

USDA RURAL DEVELOPMENT

COMMUNITY FACILITY GRANTS

RD Instruction 3570-B

Community Facility (CF) grants can be used to assist rural areas and towns in developing essential public community facilities.

The Agency will authorize the use of grant funds on a graduated scale enabling rural communities with small populations and low-income levels to receive a greater percentage of grant funds. Projects will be selected based on a priority point system. Small communities with a population of 5,000 or less and low-income levels will receive the highest priority.

WHO IS ELIGIBLE? Eligibility is limited to nonprofit organizations, public bodies and federally recognized Indian Tribes serving rural areas. Applicants must:

1. Be unable to finance the proposed project from its own resources or through commercial sources at reasonable rates and terms.
2. Have the legal authority necessary for construction, operation, and maintenance of the proposed facility.
3. If real estate improvements are proposed, the applicant must own the real estate to be improved.
4. Propose facilities that are necessary for orderly community development.
5. Be located in a rural community having a population of 20,000 or less.
6. Serve areas where the median household income of the population to be served by the proposed facility is below the higher of the poverty line or 90 percent of the state non-metropolitan median household income. For Arkansas, the median household income level of the proposed service area must be below \$28,661 to be eligible for a Community Facility grant.
7. ***Nonprofit organizations must demonstrate significant ties to the local community in order to ensure that the facility will carry out a public purpose and continue to primarily serve rural areas. They must also be able to provide letters of support from each government body that would be effected by the proposed project.***

HOW MAY FUNDS BE USED?

Health Care

Medical Clinics
Rehabilitation Centers
Ambulatory Care Centers
Major pieces of Medical Equipment

Public Safety

Communication Centers
Police or Fire Stations
Fire Trucks & Equipment
Police Cars & Equipment
Early Warning Sirens

Public Services

Child Care Centers
Adult Day Care Centers
Community Centers
Libraries

WHAT IS THE MAXIMUM GRANT? If eligible and grant funds are available, the levels of grant assistance are 15 percent, 35 percent, 55 percent and up to 75 percent of the eligible project costs, depending upon a review of the population where the project would be located, median household income of the proposed service area and a review of the applicant's current and past financial records. Grant funds are limited and normally less than \$50,000. The maximum grant typically cannot exceed \$100,000. The applicant's available excess funds must be proposed to be used towards the proposed project.

WHERE IS THE APPLICATION PACKAGE OBTAINED AND FILED? Contact the Rural Development Area Office serving your community:

Harrison office at 870-741-4050 – Johnny James
Jonesboro Office at 870-972-4720; Extension 5 – Raymon Covey
Forrest City Office at 870-633-3055; Extension 5 – Gregory Dale
Monticello Office at 870-367-8400, Extension 5 Mable Gibbs or Stephen Horsman
Hope Office at 870-777-8800; Extension 5 – Dana Wrinkle or David Stowers
Fort Smith Office at 479-646-8300, Extension 5 – Gary Osborne

If you have any questions you may also contact Stephen Lagasse (Stephen.Lagasse@ar.usda.gov) or David Kirchner (David.Kirchner@ar.usda.gov) in the State Office at 501-301-3265.

Additional information on USDA Rural Development programs and related forms can be obtained at the following website:

http://www.rurdev.usda.gov/rhs/cf/brief_cp_grant.htm

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