

## Rural Housing Service, USDA

## § 3570.53

household income for the State will be determined using income data from the most recent decennial Census of the United States. If there is reason to believe that the census data is not an accurate representation of the median household income within the area to be served, this will be documented and the applicant may furnish, or the Agency may obtain, additional information regarding such median household income. Information will consist of reliable data from local, regional, State, or Federal sources or from a survey conducted by a reliable impartial source.

(i) CFG funds can be used for up to 75 percent of the cost to develop the facility, notwithstanding that other contributions may be from other Federal sources.

### § 3570.52 Purpose.

The purpose of CFG program is to assist in the development of essential community facilities in rural areas. The Agency will authorize grant funds on a graduated basis. Eligible applicants located in smaller communities with lower populations and lower median household incomes may receive a higher percentage of grant funds. The amount of CFG funds provided for a facility shall not exceed 75 percent of the cost of developing the facility.

### § 3570.53 Definitions.

*Agency.* The Rural Housing Service (RHS), an agency of the U.S. Department of Agriculture, or a successor agency.

*Approval official.* An official who has been delegated loan or grant approval authorities within applicable programs, subject to certain dollar limitations.

*CF.* Community Facilities.

*CFG.* Community Facilities Grant.

*Essential community facilities.* Those public improvements requisite to the beneficial and orderly development of a community that is operated on a non-profit basis. (See § 3570.62(a)(1)). An essential community facility must:

- (1) Serve a function customarily provided by a local unit of government;
- (2) Be a public improvement needed for the orderly development of a rural community;

(3) Not include private affairs or commercial or business undertakings (except for limited authority for industrial parks) unless it is a minor part of the total facility;

(4) Be within the area of jurisdiction or operation for the public bodies eligible to receive assistance or a similar local rural service area of a not-for-profit corporation; and

(5) Be located in a rural area.

*Facility.* The physical structure financed by the Agency or the resulting service provided to rural residents.

*Grantee.* An entity with whom the Agency has entered into a grant agreement under this program.

*Instructions.* Agency internal procedures available in any Rural Development office and variously referred to as Rural Development Instructions, RD Instructions.

*Minor part.* No more than 15 percent of the total floor space of the proposed facility.

*Nonprofit corporations.* Any corporation that is not organized or maintained for the making of a profit and that meets the eligibility requirements for RHS financial assistance in accordance with § 3570.61(a)(2).

*Processing office.* The office designated by the State program official to accept and process applications for CF projects.

*Project cost.* The cost of completing the proposed facility. (Facilities previously constructed will not be considered in determining project costs.) Total project cost will include only those costs eligible for CFG assistance.

*Poverty line.* The level of income for a family of four as defined by section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

*Public body.* Any State, county, city, township, incorporated town or village, borough, authority, district, economic development authority, or federally recognized Indian tribe in rural areas.

*Reasonable rates and terms.* The rates and terms customarily charged public and nonprofit type borrowers in similar circumstances in the ordinary course of business and subject to Agency review.