

Water & Waster Disposal Loan & Grant Program in Arizona

What does this program do?

Also known as the Section 502 Direct Loan Program, this program helps low- and very-low-income applicants

buy decent, safe, and sanitary housing in eligible rural areas by providing payment assistance to increase their

applicant's repayment ability. Payment assistance is a type of subsidy that reduces the mortgage payment for a short

time. The amount of assistance is determined by the adjusted family income.

Please click on the link below:

<https://www.rd.usda.gov/programs-services/water-environmental-programs/water-waste-disposal-loan-grant-program/az>

You must fill out an application and then keep checking their emails. If you don't get a response or acknowledgement within 30 days..

Fill it our again or call the contact number below.

What does this program do?

This program provides funding for clean and reliable drinking water systems, sanitary sewage disposal, sanitary solid waste disposal, and storm water drainage to households and businesses in eligible rural areas.

Who may apply?

This program assists qualified applicants who are not otherwise able to obtain commercial credit on reasonable terms. Eligible applicants include:

Most state and local governmental entities

Private nonprofits

Federally-recognized tribes

What is an eligible area?

Areas that may be served include:

Rural areas and towns with populations of 10,000 or less -- check eligible addresses

Tribal lands in rural areas

What kinds of funding are available?

Long-term, low-interest loans

If funds are available, a grant may be combined with a loan if necessary to keep user costs reasonable.

How may the funds be used?

Funds may be used to finance the acquisition, construction or improvement of:

Drinking water sourcing, treatment, storage and distribution

Sewer collection, transmission, treatment and disposal

Solid waste collection, disposal and closure

Storm water collection, transmission and disposal

In some cases, funding may also be available for related activities such as:

Legal and engineering fees

Land acquisition, water and land rights, permits and equipment

Start-up operations and maintenance

Interest incurred during construction

Purchase of facilities to improve service or prevent loss of service

Other costs determined to be necessary for completion of the project

See 7 CFR Part 1780.7 and 1780.9 for a complete list

What is the loan term and rate?

Up to 40-year payback period, based on the useful life of the facilities financed

Fixed interest rates, based on the need for the project and the median household income of the area to be served

Contact us for details and current interest rates applicable for your project

Are there additional requirements?

Borrowers must have the legal authority to construct, operate and maintain the proposed services or facilities.

All facilities receiving federal financing must be used for a public purpose.

Partnerships with other federal, state, local, private and nonprofit entities that offer financial assistance are encouraged.

Projects must be financially sustainable.

How do we get started?

Visit RD Apply

Applications are accepted year round and may be filed electronically using RD Apply. The RD Apply Customer Help Guide is provided to help you get started and work through the application process

Applications are also accepted through your local RD office.

Program resources are available online (i.e., forms, guidance, certifications, etc.).

Who can answer questions?

Contact the local representative who serves your area

Participating nonprofits in your area may also offer assistance and training

What governs this program?

Basic Program – 7 CFR, Part 1780

Loan Servicing – 7 CFR, Part 1782

Section 306 of the Consolidated Farm and Rural Development Act

Why does USDA Rural Development do this?

This program helps very small, financially distressed rural communities extend and improve water and waste treatment facilities that serve local households and businesses. Good practices can save tax dollars, improve the natural environment, and help manufacturers and businesses to locate or expand operations.

NOTE: Program details may change over time. Before you begin an application, please confirm you have the most current information by contacting a program specialist in your local RD office for assistance or consult the program instructions listed in the section above titled "What Governs this Program?"