

# Community Facilities Direct Loan & Grant

## What does this program do?

**This program provides affordable funding to develop essential community facilities in rural areas. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community in a primarily rural area, and does not include private, commercial, or business undertakings.**

## Who may apply for this program?

### **Eligible borrowers include:**

- **Public bodies**
- **Community-based nonprofit corporations**
- **Federally recognized Tribes**

### **What is an eligible area?**

Rural areas including cities, villages, townships, and towns including Federally recognized Tribal lands with no more than 20,000 residents according to the latest [U.S. Census Data](#) are eligible for this program.

### **How may funds be used?**

Funds can be used to purchase, construct, and/or improve essential community facilities, to purchase equipment, and to pay related project expenses.

Examples of essential community facilities include:

- Healthcare facilities such as hospitals, medical clinics, dental clinics, nursing homes, or assisted living facilities
- Public facilities such as town halls, courthouses, airport hangars, or street improvements
- Community support services such as child care centers, community centers, fairgrounds, or transitional housing
- Public safety services such as fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles, or equipment
- Educational services such as museums, libraries, or private schools
- Utility services such as telemedicine or distance learning equipment

- Local food systems such as community gardens, food pantries, community kitchens, food banks, food hubs, or greenhouses

For a complete list see Code of Federal Regulations 7 CFR, Part 1942.17(d) for loans; [7 CFR, Part 3570.62](#) for grants.

### **What kinds of funding are available?**

- Low interest direct loans
- Grants
- A combination of the two above, as well as our [loan guarantee program](#). These may be combined with commercial financing to finance one project if all eligibility and feasibility requirements are met.

### **What are the funding priorities?**

- Priority point system based on population, median household income
- Small communities with a population of 5,500 or less
  - Low-income communities having a median household income below 80% of the state nonmetropolitan median household income.

## What are the terms?

Funding is provided through a competitive process.

### Direct Loan:

- Loan repayment terms may not be longer than the useful life of the facility, state statutes, the applicants authority, or a maximum of 40 years, whichever is less.
- Interest rates are set by Rural Development, contact us for details and current rates.
- Once the loan is approved, the interest rate is fixed for the entire term of the loan, and is determined by the median household income of the service area.
- There are no pre-payment penalties.
- Contact us for details and current interest rates applicable for your project.

### Grant Approval:

Grant funds must be available. Applicant must be eligible for grant assistance, which is provided on a graduated scale with smaller communities with the lowest median household income being eligible for projects with a higher proportion of grant funds. Grant assistance is limited to the following percentages of eligible project costs:

Maximum of 75 percent when the proposed project is:

- Located in a rural community having a population of 5,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 60 percent of the State nonmetropolitan median household income.

Maximum of 55 percent when the proposed project is:

- Located in a rural community having a population of 12,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 70 percent of the State nonmetropolitan median household income.

Maximum of 35 percent when the proposed project is:

- Located in a rural community having a population of 20,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 80 percent of the State nonmetropolitan median household income.

Maximum of 15 percent when the proposed project is:

- Located in a rural community having a population of 20,000 or fewer; and
- The median household income of the proposed service area is below the higher of the poverty line or 90 percent of the State nonmetropolitan median household income. The proposed project must meet both percentage criteria. Grants are further limited.

## Are there additional requirements?

- Applicants must have legal authority to borrow money, obtain security, repay loans, construct, operate, and maintain the proposed facilities
- Applicants must be unable to finance the project from their own resources and/or through commercial credit at reasonable rates and terms
- Facilities must serve rural area where they are/will be located
- Project must demonstrate substantial community support
- Environmental review must be completed/acceptable

## How do we get started?

Contact your [local RD office](#) to discuss your specific project. Applications are accepted year round.

## Who can answer questions?

Contact your [local RD office](#).

## What governs this program?

- Direct Loan: 7 CFR Part 1942, Subpart A
- Grant: 7 CFR Part 3570, Subpart A

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**NOTE: Because citations and other information may be subject to change, please always consult the program instructions listed in the section above titled “What Governs This Program?” You may also contact your local office for assistance. You will find additional forms, resources, and program information at [rd.usda.gov](http://rd.usda.gov). USDA is an equal opportunity provider, employer, and lender.**

# Distance Learning and Telemedicine Grants

## What does this program do?

**This competitive program helps rural communities use advanced telecommunications technology to connect to each other - and the world - overcoming the effects of remoteness and low population density. We encourage you to consider projects that promote equity and economic opportunity in rural America, specifically those that advance these key priorities:**

- **Supporting health care needs stemming from the COVID-19 pandemic, and helping prepare for future pandemic events**
- **Ensuring racial equity**
- **Rebuilding our rural economy**
- **Addressing the climate crisis**

**Congress has provided USDA Rural Development \$60 million in DLT funding this fiscal year. As permitted, we also will make available any unused appropriations from prior fiscal years, and can increase funding if additional appropriations become available.**

## Who can apply for this program?

Eligible organizations that provide education or health care services through telecommunications facilities can apply including:

- State and local government organizations
- Federally-recognized Tribes
- Nonprofit organizations
- Incorporated, for-profit businesses
- Groups of eligible entities working together

## What is an eligible area?

The DLT program is targeted to rural areas with populations 20,000 or fewer.

## How can funds be used?

Funds can be used to purchase or support:

- Audio, video, and interactive video equipment
- Broadband facilities used for distance learning or telemedicine (up to a certain percentage)
- Computer hardware, network components, and software
- Instructional programming
- Limited technical assistance and instruction on how to use distance learning and telemedicine equipment

## What kinds of funding are available?

Funds are awarded through a nationally-competitive process. Currently, this is a grant-only program; there is no DLT loan or loan and grant combination.

## What are some grant requirements?

- Awards range from \$50,000 to \$1 million
- A minimum 15 percent match is required and cannot be from another federal source

## How do we get started?

- Application windows are announced periodically by the national office. Information is available at this link: <https://go.usa.gov/xzWYU>.

## Who can answer questions?

To learn more, email [dltinfo@usda.gov](mailto:dltinfo@usda.gov), or contact the Telecommunications General Field Representative that services the state in which your proposed project is located. A state-based list is available at this link: <https://go.usa.gov/xhrux>.

## What governs this program?

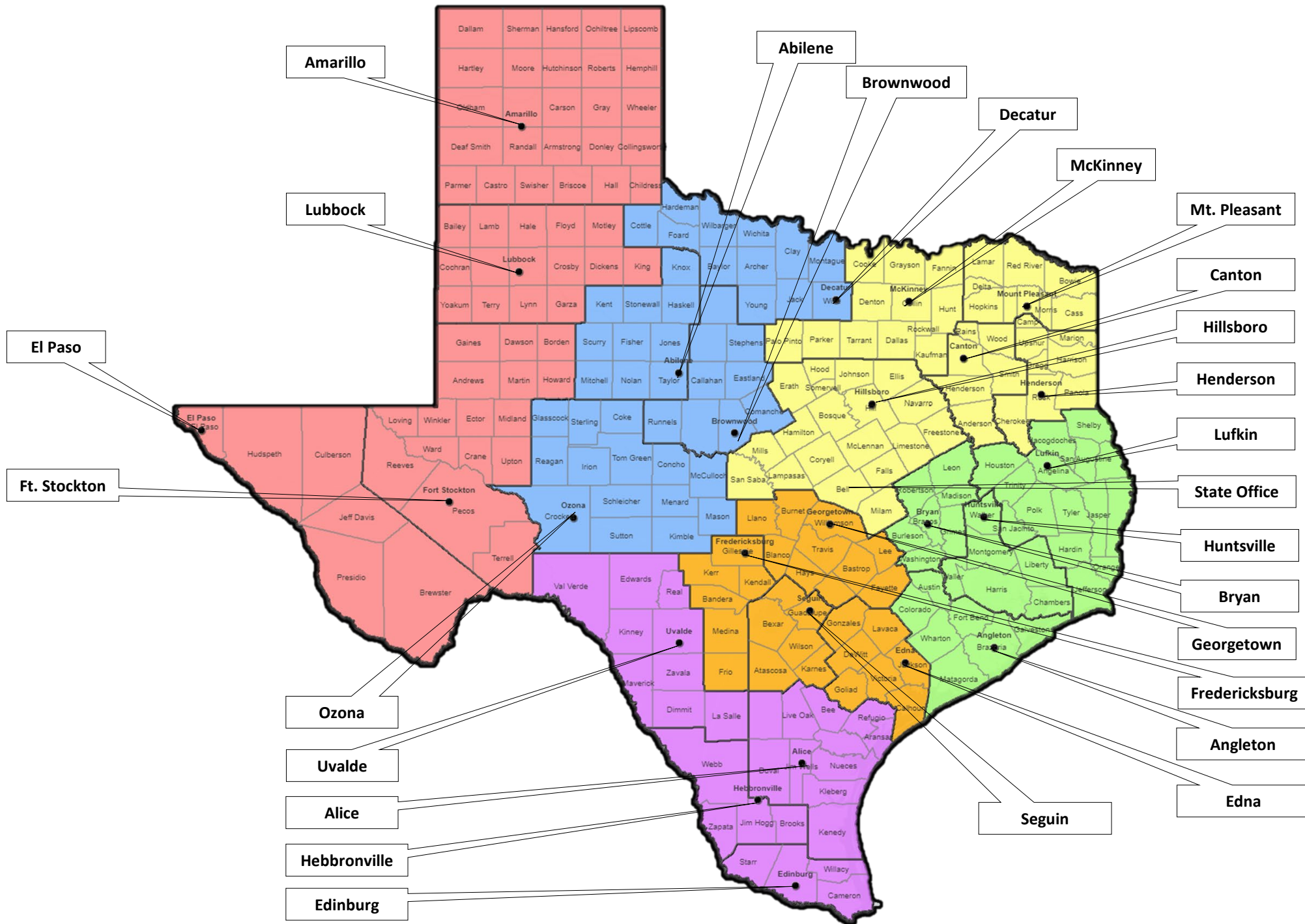
Code of Federal Regulation 7 CFR Part 1734 (available at this link: <https://go.usa.gov/xh2rE>)

## Why does USDA Rural Development do this?

The DLT grant program helps rural residents tap into the enormous potential of the internet to improve education and health care; two of the most crucial keys to successful rural economic and community development.

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- Legend:**
- 1 Clyde Jenkins
  - 2 Rick Florence
  - 3 Yolanda Collins
  - 4 Sabrina Glenn
  - 5 John Powell
  - 6 Roel Gomez

## Directors Divided by COGS

### Clyde Jenkins

- Panhandle Regional Planning Commission
- South Plains Association of Governments
- Permian Basin Regional Planning Commission
- Rio Grande Council of Governments

### Rick Florence

- Alamo Area Council of Governments
- Golden Crescent Regional Planning Commission
- Capital Area Council of Governments

### Yolanda Collins

- East Texas Council of Governments
- Ark-Tex Council of Governments
- Heart of Texas Council of Governments
- Central Texas Council of Governments
- Texoma Council of Governments
- North Central Texas Council of Governments

### Sabrina Glenn

- Brazos Valley Council of Governments
- Deep East Texas Council of Governments
- South East Texas Regional Planning Commission
- Houston-Galveston Area Council

### John Powell

- Nortex Regional Planning Commission
- West Central Texas Council of Governments
- Concho Valley of Governments
- Permian Basin Regional Planning Commission *(Only Glasscock)*
- North Central Texas Council of Governments *(Only Wise)*

### Roel Gomez

- Middle Rio Grande Development Council
- South Texas Development Council
- Lower Rio Grande Development Council
- Coastal Bend Council of Governments
- Alamo Area Council of Governments *(Only McMullen)*