



United States
Department of
Agriculture

Rural Development



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Acting Deputy Administrator

Community Facilities Loan Program

2017 National Rural Lenders' Roundtable

Community Facilities Overview

Community Facilities Programs

- Community Facilities Programs offer **direct loans, loan guarantees** and **grants** to develop or improve essential public services and facilities in communities across rural America.
- These amenities help **increase the competitiveness of rural communities** in attracting and retaining businesses that provide employment and services for their residents
- These facilities **improve the basic quality of life**, and assist in the development and sustainability of rural America.



Community Facilities Overview

Essential Community Facilities

- Public Safety Facilities, Public Buildings & Equipment
- Health Care Facilities & Equipment
- Education & Cultural Facilities

Eligible Applicants

- Public Bodies, Non Profits or Indian Tribes

Eligible Locations

- Communities less than 20,000 residents



Community Facilities Overview

Eligible Purposes

- Acquire existing real estate
- Construct, expand, renovate, or improve facilities
- Purchase vehicles and major equipment
- Associated project expenses (i.e. legal fees, interest expense)
- Refinancing when less than 50% of the total project cost

Community Facilities Overview

CF Direct Loan Rates and Terms

- Interest rates currently at 3.5%
- 40 year term or useful life
- Adequate security to protect the interest of the Government
- Repayment ability
- Unable to obtain other commercial credit

Community Facilities Overview

CF Guarantee Rates, Terms, and Fees

- Interest rate set by lender (fixed or variable)
- Term set by lender (max 40 year term or useful life)
- Adequate security to protect the interest of the Government
- Repayment ability
- Lender must be unable to make loan without guarantee
- Up to a 90% guarantee on any loss
- One time, one percent (1%) fee payable upon issuance of Loan Note Guarantee

Community Facilities Overview

Other CF Programs

- CF Grants – regular, EII & Tribal
 - Limited funds available for the most needy communities
 - Same eligible purpose as direct loans and guarantees
- Rural Community Development Initiative Grants (RCDI)
 - Technical assistance for capacity building
- Technical Assistance & Training Grants (TAT)
 - For the benefit of developing an essential community facility

Community Facilities Funding

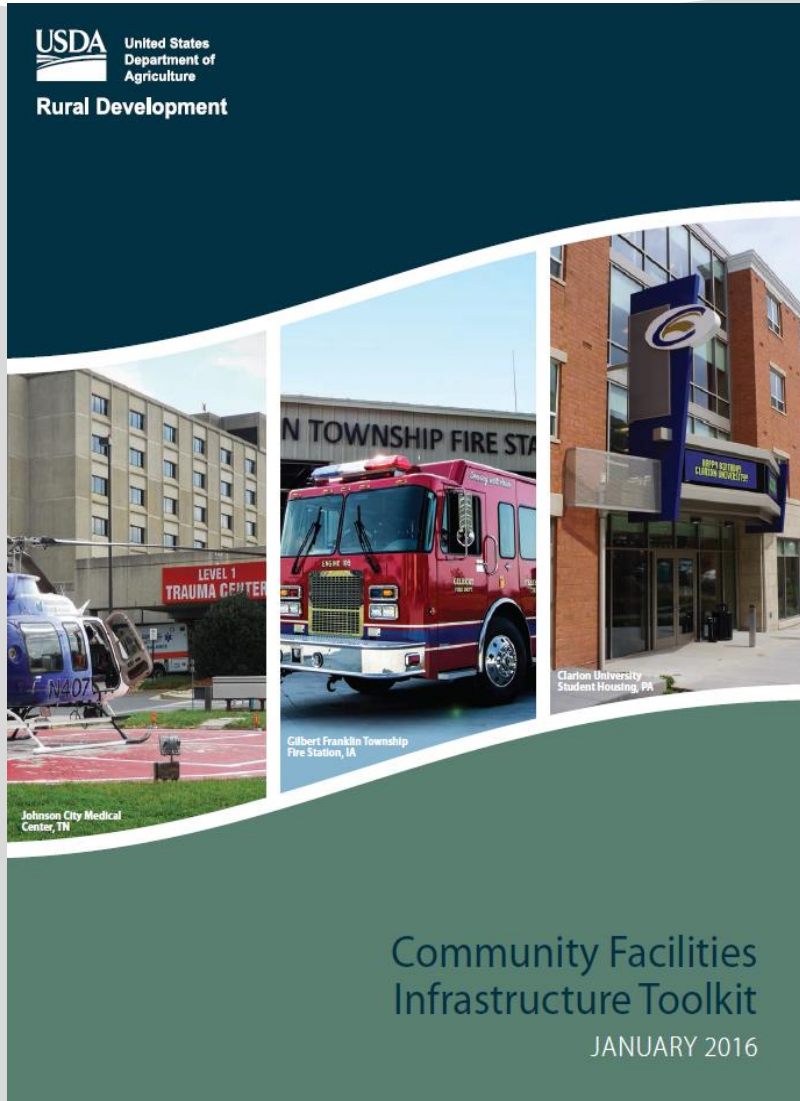
FY 2017 Fund Utilization

- Direct Loans \$2.6 billion
- Guaranteed Loans \$149.5 million
- Grants \$43.7 million
- **TOTAL INVESTMENTS \$2.8 billion**

FY 2018 Continuing Resolution

- Direct Loans \$491 million
- Guaranteed Loans \$19 million
- Grants \$0
- **PARTIAL YEAR ALLOCATION**

Community Facilities Infrastructure Tool Kit



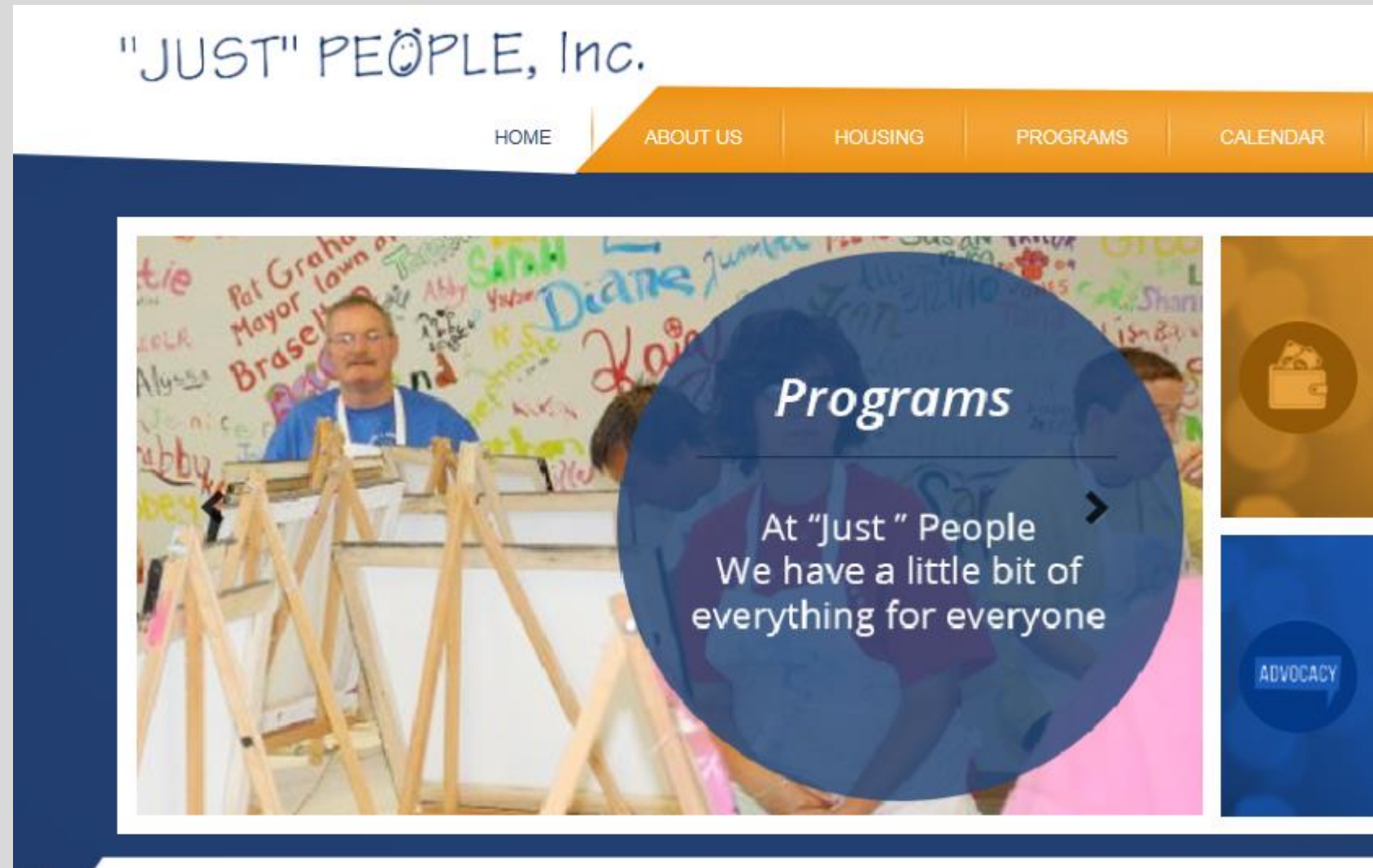
The *Community Facilities Infrastructure Toolkit* can be used as a guide to help organizations and community leaders better understand the complex process that is required to successfully develop and construct a new facility.

Community Facilities Infrastructure Tool Kit Link:

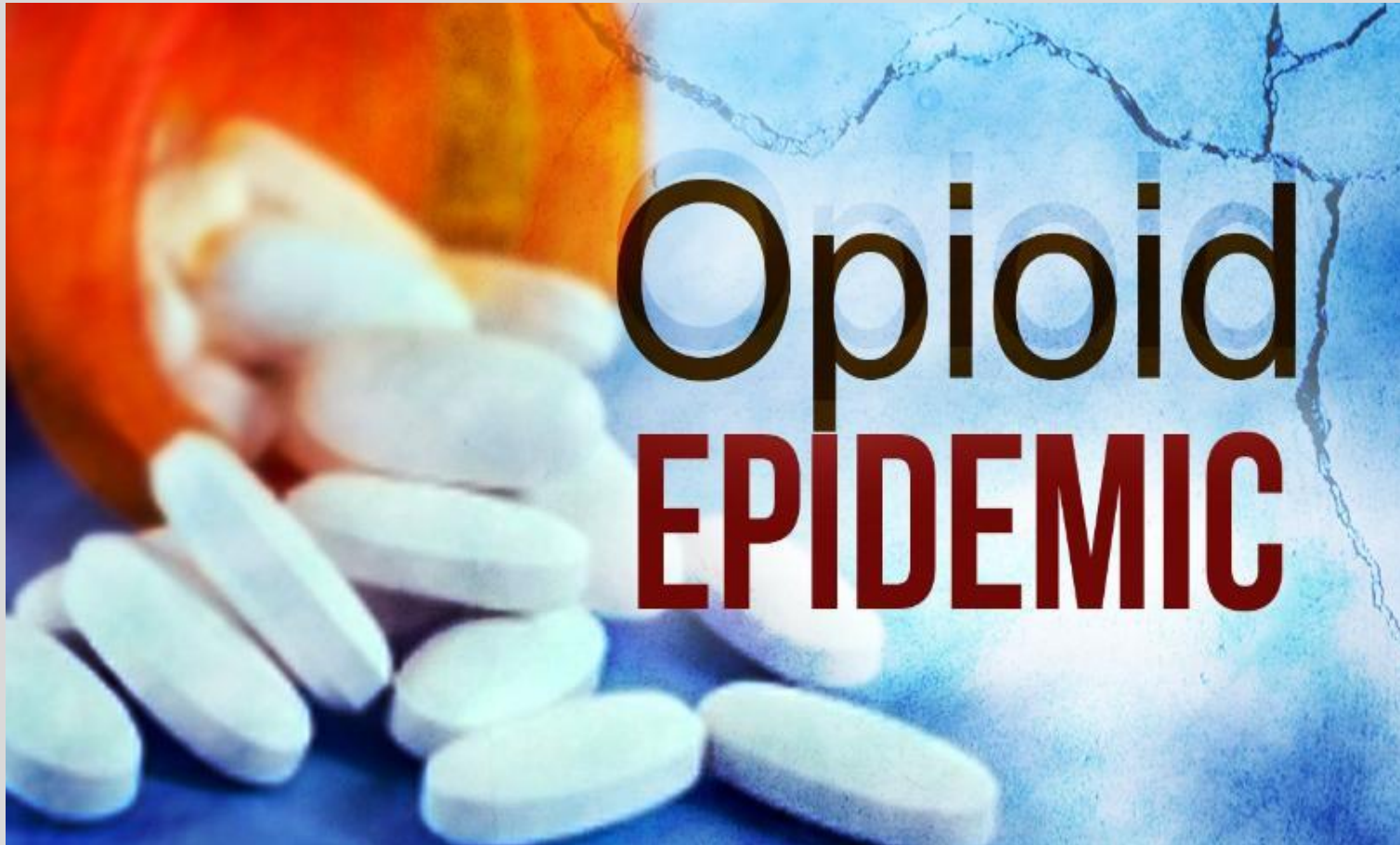
http://www.rd.usda.gov/files/RDCFIToolkit_Jan2016.pdf

Project Impact Story

- \$16,078,000 CF Guarantee
- Independent living campus and safe home for people with disabilities
- Flowery Branch, GA
- Fidelity Bank of Covington, GA
- Thomas USAF Group



Substance Abuse and the Opioid Crisis



- 91 Americans die every day from a drug overdose¹
- Rate of opioid-related overdose deaths in non-metro counties is 45% higher
- 60 percent of rural Americans live in a mental health professional shortage area

¹ According to the Centers for Disease Control

Student Housing

- Rural colleges and universities
- Modern and enhanced learning and living environments
- Dormitories, classrooms, lecture halls, dining facilities
- Reduce debt service – more resources toward education
- Historic institutions providing economic benefit to rural communities





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