



Committed to the future of rural communities.

Community Facility (CF) Loans/Grants

Purpose

USDA Rural Development administers a loan and grant program to develop community facilities for public use in rural areas and towns with populations of up to 20,000.

Funds may be used to construct, enlarge or improve facilities which provide essential services to rural residents and for non-construction costs including land, equipment, architectural services, legal services, capitalized interest and initial operating funds. Funds may not be used for commercial enterprises or recreational facilities.

Eligibility

Public bodies such as municipalities, counties, special purpose districts and authorities as well as non-profit corporations are eligible. The projects must be located in rural areas or incorporated communities with populations of up to 20,000.

Funding may be obtained through USDA Rural Development only when the applicant is unable to secure funding at reasonable rates and terms.

The applicant must have legal capacity to borrow and repay loans, to pledge security for loans and to operate and maintain the facilities. The applicant must be financially sound and able to manage the facility effectively as well as have a financially sound facility based upon taxes, assessments, revenues, fees of other satisfactory sources of income to pay costs of operating, debt service and reserve.

Maximum Loan, Rates and Terms

There is no maximum dollar amount. The amount loaned is usually determined by the amount needed to meet the applicant's needs and its ability to handle the repayment schedule. Interest rates vary depending upon the median household income of the service area.

Lowest rate available is 4.5%., maximum term of 40 years, State Statute, or the useful life, whichever is less.

Grants

“USDA is an equal opportunity provider, employer, and lender”. To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue S.W., Washington D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)

Grant funding is used to supplement loans and is limited to the minimum amount sufficient to provide economic feasibility. Grant funds are offered based on a graduated scale enabling rural communities with small populations and low-income levels to receive a greater percentage of grant funds. Areas with median household incomes above \$39,798 or populations greater than 20,000 are not grant eligible.

Security Requirements

Loans will be secured by one or a combination of (1) assured income such as general obligation bonds, assessment bonds, assignment of assured income available for life of loan, (2) past successful operation (3) substantial community support (shown through contributions).

Priority

Funding is on a first come, first serve basis with priority to low income communities, to communities with populations of less than 5,500 and for projects necessary to meet established health or sanitary standards and to public safety or health care projects.

In addition, applications are evaluated on the basis of: amount of funds provided from private, local or state sources; financial soundness; and the quantity of USDA, Rural Development funding required.

Applications

Information and applications may be obtained from one of the four USDA Rural Development Area Offices:

- Findlay (419) 422-0242
- Hillsboro (937) 393-1921
- Marietta (740) 373-7113
- Massillon (330) 830-7700

or contact the State Office in Columbus at:

Phone: (614) 255-2500, FAX: (614) 255-2562

Examples of Community Facilities

Community Health Care (In conjunction with the Department of Health and Human Services)

Animal Shelter
Dental Clinic
Nursing Home
Outpatient Care
Physicians Clinics

Cultural and Educational

All Purpose Building-College Campus
College
Educational Camp for Physical & Mentally Handicapped
Library
Museum
Open Air Theater
Public School
School Maintenance & Equipment Service Center
Vocational School

Energy Transmission & Distribution

Electric Equipment Maintenance Building
Electrical Service
Low Head-Hydroelectric Plants
Natural Gas Distribution

Fire Rescue & Public Safety

Civil Defense Building
Communications Center
Fire Department
Fire Trucks
Jail
Mobile Communications Center
Multiservice-Fire/Rescue
Police Station
Rescue & Ambulance Service
Rescue & Ambulance Service Equipment Building

Health Care

Boarding Home for Elderly (Ambulatory Care)
Dental Clinic
Hospital (General & Surgical)
Medical Rehabilitation Center
Nursing Home
Outpatient Care
Physicians Clinics
Vocational Rehabilitation Center
Assisted Living

Other Facilities

Agricultural Fairgrounds

Dike

Oceanfront Protection
Social Services Building
Sprinkler System
Solid Waste Disposal Facilities & Equipment

Public Building & Improvements

Adult Day Care Center
Child Day Care Center
City Hall
Civic Center
Community Health Department Office Building
Community Center
County Courthouse
Courthouse Annex
Data Processing Center
Food Preparation Center
Heating Plant for Public Buildings
Home for Delinquents
Public Maintenance Building

Transportation

Airport Hanger
Bridge
City Airport
Municipal & County Garage
Off-Street Parking
School Buses
Sidewalks
Street Improvement
Street Maintenance Equipment