

RD AN No. 4356 (1942-A)
(3570-B)
(3575-A)
April 23, 2008

TO: State Directors
Rural Development

FROM: Russell T. Davis (*Signed by James C. Alsop*) for
Administrator
Housing and Community Facilities Programs

SUBJECT: Definition of "Rural" and "Rural Area" for Community Facilities
Loans and Grants

PURPOSE/INTENDED OUTCOME:

This Administrative Notice (AN) is being issued to clarify the definition of "rural" and "rural area" for the Community Facilities (CF) direct and guaranteed loans and grants.

COMPARISON WITH PREVIOUS AN:

This AN replaces RD AN No. 4245 dated February 12, 2007, which expired on February 29, 2008.

IMPLEMENTATION RESPONSIBILITIES:

For Community Facilities direct loans, guaranteed loans, and grants, section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)) defines "rural" and "rural area" as a "city, town, or unincorporated area that has a population of not more than 20,000 inhabitants."

EXPIRATION DATE:
April 30, 2009

FILING INSTRUCTIONS:
Preceding RD Instructions
1942-A, 3570-B, and 3575-A

The boundaries for unincorporated areas in determining populations will be based on the Census Designated Place(s). Data from the most recent decennial census of the United States will be used.

An essential community facility must be located within an eligible rural community as defined above. It may be adjacent to, or closely related to, a non-rural area if it is determined that the facility primarily serves and benefits rural residents.

If you have any questions concerning eligibility of CF projects, please contact Chad Parker, Director, Direct Loan and Grant Processing and Servicing Division, or Joseph Ben-Israel, Director, Guaranteed Loan Processing and Servicing Division, Community Programs, (202) 720-1490 or FAX (202) 690-0471.