







#### What does this program do?

Provides funding for clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and storm water drainage to rural communities that serve local households and businesses.



#### What is an eligible area?

- Rural areas, and cities and towns up to 10,000 in population
- Tribal lands in rural areas
- Colonias



#### Who may apply?

This program assists qualified applicants that are not otherwise able to obtain commercial credit at reasonable rates and terms. Eligible applicants include:

- Most state and local governmental entities
- Private nonprofits
- Federally recognized Tribes



#### What kinds of funding are available?

Long-term, low-interest loans. Up to 40-year payback period, based on the useful life of the facilities financed, with a fixed interest rate.

If applicant is eligible and funds are available, grants may be combined with loan if necessary to keep user costs reasonable.



#### How may funds be used?

Funds may be used to finance the acquisition, construction, or improvement of:

- Drinking water sourcing, treatment, storage and distribution
- Sewer collection, transmission, treatment and disposal



- Solid waste collection, disposal and closure
- Storm water collection, transmission and disposal

Funding may also be available for project related activities, such as:

- Legal and engineering fees
- Land acquisition, water and land rights, permits and equipment necessary for construction of the funded project



- Start-up operations and maintenance for new systems
- Interest incurred during construction
- Purchase of existing facilities to improve service or prevent loss of service
- Other costs determined to be necessary for the completion of the project



What type security is required for the loan?

 For municipalities – bonds (revenue or general obligation) or certificates of obligation

For nonprofits – note and deed of trust



#### Additional requirements:

- Borrowers must have the legal authority to construct, operate and maintain the proposed services or facilities
- All facilities receiving federal financing must be used for a public purpose
- Projects must be financially sustainable



#### How do we get started?

Applications for this program are accepted year-round through your local USDA Rural Development office.

To find the Area Office that services your county:

https://www.rd.usda.gov/contact-us/state-offices/tx

Scroll down and click on the "Texas County Service Map" to find your county, then access the "Texas Employee Directory" for office contact info



#### **Contact Information**

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#### Hillsboro Area Office serves the following counties:

Bell, Bosque, Brazos, Burleson, Coryell, Ellis, Erath, Falls, Freestone, Grimes, Hamilton, Hill, Hood, Johnson, Lampasas, Leon, Limestone, Madison, McLennan, Milam, Mills, Navarro, Robertson, San Saba, Somervell, Washington