

# USDA LENDING

Jim Griffin



# USDA COMMUNITY FACILITIES DIRECT LOAN & GRANT PROGRAM

- This program provides affordable funding to develop essential community facilities in rural areas (including educational facilities) through Direct Loans and Loan Guarantees.
- Between 2008 and 2018, 98 rural schools have received \$573.8 million.
  - 23% have been repeat recipients
  - financed 128 rural charter projects (through 169 transactions)
- Schools in 26 states have received financing, but the distribution is uneven:
  - Delaware (23 total charter schools) includes 10 USDA projects for 5 schools totaling \$54.9 million
  - By contrast CA, MN, CO, TX and MI (combined over 2,500 charters total) include 7 projects for 6 schools totaling \$6.5 million

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- **Eligible areas:** Cities, villages, townships, towns with less than 20,000 residents
- Recommended to be operational for at least 5 years
  - however 33% of the schools were financed at 5 years or less
- **Interest rate:** currently 4.25%
  - average 3.64% (from 2011 to 2019)
- **Loan uses:** facility expansion, purchasing an existing facility, building a new facility, purchasing property, purchasing buses or technology
- **Loan amount:** ranges from \$22,000 to \$18 million
  - \$4 million average

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## Contact Info

- For more policy information or data results:
  - **Jim Griffin**, [jgriffin@momentum-sr.org](mailto:jgriffin@momentum-sr.org)
- USDA assistance and guidance:
  - Alton Kimura, USDA Community Facilities Senior Loan Specialist - meet with him **Tuesday from 12-3** in the library.
- Find your state/local USDA Community Facilities contact:
  - [www.rd.usda.gov/programs-services/community-facilities-direct-loan-grant-program](http://www.rd.usda.gov/programs-services/community-facilities-direct-loan-grant-program)

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