



Rural Development Pennsylvania

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USDA Secretary Ann M. Veneman



The Bush Administration has made great strides in supporting investments in America's rural communities. From the successful implementation of the 2002 Farm Bill to passage of the Healthy Forest Restoration Act, President Bush's policies are helping strengthen the economic health of rural America.

In 2003, we saw record net cash farm income, which is expected to total \$65 billion, up 33 percent over 2002, and strong exports, which are expected to reach \$56.2 billion for 2003. The demand for farm products is being spurred by the President's tax cuts, low interest rates and inflation and decline in the value of the dollar. Expanding payrolls and declining unemployment in the coming year are expected to further accelerate food demand.

Also fueling this growth are the programs being implemented by USDA's Rural Development. Through USDA's Rural Development programs, it is estimated that over 510,000 jobs have been created or saved since the beginning of the Bush Administration. USDA has invested nearly \$2.5 billion for rural business development in the form of loans, grants and technical assistance.

We are also working with local communities to build and strengthen economic development partnerships with state and local governments. Some \$183 million has been invested in Empowerment Zones and Enterprise Communities (EZ/ECs). This investment is complemented by the leveraging of USDA funds to help attract \$422 million in other federal investments and \$739 million in non-federal investments to EZ/ECs and other supported communities.

To improve economic and community development opportunities in underserved rural areas, the Administration has entered into agreements with 20 National Centers of Excellence and Historically Black Colleges and Universities to advance business development through improved information technologies and entrepreneurial skills training.

Major investments have been made in developing value-added industries, with a focus on promoting renewable energy. Over \$35 million has been provided to support the development and marketing of renewable energy and the creation of energy efficient systems in rural areas.

Rural infrastructure, such as education, health care, telecommunications, water treatment and community facilities, has been supported by more than \$13 billion in grants and loans. More than \$10.2 billion has been invested in rural housing, much of which supports the President's ambitious goal to increase minority homeownership by 5.5 million by 2010.

As we look to the future, we remain dedicated to ensuring that investments in rural Pennsylvania continue to bring new economic opportunities and an improved quality of life to rural families and communities.



**BYRON E. ROSS
STATE DIRECTOR**

Fiscal Year 2003 saw many changes for Pennsylvania USDA Rural Development. We've restructured our organization to better serve the communities and people of rural Pennsylvania.

We've changed from having employees specializing in a particular program area serving a large territory, to a "one-stop-shopping" approach. We were ambitious in training our employees to ensure they acquired a good working knowledge of the new program areas assigned to them, and I'm proud to say that they've aggressively taken to the task of learning their new duties. What

this means to rural Pennsylvania is that our employees now specialize in more than one program area and cover a smaller geographic territory. Customers needing assistance in any of Rural Development's many programs may now apply for that assistance or receive guidance regarding their existing accounts at any of our Local Offices.

We now have four Area Offices, and nine Local Offices with an additional office opening in FY 2004. The areas (Northwest, Southwest, Northeast and Southeast) are managed by Area Directors that ensure the programs are coordinated while the staff works together as a team to deliver our services to the communities within the Local Offices' geographic servicing area. I believe this holistic approach will result in better utilization of Rural Development's programs in the rural areas of the State. Be sure to review the staffing changes and service area map that appear in the next to last and last pages of this report.

Congress and the Administration continue to provide Rural Development with funding for new and exciting programs in the areas of energy, broadband, venture capital, and value-added for agricultural products. These new programs, along with the old, reliable, housing, community, and economic development programs, continue to make rural America a better place to live by offering opportunities for high quality health care, education, new jobs and homeownership. The Area Directors, Rural Development Managers, and Loan Specialists will become much better acquainted with community leaders and become part of the inclusive decision-making process within the community by providing program knowledge and technical assistance. Rural Development has the programs and the ability to help build communities from the ground up; and by forming strong relationships with community leaders and others in the public (our federal and state partners) and private sectors, we can be successful in making rural Pennsylvania a better place to live and work.

In Fiscal Year 2004, we will continue our efforts in implementing the President's Management Agenda by developing a Strategic Plan for Pennsylvania Rural Development in accordance with the Government Performance and Results Act of 1993 and the Food and Agriculture Investment Act of 1996. Our plan will be an extension of the national USDA Rural Development strategic plan which measures real outcomes so that Congress, our customers and managers can accurately and meaningfully gauge the effect our programs and assistance have on rural communities throughout Pennsylvania.

Please share our Fiscal Year 2003 Annual Report with friends and community leaders you know, so you can help us help them!

Rural Business - Cooperative Service (RBS)

USDA Rural Development provided more than \$36.8 million in loans and grants to rural Pennsylvania businesses for start up and expansion in Fiscal Year 2003. These businesses created or saved more than 3,150 jobs for rural Pennsylvanians - many of them in areas where unemployment rates are higher than the national average. In addition to creating or preserving quality jobs, RBS programs promote a clean rural environment.

The RBS staff works closely with private sector lenders and community-based organizations to provide financial assistance and business planning. RBS financial resources were leveraged through partnerships with federal, state and local agencies and private credit sources to provide even greater assistance to rural Pennsylvania businesses.

Business and Industry Loans and Loan Guarantees

In FY 2003, Rural Development provided \$32,850,000 in loan note guarantees to 12 businesses in rural Pennsylvania. The businesses were varied including agricultural processing, a clothing retail operation, manufacturing, and the tool and dye industry. These businesses saved over 1,000 jobs and created more than 100 new jobs in rural areas of Pennsylvania.

SECO/WARWICK

SECO/WARWICK is a full-service manufacturer of various types of furnaces used for melting aluminum and other metals. SECO/WARWICK serves a world market with emphasis in the United States, South America, Europe, and the Pacific Rim. SECO/WARWICK's headquarters, engineering office, and a manufacturing facility are located in Meadville, Pennsylvania (Crawford County).

In March 2003, Rural Development approved a \$3.2 million loan note guarantee that enabled SECO/WARWICK to refinance its existing debt, which improved its current rates and terms and assisted with cash flow and improved debt service coverage. The loan note guarantee assisted SECO/WARWICK in retaining 87 jobs and strengthened the economy of the Meadville area.



Specialty Lending and Grant Programs

RBS also administers a number of grant and loan programs aimed at fostering economic development in rural areas. Twenty **Rural Business Enterprise Grants (RBEG)**, totaling almost \$2.2 million, were approved in FY 2003. RBEGs may be used for technical assistance, construction, or relending to small and emerging private businesses.

An example is The Carbondale Technology Transfer Center (CTTC) that provides technical support, business assistance, financial resources and appropriate facilities to entrepreneurs, small businesses, and manufacturers working with high technology applications or innovative products or processes in its incubator facility. A \$50,000 RBEG allowed CTTC to provide technical assistance to tenants and clients guiding them in development of their business, products, and technologies. By assisting 10 businesses, 32 jobs were saved and 29 new jobs were created.

Rural Business - Cooperative Service (RBS)

Intermediary Relending Program (IRP) loans finance business facilities and community development projects in rural areas. These loans are made to intermediaries involved in economic development. The funds are used to make loans to local businesses. USDA Rural Development made one IRP loan of \$750,000 to The Progress Fund, a community development financial institution that creates jobs and improves communities in rural western Pennsylvania.

One **Rural Business Opportunity Grant (RBOG)** was made, giving \$35,000 to the Allegheny Ridge Corporation, a private, non-profit corporation that develops, interprets and restores the historic, cultural and natural resources of the Allegheny Ridge Heritage Area in central/western Pennsylvania. RBOGs are used for planning, technical assistance, and training activities that improve rural economic conditions.

Cooperative Services

Cooperative Development Technical Assistance

The Cooperative Services Program's mission is to promote understanding and use of the cooperative form of business as a viable organizational option for marketing and distributing agricultural products. Our staff assists cooperative members, directors, management, organizations, and others to effectively use cooperatives to improve their economic well-being.

Rural Development assisted 8 Pennsylvania cooperative organizations during the fiscal year with either technical or financial assistance. The organizations assisted were: Food Marketing Cooperative of PA; PA Bio-Diesel Development; PA Cooperative Potato Growers, Inc.; Northwest Dairy Marketing Cooperative; PA "Simply Sweet" Onion Marketing; Alternative Fuels Council; Penns Corner Farm Alliance; and Jackson Meadows Country Market.

Jackson Meadows Country Market:

Rural Development assisted in the development of the organizational documents and operating plans for the agricultural and craft producer cooperative. Jackson Meadows Country Market held its Grand Opening on October 11, 2003.

Rural Development and the Keystone Development Center continue to provide them with assistance in the development of operational policies and board member training.



Rural Business - Cooperative Service (RBS)

Value Added Agricultural Product Market Development Grant Program (VAPG)

Authorized as part of the 2002 Farm Bill, the Value-Added Product Market Development Grants program provides an opportunity to refine agricultural commodities and products to increase their value in the marketplace. Fiscal Year 2003 VAPD's were approved by the National Office for Boyd Station, LLC of Danville and Pennsylvania Association for Sustainable Agriculture (PASA) of Milheim. Boyd Station, LLC received \$349,995 to produce a high-quality soybean meal, oil and hulls through its extrusion/expulsion technologies that will increase the producer's value per bushel of soybeans by twenty cents annually. PASA will use its \$22,775 grant to assess the feasibility of building a regional distribution and marketing system for a network of independent pork producers in southeast Pennsylvania.



A check presentation ceremony was held with the recipients. Attending the event were USDA Rural Development's Peter Thomas, Associate Administrator of RBS in Washington (back row); Byron Ross, PA Rural Development State Director (center front); and representatives of PASA and Boyd Station.

Agricultural Innovation Center Demonstration Grant Program (AIC)

This is a new demonstration program whereby agriculture innovation centers provide technical and other assistance to agricultural producers to help them establish businesses that produce and sell value-added agricultural commodities or products.

In FY 2003, one Pennsylvania applicant competed nationally and was one of only ten projects to receive AIC funds. The Commonwealth of Pennsylvania (Pennsylvania Department of Agriculture /Penn State University /PENNTAP) received an AIC Grant of \$996,935 that, along with \$2,135,342 of matching funds, provided funds to operate three Ag Innovation Centers in the Commonwealth. The Center will offer a coordinating function with respect to value-added agricultural projects. The Keystone Agricultural Innovation Center will be a seamless distributed network of technical assistance to agricultural producers. Using several regional Pennsylvania Department of Agriculture offices, the Center will be coordinated and supported by faculty and staff at a central location in Penn State University, and staffed at each site with a team of two complementary subject matter experts (an agricultural marketing/business expert, and a community-based agricultural development expert), PDA regional staff, and local Penn State Cooperative Extension county educators.

Community Development

Community Development efforts continue in the Champion Community in Cameron County and the two Enterprise Communities located in Lock Haven and Fayette County.

The Fayette Enterprise Community was issued \$249,450 to fund various projects in the community. The projects included \$24,934 to the Uniontown Police Department, \$6,700 to the Junior Achievement of Southwestern PA, \$10,000 to the Uniontown Redevelopment Authority and \$10,000 to the Habitat of Humanity.

Rural Housing Service (RHS)

Multi-Family Housing (MFH)

Rural Development's Multi-Family Housing programs enable housing developers to build quality and affordable rental units for Pennsylvania's low-income rural residents. The Rental Assistance Program assures that qualified applicants pay no more than 30% of their adjusted income for housing.

In FY 2003, Rural Development provided funds to several existing Multi-Family Housing complexes. The Housing Authority of the County of Clarion (\$330,000), Furnside Associates in Bedford County (\$76,820), Parkview Apartments in Jefferson County (\$143,800), Taylor Terrace Apartments in Lawrence County (\$135,100), and Titusville Manor Associates in Crawford County (\$200,000). The complexes used the funds for needed improvements such as: repair and/or replacement of walkways, new roofs, and replacement of worn siding and spouting.



Edenburg Court (Knox Elderly)

This 30-unit elderly complex is located in Clarion County. Rural Development provided over \$55,000 during a previous fiscal year to make necessary repairs to the walkways, porches, roof, catch basins, and replacement of the existing siding, spouting and a retaining wall. The repairs to the project were completed in FY 2003.

Farm Labor Housing

The Farm Labor Housing Loan and Grant program provides capital financing for the development of housing for domestic farm laborers. Loans can be made to farmers, associations of farmers, family farm corporations, Indian tribes, nonprofit organizations, public agencies and associations of farm workers.

The Farm Labor Housing loans and grants are provided to buy, build, improve, or repair housing for farm laborers and those engaged in on-farm processing. Funds may be used to purchase a site or a leasehold interest in a site, to construct housing, day care facilities or community rooms, to pay fees to purchase durable household furnishing, and to pay construction loan interest.

Housing Preservation Grants

The Housing Preservation Grant (HPG) program provides grants to sponsoring organizations for the repair or rehabilitation of low- and very-low income housing. The grants are competitive and are made available in areas where there is a concentration of need. Two HPG's were obligated in Pennsylvania in FY 2003. The Redevelopment Authority of the County of Wayne received \$135,279 and the Redevelopment Authority of the County of Monroe received \$95,384. The grants will be combined with other funds to operate programs that provide low-cost loans or grants to very low-income rural homeowners to make essential repairs to their homes.

Rural Housing Service (RHS)

Rural Development finances more than housing. We finance homes!

The Rural Housing Service (RHS) works to improve quality of life for rural residents of Pennsylvania by ensuring that they have access to safe, well built, affordable homes. Homeownership promotes economic stability for families, creating equity to finance education, small business, or retirement. Homeowners also become neighborhood and community builders, enhancing the rural communities where they live. RHS promotes community building in rural Pennsylvania by providing direct and guaranteed loans to low and moderate income families. These loans are for the purchase, construction, rehabilitation or relocation of an eligible dwelling.

We are proud to say that in FY 2003, Pennsylvania Rural Development provided over \$31.2 million in direct loans and over \$63.1 million in guaranteed loans to families for the purchase or construction of a new home. Additionally, we provided about \$1.9 million in repair loans and grants to allow rural Pennsylvanian's to make needed repairs to their existing homes.

Section 502 Home Purchase Program

Our Section 502 Direct Single-Family Housing program provides payment assistance to qualified borrowers by subsidizing interest as low as one percent. This payment assistance makes homeownership affordable for those families with limited household income.

One Family's Success Story

June was National Homeownership Month; and to commemorate it, Pennsylvania Rural Development recognized two of its housing partners, Adams County Housing Authority and the Adams County Interfaith Housing Corporation at a tree planting ceremony at the newly purchased home of its new homeowner.

The homeowner was able to purchase this home with the assistance of the Adams County Housing partners, USDA Rural Development, the PA Department of Community and Economic Development, and HUD. The Adams County Housing Authority made an innovative use of the homeowner's HUD public housing voucher to partially pay her monthly mortgage to Rural Development. This enabled her to leave public housing and become a homeowner.

Shown from left are: Laura Pelzer, HUD; Jackie Parker, PA DCED; the homeowner family; Byron Ross, Rural Development State Director; Pamela Sturgeon Rural Development Housing Specialist, and Darlene Brown, Executive Director of Adams County Housing Authority and Adams County Interfaith Housing.



Rural Housing Service (RHS)

Technical and Supervisory Assistance (TSA)

Under our Section 523 authorities, USDA Rural Development provides grant funding to conduct programs of technical and supervisory assistance for low income rural residents to obtain and/or maintain occupancy of adequate housing. In Fiscal Year 2003, USDA Rural Development funded two non-profit organizations:

Rural Local Initiatives Support Corporation (LISC)

Rural LISC, is a national non-profit organization that provides low interest loans, grants and technical and management assistance to Community Development Corporations (CDC's) working to transform distressed communities into good places to live, work, do business and bring up children. Rural Development awarded Rural LISC a \$145,000 Technical Supervisory Assistance Grant to provide:

- homeownership training and credit counseling programs in rural areas of 37 Pennsylvania counties;
- development of a peer-to-peer assistance network; and
- assistance to Partner Community Development Corporations in developing approximately 40 affordable ownership homes.

Partner CDCs include: Alliance for Better Housing of Kennett Square; Alliance for Building Better Communities of Allentown; Bedford-Fulton Housing Services of Everett; Fayette County Community Action Agency of Uniontown; Housing Development Corporation of Lancaster; the NOR-CAM Group of North Cambria; Rural Opportunities, Inc. of Harrisburg; and the Trehab Center of Montrose.)



Pictured are: (front from l to r) Sandy Rosenblith, Senior VP, Rural LISC; Byron E. Ross, State Director; Joseph Yarzebinski, Program Director, Rural PA Initiative Rural LISC; (back from l to r) Lisa Yaffe, Executive Deputy Director, Governor's Office of Housing and Community Revitalization; and Larry Segal, Executive Director, Governor's Office of Housing and Community Revitalization.



South Central Assembly for Effective Governance

A \$5,000 TSA grant was awarded to the South Central Assembly for Effective Governance (SCAFEG). The funding will help to support SCAFEG Predatory Lending Task Force. The task force will study the extent and effect of predatory lending in four rural Pennsylvania counties and provide training and technical assistance to victims of predatory lending.

Pictured are: Craig Zumbrun, Executive Director of SCAFEG, Penny Myers, Chair of the SCAFEG Predatory Lending Task Force & VP Community Affairs Officer of Waypoint Bank, USDA Rural Development Area Director George Klaus and Housing Specialist Jeremy Wilson.

Rural Housing Service (RHS)

Section 504 Home Repair and Rehabilitation Program

Rural Development also offers home improvement and repair loans and grants under the Section 504 program to assist very low-income rural homeowners remove health and safety hazards from their homes and to make them accessible for individuals with disabilities. The interest rate for these loans is fixed at 1% and may be amortized over a period of 20 years thereby keeping payments affordable. Grants are available for people 62 years old or older who cannot afford to repay a loan.

Section 502 Guaranteed Housing Program

For those families with low to moderate incomes, Rural Development offers the guaranteed loan program. There is no down payment requirement, and the participating lender may often include closing costs in the mortgage. Lack of a down payment often prevents prospective homebuyers from obtaining a loan from private lenders, so the Rural Development guaranteed program increases the number of rural residents able to buy homes.

Awards were presented to the top 4 producing originators for the Guaranteed Housing Loan Program for FY 2003. The top 4 originators produced 22.4% of the loan numbers. The award recipients were: Brenda Thompson, Jersey Shore National Bank; Larry Hutchinson, Omega Bank; Rick Conner, Express Financial Services; and Alison Swanson, Honesdale National Bank.



Pictured with State Director Ross is Larry Hutchinson and Brenda Thompson.

Fiscal year 2003 saw in excess of 250 originators participating in the program, but a handful of those lenders produced a substantial portion of the business.

During FY 2003 the program provided the opportunity for 740 families, who were unable to obtain conventional credit, to purchase their own homes.

Summary

During Fiscal Year 2003, 1,485 families were assisted in the purchase, construction, or repair of homes. Our Single Family Housing (SFH) programs funded \$31,247,100 in direct loans, \$677,450 in repair loans, \$1,209,276 in repair grants and \$63,173,060 in guaranteed loans. Through Rural Development's SFH program assistance, these rural residents have decent, safe, sanitary and affordable housing.

Community Facilities (CF)

The Community Facilities (CF) program provides loans, grants, and loan guarantees to public bodies, not-for-profits, and Indian tribes for health care, public safety, public improvements, community support, educational services, and telecommunications. In FY 2003, Rural Development's CF programs assisted thousands of rural Pennsylvania residents in several communities by providing the funding needed for projects like emergency equipment, assisted living facilities, and a rural library. CF grant funds were also used to fund a parking deck in Meadville (Crawford County) and a workforce technology and diversity training center in DuBois (Clearfield County) in cooperation with Penn State University.

USDA Rural Development provided \$8,047,050 in Community Facilities assistance to rural Pennsylvania in FY 2003. (See chart below.) This assistance included a \$900,000 loan guarantee to the HAP Senior Care, Inc. These funds will be used for development of an assisted living complex that includes adult day care services.

FY 2003 Community Facility Funding			
County	Project Name	Loan Amount	Grant Amount
Beaver	HAP Senior Care	900,000 (guaranteed)	-0-
Clearfield	DuBois Education Foundation	940,000	100,000
Clearfield	Penfield Fire Company	156,000	84,000
Crawford	J.A. Stone Library	100,000	100,000
Crawford	Redevelopment Authority of Meadville	2,895,000	-0-
Delaware	Millbourne Fire	85,000	100,000
Franklin	Keystone Rural Health Center	585,000	-0-
Lackawanna	Crystal Fire Company	126,800	-0-
Luzerne	Columbia Hose Company #3	150,000	100,000
Schuylkill	Polo ob Palo Alto	98,800	53,200
Schuylkill	Rush Township	250,000	-0-
Schuylkill	East End Fire Company #2	83,750	35,000
Washington	Mental Health Association of Washington County	1,676,000	-0-
Total Obligated		\$8,047,050	\$575,200

Community Facilities (CF)

Keystone Community Network Rural High Speed Internet Service

KC Net is a non-profit corporation that was formed to provide affordable high speed internet service to schools, health care providers, businesses, and individuals in the Lock Haven area of Clinton County, PA. Its efforts have been very successful in providing this service in an area that has experienced economic woes in recent years.



In late 2001, KC Net faced a crisis when its leased building was listed for sale. The cost of moving all of its lines and equipment would have been prohibitive, so it had to move fast. To further complicate matters, the building needed extensive renovations and was located in a historical district. KC Net signed a short term sales agreement and turned to USDA Rural Development for financing.

To accommodate the short time frame, the agency developed a two-phase application process. The purchase was funded on a fast-track application to meet the time frame of its sales agreement. The renovations were funded in 2002, after a detailed environmental review and plans for the renovations were completed. The renovations were completed and a ribbon cutting ceremony was held in September 2003. Rural Development was very pleased to be able to “get creative” and meet the needs of this important community resource.



Assisting our Rural Firefighters

Rural Development provided over \$800,000 in Community Facilities loans and grants to 5 fire companies during FY 2003.

The funds were used for a variety of purposes, including a new heavy rescue vehicle, a firehouse, two new pumper trucks, and a reconditioned fire truck.

This represents an important federal investment in rural “first responders” that contribute so much to our emergency preparedness.

Rural Utilities Service (RUS)

Through its water and wastewater programs, Pennsylvania's Rural Development was able to improve the quality of life in many rural communities this past year. Over \$42 million in loans and grants were provided to serve thousands of people in Pennsylvania with clean drinking water and modern sewer facilities.

The Significance of the Water and Waste Disposal Loan and Grant Programs

In a time when our government is preoccupied and distracted with security, war, and other pressing issues, we must not forget about rudimentary and long-standing issues. Water and waste disposal facilities are crucial every place where there is a significant human presence. They are key factors in maintaining healthy communities. They help provide for some of our basic necessities. We want to drink clean water; and we want our rivers, lakes, ponds, oceans, and surroundings to be untainted. This is why the water and waste disposal program is so important.



The Rural Development Water and Waste Disposal provision helps to obtain and make available the necessary resources to establish water and waste disposal facilities compliant with federal and state environmental standards.

Pennsylvania's Water and Waste Disposal Projects Funded this Year: Midway Sewerage Groundbreaking

On October 2, 2003, Rural Development held a ground breaking event for Midway Sewerage Authority's new wastewater project. The Authority plans to construct a new wastewater, collection, conveyance, pumping and treatment facility to serve over 1,300 users located in Midway Borough, Cecil, Mount Pleasant, Robinson and Smith Townships in Washington County.



Rural Development provided in total a \$8,827,400 loan and a \$5,800,300 grant, and the Authority contributed \$3,482,000.

Pictured: Byron Ross, State Director presenting a check to Midway Sewerage Authority officials.

Rural Utilities Service (RUS)

Other RUS projects funded this fiscal year include:

RUS Projects Funded in Fiscal Year 2003			
County	Project Name	Loan Amount	Grant Amount
Armstrong	Shannock Valley General Services Authority	100,000	-0-
Bedford	South Woodbury Township	229,200	768,800
Bedford	Southern Cove Joint Municipal Authority	202,400	423,400
Berks	Centre Township	137,500	112,500
Berks	Tulpehocken Township	1,962,300	1,009,000
Columbia	Mifflin Township	2,069,600	1,996,100
Fayette	Menallen Township Sewer Authority	719,500	-0-
Fayette	National Pike Water Authority	496,000	379,800
Fayette	Yough Sanitary Authority	3,214,200	4,171,800
Franklin	Saint Thomas Township Municipal Authority	368,200	-0-
Luzerne	Twin County Joint Municipal Authority	406,200	1,698,900
Mifflin	Bratton Township	382,900	140,000
Northumberland	Point Township	405,500	545,900
Perry	Marysville Borough	348,800	326,200
Pike	Matamoras Borough Municipal Authority	4,559,500	3,185,400
Schuylkill	Northeastern Schuylkill Joint Municipal Authority	180,500	231,500
Susquehanna	Thompson Borough	-0-	636,900
Susquehanna	Hallstead/Great Bend Joint Municipal Authority	1,086,000	-0-
Venango	Sandycreek Township	208,200	190,800
Washington	Deemston Borough	368,000	1,040,000
Washington	Midway Sewerage Authority	1,339,400	2,843,300
Wyoming	Meshoppen Borough	950,000	1,725,000
York	Newberry Township Municipal Authority	383,800	-0-
York	Felton Borough	408,400	427,900
York	Newberry Township Municipal Authority	486,400	-0-
Total		\$21,012,500	\$21,493,200

Rural Utilities Service (RUS)

Distance Learning and Telemedicine (DLT) Grants

The Distance Learning and Telemedicine Program (DLT) is designed specifically to meet the educational and health care needs of rural America. Through loans, grants, and loan and grant combinations, advanced telecommunications technologies provide enhanced learning and health care opportunities for rural residents. This fiscal year, Pennsylvania submitted eleven applications to the National Office for the DLT Loan/Grant program. Of the 11 submitted, 3 were selected for funding:

Albert Gallatin Area School District received \$500,000 to provide interactive distance learning classrooms, video conferencing and Internet access to state and national resources for school libraries, computers for classrooms, and computer and video teleconferencing capabilities for alternative school teachers and students.

Laurel Highlands School District received \$500,000 to install video conferencing equipment, classroom computers with on-line access and obtain the necessary supporting resources in 5 elementary schools and one Junior High School.

Warren County School District received \$500,000 which will be used to enhance the education of all the children in the school system.

Other Programs

Environmental Awareness

The National Environmental Policy Act (NEPA) establishes the Federal government's environmental policies. Its primary goal is to help public officials make decisions that are based on an understanding of the environmental consequences of their actions, and to take actions that protect, restore and enhance the environment.

To accomplish this, USDA Rural Development requires its applicants and borrowers to consider environmental impacts before taking actions financed by the Agency. The same is true for private lenders whose loans are guaranteed by the Agency. Before any Rural Development assistance can be approved, the Agency will assess the environmental impact of the proposed action to ensure that steps are taken to avoid or reduce adverse effects.

In carrying out its mandates, USDA Rural Development must ensure compliance with numerous Federal environmental laws, regulations, and Executive Orders. Some of these are: The Endangered Species Act, The Safe Drinking Water Act, The Farmland Protection Policy Act, The National Historic Preservation Act, Departmental Regulation 9500-3, Land Use Policy and Executive Order 11988 Floodplain Management.

Civil Rights

Assuring equal opportunity in employment and program delivery is essential in administering USDA Rural Development programs. Each USDA Rural Development employee is responsible for ensuring the highest quality of services for all recipients and beneficiaries of our programs. USDA Rural Development is committed to fair and equal treatment to employees and customers.

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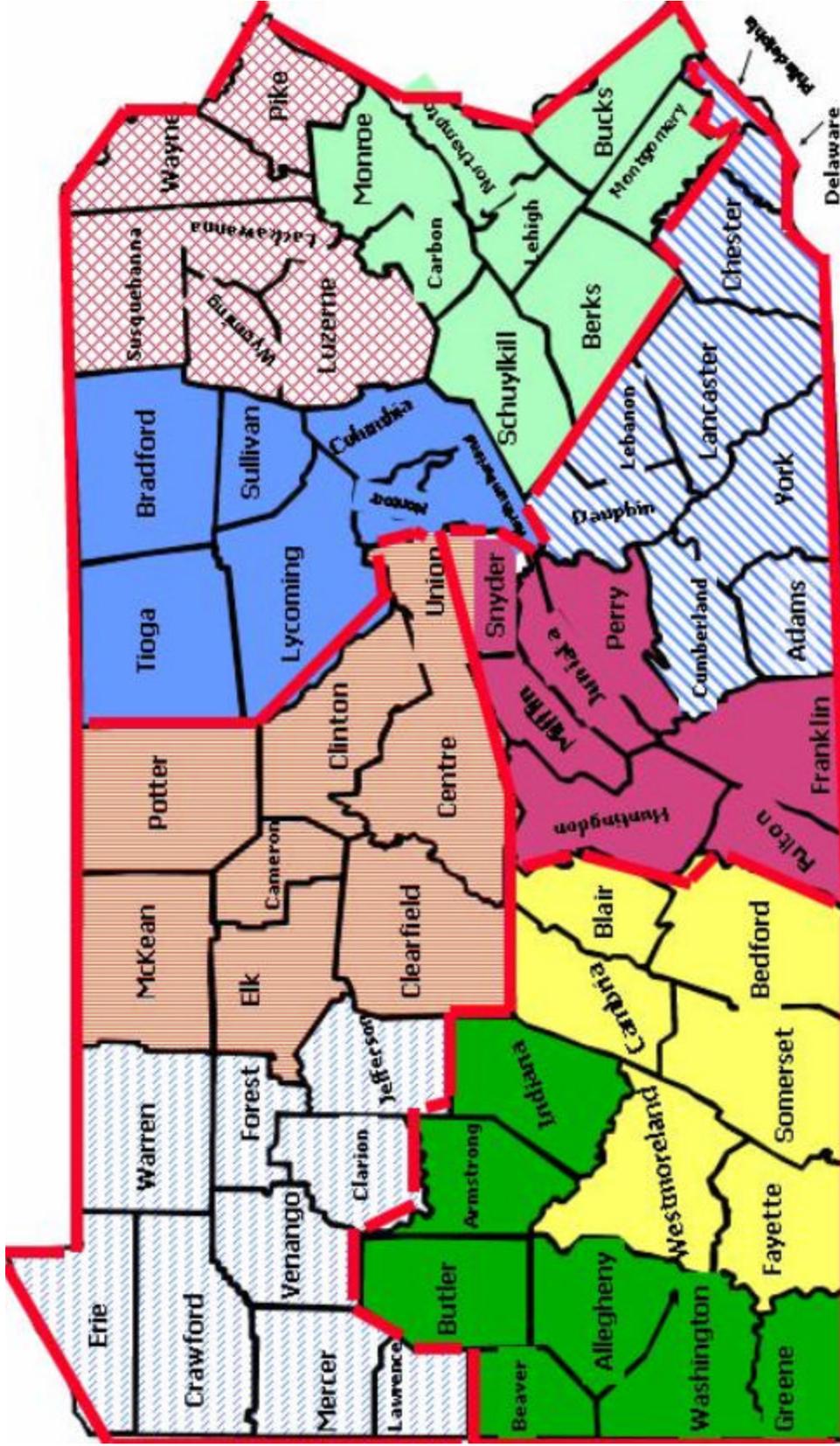
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(570) 726-3196, ext. 203
- Lycoming Local Office**
542 Cooney Farm Rd., Suite 205
Montoursville, PA 17754-9685
(570) 433-3006
- Wyoming Local Office**
1 Hollowcrest Complex
Tunkhannock, PA 18637-6632
(570) 836-5111
- Lehigh Local Office**
2211 Mack Blvd.
Allentown, PA 18103-5623
(610) 791-9810, ext. 4
- Juniata Local Office**
R. D. #3, Box 301
Mifflintown, PA 17039-9621
(717) 436-8933, ext. 4
- York Local Office**
124 Pleasant Acres Rd.
York, PA 17402-8988
(717) 55-2966, ext. 4

As of 1/14/04

U.S. Department of Agriculture
Rural Development
Pennsylvania State Office
Suite 330, One Credit Union Place
Harrisburg, PA 17110-2996

