Missouri USDA
Rural Housing Program Information
Welcome!
USDA Rural Development

USDA Rural Development (RD) has been proudly serving rural America for over 70 years. Our mission:

To enhance community development and economic opportunities and to improve the quality of life in rural America.
Rural Development

• Rural Development is known as an agency that can build a community from the ground up.

• Our 40 + programs help by financing:
  – Homes
  – Senior and emergency centers
  – Schools
  – Hospitals
  – Infrastructure
  – Food Systems
  – Bio products

• We believe the investments in rural communities are vital to the nation’s overall economy.
Total Investment into Missouri during Fiscal Year 2015

$1,187,794,594
19,144 Projects
## Housing Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family Housing Direct Loans</td>
<td>210</td>
<td>$20,283,701</td>
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<tr>
<td>Single Family Housing Guar. Loans</td>
<td>5,019</td>
<td>$579,163,672</td>
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<tr>
<td>Single Family Housing 504 Loans</td>
<td>79</td>
<td>$808,385</td>
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<tr>
<td>Single Family Housing 504 Grants</td>
<td>154</td>
<td>$379,383</td>
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<tr>
<td>Housing Preservation Grants</td>
<td>3</td>
<td>$86,273</td>
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<tr>
<td>Multi-Family Housing Rental Assistance</td>
<td>12,885</td>
<td>$18,574,704</td>
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<tr>
<td>Multi-Family Housing Voucher Program</td>
<td>494</td>
<td>$1,050,852</td>
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<tr>
<td>Multi-Family Housing Revitalization</td>
<td>3</td>
<td>$1,938,523</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>18,847</strong></td>
<td><strong>$622,285,493</strong></td>
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<tr>
<td>Program</td>
<td>Amount</td>
<td></td>
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<tr>
<td>----------------------------------------------</td>
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</tr>
<tr>
<td>Community Facility Direct Loans</td>
<td>$24,969,400</td>
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<tr>
<td>Community Facility Grants</td>
<td>$314,000</td>
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<tr>
<td>Economic Impact Initiative Grants</td>
<td>$118,700</td>
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<tr>
<td>Water and Waste Loans</td>
<td>$46,142,060</td>
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<tr>
<td>Water and Waste Grants</td>
<td>$13,959,010</td>
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<tr>
<td>SEARCH Grants</td>
<td>$271,200</td>
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<tr>
<td>Solid Waste Management Grants</td>
<td>$30,000</td>
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<td>Rural Comm. Dev. Initiative Grants</td>
<td>$155,000</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$85,959,370</strong></td>
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## Business Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Number</th>
<th>Amount</th>
</tr>
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<tr>
<td>Business and Industry Loans</td>
<td>38</td>
<td>$62,634,700</td>
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<tr>
<td>Rural Economic Development Loans</td>
<td>4</td>
<td>$3,000,000</td>
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<td>Rural Energy for America Grants</td>
<td>86</td>
<td>$2,078,341</td>
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<td>Rural Energy for America Guar. Loan</td>
<td>1</td>
<td>$3,375,000</td>
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<td>Rural Business Development Grants</td>
<td>18</td>
<td>$674,519</td>
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<td>Bioenergy Program for Advanced Biofuels</td>
<td>7</td>
<td>$1,550,656</td>
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<td>Value-Added Producer Grants</td>
<td>11</td>
<td>$1,461,499</td>
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<td>Intermediary Relending Program</td>
<td>3</td>
<td>$1,649,293</td>
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<tr>
<td><strong>Total</strong></td>
<td>168</td>
<td><strong>$76,424,008</strong></td>
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Nationally Delivered Utility Programs

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<thead>
<tr>
<th>Program</th>
<th>Count</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Electric Program</td>
<td>9</td>
<td>$402,451,000</td>
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<tr>
<td>Distance Learning &amp; Telemedicine</td>
<td>3</td>
<td>$674,723</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>12</strong></td>
<td><strong>$403,125,723</strong></td>
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</tbody>
</table>
Multi-Family Housing Programs
Multi-Family Housing Programs

Regulations:
• 7 C.F.R. 3560
  HB-1-3560, Loan Origination Handbook
  HB-2-3560, Asset Management Handbook
• 7 C.F.R. 3565
  HB-1-3565, Guaranteed Rural Rental Housing Program Origination and Servicing Handbook
• Websites:
  http://www.rd.usda.gov (National)
  http://www.rd.usda.gov/MO.html (Missouri)
Multi-Family Housing Programs

– Section 515, Rural Rental Housing Program (RRH)

– Section 538, Guaranteed Rural Rental Housing Program (GRRH)

– Section 514, Farm Labor Housing Loans (FLHL)

– Section 515, Farm Labor Housing Grants (FLHG)
Total Investment into Missouri during Fiscal Year 2016

- 16,296 families receiving rental assistance
- 633 multi-family housing properties
- 2 multi-family housing revitalization properties
- 570 families receiving voucher assistance
Section 515, Rural Rental Housing Program

- 619 complexes – state wide (as of 11/1/16)
- 14,047 total units
- 19,001 Tenants
- Family or Elderly/Disabled
- Consist of 1-3 bedrooms
- Rent based upon tenant adjusted income
• Purpose of Program: To provide adequate, affordable, decent, safe, and sanitary rental units
  – We provide financing to develop rental units in areas that need housing and where this housing is unlikely to be provided through other means
Section 515, RRH (cont.)

• Loan Purposes:
  – New construction
  – Purchase and rehabilitate existing buildings
    • Only when the loan for rehab does not exceed by 5% a loan for new construction in the same area
  – Purchase and improve the necessary land on which the housing will be located
  – Develop other related facilities in connection with the housing, such as community room, recreation area or office
Eligibility: Individuals, partnerships, limited partnerships, for-profit corporations, non-profit organizations, limited equity cooperatives, Native American tribes and public agencies are eligible

- For-profit borrowers must agree to operate on a limited profit basis
  - Currently 8% on initial investment
- Borrowers must be unable to obtain credit elsewhere that would allow them to charge affordable rents to low and moderate income tenants
Applicants must have the ability and experience to operate and manage the development successfully.

• Terms: The term for an initial Section 515 loan is 30 years with a 50 year amortization period.

• Each loan is made at a note rate established by the Agency.
  – The current rate, as of 9/1/2016 is 2.875%
  – Subsidized down to 1%
Section 515, RRH (cont.)

• Applications: Competitive application process published yearly in the Federal Register as a Notice of Solicitation of Applications (NOSA)

• Every year each State uses criteria to establish a list of targeted communities for which applications will be accepted (Designated Places list)
  • Applications submitted for areas other than what is on the Designated Places list will be rejected
  • We post these to our Missouri website when the NOSA is published
• Applications are then rated competitively nation-wide
Rental Assistance – This is a deeper subsidy which pays the difference between 30% of the tenant’s adjusted income and the basic rent
  - This is project based subsidy that stays with the property

Other Subsidies – Existing Section 8 assistance is available through various housing agencies throughout the state
  - This is tenant based subsidy which goes with the tenant
Section 538, Guaranteed Rural Rental Housing Program

• Purpose of Program: Provide housing that is decent, safe, sanitary, and competitive in the market
Section 538, Guaranteed (cont.)

• Purpose of Program:
  – Increase the supply of moderately-priced housing in rural areas
  – Ensure housing is affordable to low- and moderate-income rural residents
    • 115 percent of area median income (AMI) or less
  – Foster risk-sharing partnerships with public and private lenders
• Loan Purposes:
  – New construction and/or purchase and rehabilitation of buildings
    • For Rehab, minimum of $6,500 per unit required
  – Purchase and improve land on which the housing will be located
  – Development of related facilities (community space, recreation, storage or maintenance structures) except high cost facilities
    • swimming pools and exercise clubs
Section 538, Guaranteed (cont.)

- Construction of on-site management or maintenance offices and living quarters for operating personnel for the property
- Purchase and install appliances and develop the surrounding grounds
  - Includes parking, signs, landscaping and fencing
- Construction interest accrued on the construction loan, relocation assistance and developers fees
Section 538, Guaranteed (cont.)

• Costs and/or fees determined by the Agency to be necessary to the development of the project
  – Feasibility determination, loan application fees, appraisals, environmental documentation, etc.

• Costs associated with existing RD financed Section 515 properties
  – Maximum amount required is $6,500 per unit
Section 538, Guaranteed (cont.)

• Eligibility:
  – Borrowers must be US Citizen or US owned corporations, or organizations in which the principals are US Citizens or permanent legal residents, and include:
    • Individuals, corporations, state or local public agencies, partnerships, cooperative housing, trusts, Indian tribes, etc.
Lenders are those approved and considered eligible by the Federal National Mortgage Association, the Federal Home Loan Mortgage Corp., the Federal Home Loan Bank members, or the Department of Housing and Urban Development

- State Housing Finance Agencies are also considered eligible
Section 538, Guaranteed (cont.)

• Terms: The minimum term is 25 years and the maximum term is 40 years
  – There is no maximum or minimum loan amount
  – The interest rate is negotiated between the borrower and lender but cannot exceed the maximum rate specified in the NOFA
    • The interest rate is fixed for the life of the guaranteed loan

• Location and Loan Amounts: Must be located in rural communities with less than 35,000 population
• Fees:
  – Depends upon the NOSA
  – There is no interest credit available

• Applications: Competitive application process published yearly in the Federal Register as a Notice of Solicitation of Applications (NOSA)
  – FY 16 – NOFA was published on March 14, 2016
    - Responses due by December 31, 2017.
    - $150 million appropriated nationwide
Purpose of Programs: Increase the supply of affordable housing for farm workers.
Section 514 & 516 – FLH

• 514 Loans - Increase housing for farm laborers and are specific to the farm where they work.
  – Both on and off farm

• 516 Grants - Increase housing for farm laborers regardless of the farm where they work
  – Grants are provided where there is a pressing need for such facilities and there is reasonable doubt that housing can be provided without the grant assistance
    • May be in urban or rural areas
  – Off-farm labor housing only (on-farm labor housing does not qualify for a grant)
Area 1
St. Joseph Area Office
Acting Area Director, LeAnn Gleason
816-364-3927

Area 2
Springfield Area Office
Area Director, Mark Hultgren
417-831-5246

Area 3
Clinton Area Office
Area Director, Kelly Gregory
660-885-5567

Area 4
Dexter Area Office
Area Director, Phyllis Miner
573-624-5939
HOUSING PROGRAMS

Missouri State office

Program Director for Multi-Family & Single Family Housing
Pam Anglin

USDA Rural Development
601 Business Loop 70 West, Suite 235
Columbia, MO 65203

Single Family Housing
Bev Miller, Specialist
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Rachel Hartman, Technician
573-876-9307

Multi-Family Housing
Rachelle Long, Specialist
573-876-0987
Kelly Lawson, Technician
573-876-9306
Annual Report

www.rd.usda.gov/mo

Missouri Highlights

FY 2015 Annual Report: Investing in Rural Missouri

FY 2015 Accomplishments in Missouri

Missouri Program Fact Book

Missouri News

03-31-2016: A Safe and New Way to Alert Atlanta Residents

03-31-2016: USDA Contributes to Brunswick Chamber of Commerce

03-30-2016: Health Care Coalition of Lafayette County to Implement Telemedicine Technology in Waverly Clinic

03-30-2016: Kayserin Basin Regional Planning Commission Working Toward Business Conference

Missouri Contact Information

The Missouri State Office is located at 601 Business Loop 70 West, Parkade Center, Suite 235, Columbia, MO 65203. Phone: (573) 876-0976. FAX: (855) 830-0685. TDD: (573) 876-9480.

Receive Emails Through GovDelivery

View all Missouri Contacts >>