions, which are currently ineligible, will be able to participate.
- Construction-to-permanent financing. Currently, only "take-out" financing is permitted once construction is complete. "Construction-to-perm" financing — also called "single close" financing — will provide funds when construction begins.

This will encourage homebuilders, lenders and borrowers to build more new homes, which is good news for the rural economy.

Mario Villanueva

Washington State Director

USDA Funding Available for Local Food Enterprises

USDA is investing in local and regional food systems, including food hubs, farmers markets, aggregation and processing facilities, distribution services, and other local food business enterprises.

Over \$48 million in loan guarantees for local food projects is now available through USDA Rural Development's Business and Industry Guaranteed Loan Program. The 2014 Farm Bill requires USDA to set aside at least five percent of B&I loan guarantees for projects that focus on local food business enterprises.

Details on how to apply for local food funding through the B&I program are available on the USDA Rural Development website.

Applications are accepted on a rolling basis. The B&I program has the authority to fund local food infrastructure in urban areas as long as the project supports farm and ranch income and expands healthy food access in underserved communities.

USDA Rural Development's B&I program provides



financial backing for rural business development in partnership with private-sector lenders. It is one of several USDA programs that help finance local foods projects.

In 2013, Rural Development supported more than 170 local food infrastructure projects — from food hubs, to scale-appropriate processing facilities, to cold storage and distribution networks. Entities eligible for B&I loan guarantees include cooperatives, non-profit organizations, corporations, partnerships or other legal entities, Indian tribes, public bodies or individuals.

Funding Available for Rehabilitation of Rural Rental Housing

USDA is seeking proposals from lenders for loans under the Guaranteed Rural Rental Housing Program. The Department plans to make up to \$150 million available. Approved applications from prior years' notices will be the first to receive funding.

Loan guarantees are available to construct, acquire and rehabilitate affordable rural rental housing. USDA will review responses submitted by eligible lenders, on the lender's letterhead, and signed by both the prospective borrower and lender. Although a complete application is not required in response to this notice, eligible lenders may submit a complete application with a response.

The response deadline is December 31, 2015. Details are on page 29159 of the Federal Register. Selected responses that develop into complete applications will normally be funded with the fiscal year funds available on the date the application is completed.

Funding Available For USDA Community Connect/DLT Programs

Funding is available for USDA Rural Development's Community Connect Grant Program, Distance Learning and Telemedicine Program, and the Public Television Station Digital Transition Grant Program.

Through the Community Connect Grant Program, USDA plans to provide up to \$13 million to fund broadband in unserved areas to support economic growth and deliver enhanced educational, health care and public safety services.

Awardees must serve an area where broadband does not exist, provide a community center with broadband access, and offer broadband service to all residential and business customers. Details are on page 29405 of the May 21st Federal Register.

USDA is also making available up to \$19.3 million in Distance Learning and Telemedicine (DLT) program grants to fund access to rural education, training and health care resources.

The DLT program finances telecommunications-enabled equipment and advanced technologies for people who live and work in rural areas. Since 2009, USDA has invested almost \$150 million in the program. These investments complement other USDA efforts to improve rural communications. Details are on page 29399 of the May 21 Federal Register.

Additionally, in the Public Television Station Digital Transition Grant Program, USDA will provide up to \$2 million as part of the Department's continued support of rural telecommunications and broadcast services. Funds can be used to acquire, lease or install equipment or software to complete the transition to digital broadcast signals. Details are on page 29409 of the Federal Register.

USDA will offer special consideration to Community Connect and Distance Learning and Telemedicine applications that contain at least one end-user site within a trust area or a Tribal jurisdictional area.

USDA Accepting Applications for IRP Program

USDA Rural development is accepting applications for its Intermediary Relending Program (IRP). Under this program, USDA lends money to economic development intermediaries (non-profits and public bodies) who re-lend it to rural businesses (ultimate recipients) that might not otherwise be able to obtain such financing.

The program supports sustainable economic development and helps

create or retain jobs in disadvantaged and remote communities. USDA encourages intermediaries to work with state and regional representatives and with other public and private organizations that can provide complementary resources. Since President Obama took office, the IRP program has created or saved an estimated 92,000 jobs.

The 2014 Farm Bill reauthorized this

program through 2018. For Fiscal Year 2014, \$18.9 million in IRP loans are available..

Details about how to apply for 2014 IRP funding are on page 28886 of the Federal Register. For 2014 RMAP funding, details are on page 28888 of the Federal Register. Application forms may be obtained from the USDA Rural Development [Washington State Office](#).

More Communities Now Qualify for Housing Programs

The Agricultural Act of 2014 (Farm Bill) makes certain additional rural areas eligible for USDA Rural Housing Programs, with provisions. USDA Rural Development maintains detailed maps on the USDA Income and Property Eligibility Site to indicate the boundaries of eligible areas and to determine whether specific properties meet the rural area requirement for USDA Rural Housing Program support. Changes to the eligible areas map based on the Farm Bill and the Consolidated Appropriations Act 2014 were released on May 6, 2014.

- Aberdeen and Hoquiam in Grays Harbor County
- Camas and Washougal in Clark County
- All of Kitsap County with the exception of the city limits of Bremerton
- Wenatchee in Chelan County
- East Wenatchee in Douglas County
- Mount Vernon in Skagit County
- Clarkston and Clarkston Heights in Asotin County
- Pullman in Whitman County
- Walla Walla and College Place in Walla Walla County

USDA Section 502 Guaranteed Loans may be made to very low, low, and moderate income households to purchase their home. Applicants apply with an Agency approved lender who will process their application and determine eligibility for the program. Lenders or applicants with questions may contact the Washington State Guaranteed Division at wa-grh@wa.usda.gov.

To determine whether a specific property is located within the boundaries of an eligible rural area, please go to the USDA Income and Property Eligibility Site. Under "Property Eligibility," select "Single Family Housing," then enter the address.

The 502 Direct loan program assists very low and low income households with the purchase, construction, or repair of a home, and provides payment assistance to make the loan affordable. The 504 Program assists very low income homeowners with repairs to their home using a one percent interest rate loan for up to 20 years.

Additional changes to eligible rural areas for USDA Rural Housing Programs are scheduled to occur on October 1, according to the Farm Bill and the 2010 Census. Certain areas previously eligible for USDA Rural Housing Programs may become ineligible on October 1, 2014, barring further Congressional action.

An income eligibility calculator and the Single Family Housing Income Limits are available at: <http://eligibility.sc.egov.usda.gov>.

More detail on the boundaries of eligible areas and the specific locations and properties to become ineligible after October 1, 2014, will be indicated on the USDA Income and Property Eligibility Site by the end of June. Those areas will be located under "Future Property Eligibility," select "Single Family Housing," then enter the address, or select

In Washington State, under the new guidelines, the following areas are eligible for USDA Rural Development housing programs, effective immediately:

a specific county to view the map for that area.

Applications for properties in areas to become ineligible on October 1, 2014, will be evaluated for funding consideration only if all required application materials are complete and fully submitted to USDA prior to October 1, 2014.

Single Family Housing Western Washington

Olympia
(360) 704-7760

Brush Prairie
(360) 883-1987, ext. 4

Port Angeles
(360) 452-8994, ext. 4

Mount Vernon
(360) 428-4322, ext. 4

Eastern Washington

Wenatchee
(509) 663-4019

Yakima
(509) 454-5740

Spokane
(509) 924-7350, ext. 115

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