USDA Rural Development

ILLINOIS 2008 ANNUAL REPORT

USDA Rural Development

Committed to the future of rural communities.

Final thoughts

from the State Director

2008 was another banner year. The growth that USDA Rural Development has experienced in recent years has been tremendous. I continue to be gratified by the hard work and remarkable dedication of the people who are our agency.

As you explore our report you will see the wide array of programs our agency has utilized for rural Illinois. This past year, we invested more than $478 million in Illinois by utilizing all of our funding allocation and capturing nearly an equal amount from other states' unspent allocations.

We reached the $2 billion mark after only 16 years of offering the Guaranteed Housing program. Community programs had a record year and made infrastructure improvements in more than 51 counties. Business programs had an extremely successful year with nearly $49 million invested in 71 different projects.

In the past eight years, USDA Rural Development has invested more than $2.6 billion in Illinois. That amount is even more amazing when we realize that our staff did it by financing one home, one business, one hospital at a time, year after year.

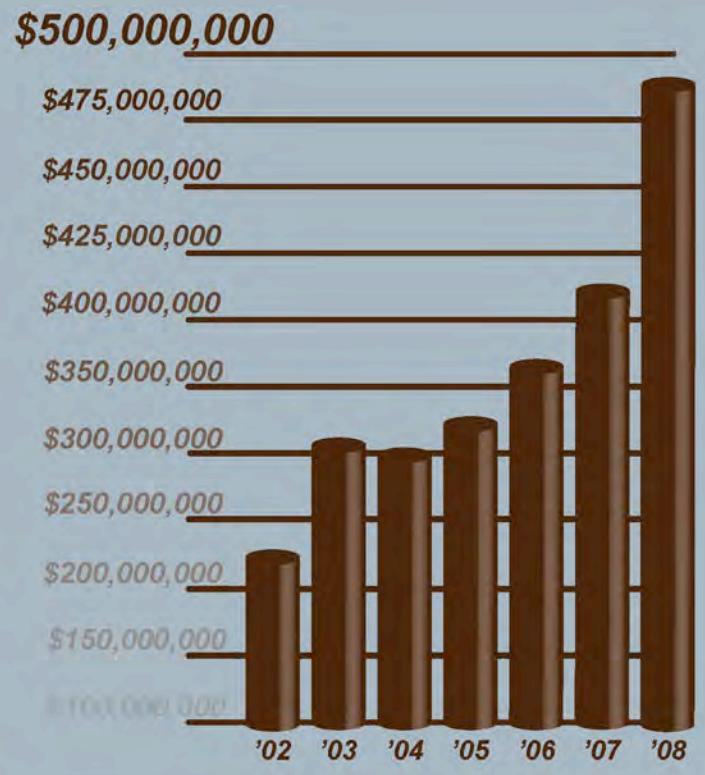
It has been my privilege to be part of an agency that plays a vital role in Illinois' rural economy.

Douglas Wilson
Illinois Director

Grand Total

Fiscal Year 2008

$478,255,814



ANOTHER RECORD YEAR

2008 Illinois Highlights

STATEWIDE

$1.3 Million	Dollars delivered each day to Illinois by Rural Development
110%	Increase in funding delivered over 7 years
Top 5	National rank in core funding for 4 consecutive years
2.1¢	Administrative cost per dollar delivered
4th	Consecutive record breaking year in core funding

HOUSING

$2 billion	Guaranteed home loan funding over 16 years
3,921	Record number of homes purchased with guaranteed loans
25%	Increase in guaranteed home loans compared to 2007
4,851	Families enjoying better homes
90	Lenders who guaranteed more than $1 million in home loans
$360 Million	Support for rural housing in Illinois

BUSINESS

71	Business projects funded
1899	Jobs created or saved
5 times	More funding to cooperatives for economic development
35%	Growth in grants awarded for business development
81%	Increase in grant dollars for energy applicants
350%	Increase in community revolving loan programs

COMMUNITY

$69.5 Million	Record funding for community programs
51	Counties benefitting from community funding
10 times	More guaranteed funding provided compared to 2007
2	National rank for the number of guaranteed community facility loans
34%	Increase in dollars delivered for community projects
33	Projects funded to improve water and sanitary problems

Cover photo: Hillsboro Water Treatment Plant

Serving Rural Illinois

with incomparable financing

Loan Guarantees with local lenders stretch the taxpayer's dollar and make financing far more accessible to rural borrowers. Guarantees cost taxpayers only a nickel for every dollar invested in rural projects, leverages investment by private lenders and multiplies the impact of federal funding.

Eagle Theater Corp. used a business and industry **(B&I)** loan guarantee to finance a five-screen, first run movie theater in Clinton, a community eager to have a theater once again.

A community facilities **(CF)** guarantee helped Lincoln College obtain lower-cost financing from the State Bank of Lincoln to build an athletic, convocation and museum facility.

Nearly 4,000 Illinois homes were purchased with guaranteed rural housing **(GRH)** loans. The fixed rate 30 year term loan with no down payment and no mortgage insurance makes this the best option for rural homebuyers.

Direct Loans are available when affordable rates and terms are not available to qualified borrowers from the private sector.

Grants are available to help individuals, communities and organizations that could not otherwise afford housing, community services or business development. Grants can also be used to spur private investment.

A **combination** of grants and direct loans or loan guarantees is often the solution to affordable financing.

In March expectant mothers cut the ribbon for the Women's Health Center at Olney's Richland Memorial Hospital, financed with a **CF** loan guarantee and direct loan.

The Autumn Ridge supportive living facility on a 7.6-acre site near Vienna was financed with a **GRRH** housing guarantee with People's National Bank and a direct loan.

Pratt Farms near Dixon used a **REAP** loan guarantee and grant to purchase a continuous flow grain dryer that will cut energy use by 54%, paying back the cost in less than four years.

with exceptional partners

When Freeport became eligible for housing funds in February, lenders and real estate professionals immediately began working with us. In just eight months, 43 Freeport households used RD financing for purchases or repairs.

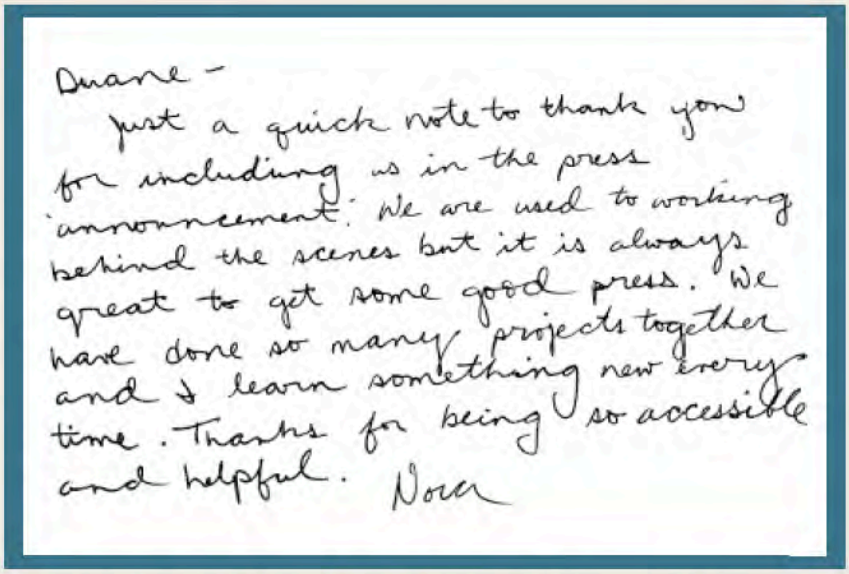
Natasha and Donna Lehrer from Green Pastures Cooperative, users of our business programs, shared their expertise on utilizing RD programs at the national USDA Partners Conference and talked with Secretary Schafer.

Aaron Ridenour was honored for his help with **REDLG** applications over the last four years. His expertise helped rural electric co-ops access millions in no-interest money for economic development.

Congressmen, employees, and even a U.S. Secretary of Agriculture have signed our year-end checks. Because our partners extend the reach of our programs, we asked some of them to sign the check.

Association of Illinois Electric Cooperatives.

Kendall Grundy Community Action Agency



Duane -

Just a quick note to thank you for including us in the press announcement. We are used to working behind the scenes but it is always great to get some good press. We have done so many projects together and I learn something new every time. Thanks for being so accessible and helpful. Nora

Letter from North Central Illinois Council of Governments following coverage of the partner check signing

Photo courtesy of 1st Farm Credit Services.

BUSINESS PROGRAMS

Ropp Jersey Cheese, LLC in Normal will double production capacity with a $150,000 **VAPG** grant. Ken Ropp and his family more than tripled the return on the dairy's milk after they began producing cheese. The grant will help them expand the market for their 60 flavors of cheese.

Business programs promote business development and job creation with support for businesses, public bodies, non-profit organizations and utility co-ops. Funds are also available for value added agriculture, renewable energy and energy efficiency. See page 13 for details on business programs.

H.M. Buckley Growers used a **REAP** efficiency grant to heat their greenhouse. They purchased equipment that could utilize waste heat from a nearby power plant for their heating system. The energy savings is nearly $300,000 a year.

Prairie Hills Resource Conservation & Development, Inc. is a tremendous resource for business development in west central Illinois. Capitalized with a second **IRP**, their revolving loan program is helping scores of businesses like the new Sapphire Restaurant and Ruby Lounge in Macomb.

Vincent Convenience Stores used a **B&I** guarantee with Peoples Bank & Trust to purchase an interest in a Pana convenience store and to refinance their Cowden store. The lender benefited from access to the secondary market and the borrower from better terms.

Eastland Motor Sports started as a small repair shop for motorcycles and ATVs in 1988. With a thriving business and new ATV franchise, the company used a **B&I** with Citizens State Bank to finance a new facility in Lanark.

An **RBEG** will help the Mt. Carroll Community Development Corporation restore the historic Kraft Building as a small business incubator. The grant will help revitalize the city's business district while capitalizing on the character of the community.

Eastern Illini Electric Co-op was one of six electric co-ops to earn **REDLG** funding for economic development in their service areas. They used the funding to provide a no interest loan for renovations to Country Health, a nursing home in Gifford.

Adams Electric Cooperative is using a **REAP** renewable grant to help purchase a wind turbine. A check was presented to the co-op at their substation where electricity for their members will be uploaded from the wind turbine just down the road.

Illinois Institute for Rural Affairs at Western Illinois University is using an **RCDG** to improve rural economic conditions by supporting cooperative efforts. One client is a group of Washburn residents who formed a cooperative to save the town's only grocery store.

The Southern Illinois Stimulus Corporation used an **RBEG** to purchase two forklifts for lease to Cairo Dry Kiln. The company didn't have to make a capital outlay for the equipment, and SISCO can use the income from the lease for other job-creating projects.

COMMUNITY PROGRAMS

Public safety is critical to the quality of rural life and a priority for Rural Development. Thirteen such projects were funded this year. The City of Hurst received a **Community Facilities (CF)** grant to purchase a squad car that will ensure reliable protection to its 805 residents.

Community programs provide funding for essential facilities that serve the public. Public and non-profit organizations can use the funds for health care, public safety, public service and education and other essential community facilities. See page 14 for details on community programs.

Kankakee Township FPD

Northwest St. Clair County FPD

Pleasant HillFPD

Sadorus FPD

CF grants have made it much easier for patrons to access collections at two Southern Illinois libraries. Eldorado Memorial Public Library, serving parts of three southeastern counties, has new shelving. The City of Mounds converted a spare room for history and genealogy materials.

With a **CF** loan, Lake Egypt Fire Protection District is ramping up to serve the district's 9800 residents. A new facility will house all of their fire and ambulance vehicles and provide space for meetings, training, living quarters and servicing needs.

Illinois Main Street, administered by the Lt. Governor's Office, received an **RCDI** grant to bolster resources for 18 communities and nonprofit organizations. The **RCDI** program helps community based organizations and economically challenged communities pursue economic growth.

Communities struggling with high non-employment may be eligible for **CF** grants through the **Economic Impact Initiative.** Shawnee Township received grants for an office computer used for financial reporting, a backhoe, and a road plane to repair roads.

Eberhardt Village in Arthur used a **GCF** loan with the State Bank of Arthur and a **CF** direct loan to build and furnish an assisted living center with 36 apartments. It is located on a scenic 27 acre campus that it shares with Arthur Home, a skilled nursing center.

Memorial Hospital in Carthage used a **CF** loan to purchase notebook computers that can instantaneously share patient information with doctors and other health care facilities. The health care benefits and operational savings are substantial.

Happy Day Express is a faith-based day care center in Fairfield. They used a **GFC** loan with Fairfield National Bank to purchase the site and a **CF** grant to purchase equipment for the center.

Alexander County can maintain all of its roads more efficiently with the addition of a 2007 International 7500 dump truck to its fleet. A **CF** grant helped make the purchase affordable.

HOUSING PROGRAMS

With the guarantee of Stanley Taylor's home loan with Streator National Bank, Illinois marked $2 billion dollars in guaranteed home loans, just four years after reaching the $1 billion mark. The GRH program has proven to be the rural homebuyer's best deal.

Housing programs help eligible borrowers build, purchase and repair their own homes. Public and non-profit organizations are eligible for funds to help certain homeowners repair and improve their homes. Financing is also available to developers for affordable rental housing. See page 13 for details on housing programs.

Thanks to collaboration between Advocates for Access in Peoria Height and Rural Development, Raymond Parks was able to move out of a nursing home and live independently in his own home. Mr. Parks was eligible for a **Direct** loan with subsidized payments.

National City Mortgage in Bloomington, one of our best partners over the last five years, was the 2008 leading **GRH** lender in Illinois. They helped 169 homebuyers with $16.7 million in affordable financing.

A January flood left the Rowland's home in Pontiac uninhabitable. Because Mid Central Community Action, Inc. had built homes to meet the criteria for **Direct** loans, the Rolands qualified for a loan and moved from temporary housing into a new home.

Canterbury House Apartments was built in Dixon to serve renters with moderate and low incomes. P/R Mortgage & Investment Corp. used a **GRRH** guarantee for construction and permanent financing. The Illinois Housing Development Authority provided tax credits.

Candy Cari was named Site Manager of the Year for a family property funded with **RRH** financing. Tenants feel Centralia Meadows Apartments is a wonderful place to live because of her responsiveness to requests, respect for the tenants and care for to the property.

Karen Larke was named Site Manager of the Year for a **RRH** property serving senior citizens. Karen manages Village Green in Byron. She has made the community room into a place for fellowship and the complex into a community where the tenants "do life together."

Pearl Karraker's home in Pulaski County was very drafty. She wanted to solve the problem, but she was living on a fixed income. She qualified for a home **Repair** loan and grant to replace the windows and siding, and now she enjoys an air-tight, energy efficient home.

YouthBuild McLean County received a **Mutual Self Help** grant to supervise homebuyers as they help each other construct their homes in lieu of a down payment. YouthBuild's is overseeing its fourth series of homes in the in Carlock's Stoneman Gardens.

Kendall Grundy Community Action Agency, with a history of helping families weatherize their homes, received their first **HPG grant** in 2008. Now they are also able to help families with repairs that make their homes safer and more energy efficient.

UTILITIES PROGRAMS

Hillsboro's water treatment plant had outlived its useful life, jeopardizing the quality of the water to the city and surrounding communities and entities it serves. With a direct **WW** loan, Hillsboro built a 3.5 MGD treatment plant to ensure the health and economic potential of the area.

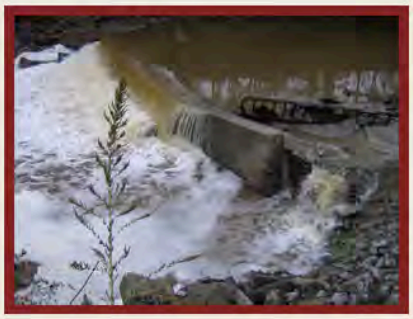
Utility programs are available to public entities, non-profits and for-profit organizations for water and waste disposal systems, solid waste management, distance learning, telemedicine, telecommunications including broadband, and electricity. See page 14 for details on utility programs.

Gateway Regional Water Company went online in August, culminating one of the largest and most complex water projects ever undertaken in rural Illinois. **WW** loans and grants helped finance the unique entity that supplies water to 12 member water systems serving 25,000 people in Marion, Fayette, Clay and Wayne counties.

Astoria purchased its new 200,000 gallon elevated water storage tank with a **WW** loan to increase the village's water storage capacity. Astoria's water pressure will no longer drop when demand from their wholesale buyers is high.

Sparta's 90 year old water treatment plant couldn't meet the growing demand for water, especially with the opening of the World Shooting and Recreational Complex. The new plant, financed with a **WW** loan and grant, is helping meet the needs of residential and commercial development.

When an emergency strikes, **WW** grants are available to eligible entities to correct a significant decline in water quantity or quality. A breached weir near Wayne City was repaired after flooding threatened to take the water level below the intake for the town's water supply.



Spoon River College is using a **DLT** grant for an interactive video-conferencing system that will make more workforce training, continuing education, certificates and degree programs available to residents at remote sites in their five-county district.

Shawneetown's water mains were old and leaked, generating problems and expensive repairs. A **WW** loan and grant are being used to completely replace the city's water distribution system and improve service to its 630 users.

Rural Development has been the primary source of funding for EJ Water Company since its first project in 1993. It now serves 20,000 users in eight counties. In 2008 it expanded service to 659 households through 182 miles of new water main with WW guaranteed and direct loans and grants.

The 2008 Farm Bill made it possible to fund the backlog of requests for rural water projects. Clinton County East Public Water District and Bond Madison Water Company were two of the five Illinois projects that received **WW** low interest loans to improve or expand their service.

Menard Electric Cooperative is using a guaranteed electric loan to extend service to new customers, replace miles of existing lines and purchase electrical equipment to ensure quality service to its 8,000 customers.

HOUSING PROGRAMS: Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to intermediary (approved banks, mortgage companies)

Program	Objective	Applicant	Uses	Rural Population	Loan/Grant	Terms/Conditions
Direct Single Family Housing Loans: 502	Provide safe, well-built, affordable homes for rural Americans	Families and individuals	Buy, build, improve, repair or rehabilitate the applicant's permanent residence	20,000 or less	Direct loan	Up to 100% of market value or cost, whichever is less. 33 and 38 year fixed rate. Applicant may be eligible for payment assistance (funded buy down) on the loan.
GRH Single Family Housing Guaranteed Loans: 502	Help applicants buy their homes by guaranteeing loans made by private lenders.	Families and individuals	Purchase new or existing home	20,000 or less	Loan guarantee	30 year fixed rate. Interest rate negotiated between lender and borrower. Loans to 100% of market value plus a 2% fee.
Repair Single Family Direct Loans/Grants: 504	Help very-low-income homeowners remove health and safety hazards or repair their homes	Families and individuals who currently own their home	Repair or replace roof, winterizing, purchase or repair a heating system, structural repair, and water and sewage connect fees	20,000 or less	Direct loan, grant	Up to 20 years at 1% Loans cannot exceed $20,000. Grants up to $7500 are only available to very-low-income applicants 62 years or older who cannot afford to pay 1% loan.
Mutual Self-Help Housing Grants: 523	Help lower income families build their own homes	Non-profits and public bodies	Technical assistance to qualify and supervise small groups of families who help build each other's homes	20,000 or less	Grant	Two year grant agreement; homeowners must provide 65% of the necessary labor.
RRH Rural Rental Housing Direct Loans: 515	Provide safe, well-built, affordable rental housing for very-low, and low income individuals and families	Individuals, limited profit and non-profit organizations.	New construction or rehabilitation of rental housing	20,000 or less	Direct loan	Non-profit up to 102% of total development cost; for-profit 97%. 30-year term with up to 50 year amortization; for-profit with Low-Income Housing Tax Credits 95% of total development costs.
GRRH Rural Rental Housing Guaranteed Loans: 538	Provide safe, well-built, affordable rental housing for very-low, and low income individuals and families	Guarantees available to partnerships, LLCs, trusts, state and local agencies and Indian Tribes	New construction or rehabilitation of rental housing	20,000 or less	Loan guarantee	Non-profit up to 97% loan to value; for-profit up to 90% loan to value. Repayment 25 to 40 year fixed rates.
HPG Housing Preservation Grants: 533	Repair and rehabilitate housing owned or occupied by very-low- and low-income rural families	Public bodies and non-profit organizations	Operation of a program which finances repair and rehabilitation activities for single family and small rental properties	20,000 or less	Grant	Two year grant agreement
FLH Farm Labor Housing: 515 & 516	Provide safe, well-built affordable rental housing for farm workers.	Individuals, public and private non-profit organizations	New construction or substantial rehabilitation of rental housing	No population restriction	Direct loan, grant	Loans up to 102% of total development cost; 1% at up to 33 years; grants up to 90% of total development costs. Farm workers must be permanent residents or U.S. citizens.

BUSINESS PROGRAMS: Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to intermediary (approved banks, mortgage companies)

Program	Objective	Applicant	Uses	Rural Population	Loan/Grant	Terms/Conditions
B & I Business and Industry Guaranteed Loans	Create jobs and stimulate rural economies by providing financial backing for rural businesses	Eligible lenders	Most legal business purposes except production agriculture. Includes acquisition, start-up and expansion of businesses that create rural employment	All areas except cities of more than 50,000 and their contiguous and adjacent urbanized areas	Loan guarantee	Lender and borrower negotiate terms. Interest rate tied to published rate; changes allowed quarterly
IRP Intermediary Relending Program Loans	Finance business facilities and community development projects	Public bodies, non-profit corporations, Indian tribes, and cooperatives	Community development projects and establishment or expansion of businesses that create or save jobs	Rural and incorporated areas with populations of less than 25,000	Direct loan	The intermediary makes loans to businesses from its revolving loan fund on terms consistent with security offered at a rate of 1% for 30 years
RBEG Rural Business Enterprise Grants	Finance and facilitate the development of small and emerging private business enterprises	Public bodies, private non-profit corporations, and Indian Tribes	Buy and develop land, establish a revolving loan fund, construct buildings, plants, equipment, access streets, roads, parking areas, utility and service extensions, and rural distance learning networks	All areas except cities of more than 50,000 and their contiguous and adjacent urbanized areas	Grant	When grant funds are used for revolving loan funds, the intermediary makes loans to businesses on terms consistent with security offered
REDLG Rural Economic Development Loans and Grants	Finance economic development and job creation in rural areas	Electric and telephone utilities eligible for financing from the Rural Utilities Service	Projects that promote economic development and/or job creation including feasibility studies, startup costs, and business expansion	All areas except cities of more than 50,000 and their contiguous and adjacent urbanized areas	Direct loans; grants for revolving loan programs	Electric or telephone utilities make loans to profit or non-profit businesses and public bodies for economic development and/or job creation projects. Loans are 0% for 10 years.
RCDG Rural Cooperative Development Grants	Establish and operate centers for cooperative development to improve rural economic conditions by developing new cooperatives and improving existing ones.	Non-profit corporations and institutions of higher education	Conduct feasibility studies, business plans, applied research, and provide training and other technical assistance to new and existing cooperatives and businesses	All areas except cities of more than 50,000 and their contiguous and adjacent urbanized areas.	Grant	Selection criteria include matching funds of at least 25%.
VAPG Value-Added Producer Grants	Assist independent agricultural producers to enter into activities that add value to their commodities.	Independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures.	Planning (e.g., conducting feasibility studies or business plans) or working capital for start-up operations	All areas except cities of more than 50,000 and their contiguous and adjacent urbanized areas	Grant	Specific selection criteria. Funds must be matched dollar-for-dollar and cannot be used to build facilities or purchase equipment or produce raw commodity.
REA Rural Energy for America Program	Finance the purchase of renewable energy systems, and make efficiency improvements.	Agricultural producers and rural small businesses.	Construction or improvements, purchase and installation of equipment, energy audits, permit fees, professional service fees, business plans, feasibility studies.	All areas except cities of more than 50,000 and their contiguous and adjacent urbanized areas.	Loan guarantee, grant	Specific selection criteria. Loans cannot exceed 50% of eligible project costs. Grants cannot exceed 25% of eligible project costs.

COMMUNITY and UTILITY PROGRAMS: Direct Loans and Grants - Apply to Rural Development. Loan Guarantees - Apply to intermediary (approved banks, mortgage companies)

Program	Objective	Applicant	Uses	Rural Population	Loan/Grant	Terms/Conditions
CF Loans, Grants and Guaranteed Loans (Faith-Based and First Responder)	Provide essential community facilities for rural communities.	Public bodies, non-profit organizations, and Indian Tribes	Build facilities and purchase equipment for fire and rescue, early warning systems, police stations, health clinics, schools, libraries, hospitals, etc.	20,000 or less	Direct loan and loan guarantee	Direct: up to 100% of market value. 40 years or life of security. Maximum grant: 75% of project cost. Guaranteed: up to 90%; fixed or variable rate established by lender; useful life not to exceed 40 years
WW Water and Waste Disposal Loans, Grants and Guaranteed Loans	Provide water and waste financing to the most financially needy applicants to keep user fees reasonable; provide guarantees to lenders	Public entities, Indian Tribes, and non-profit corporations	Build, repair, and improve public water systems, waste collection and treatment systems and related costs.	10,000 or less.	Direct loan, grant, loan guarantee	Interest rates are set quarterly based on an index of current market yields for municipal obligations. Repayment up to 40 years. Grant funds may be available. Up to 90% guarantee available to eligible lenders.
RCDI Rural Community Development Initiative Grant	Develop recipients' capacity and ability to undertake projects related to housing, community facilities, or community and economic development	Non-profit organizations and public bodies	Intermediary provides technical and financial assistance to recipients, which include nonprofit community-based housing and/or development organizations and low-income rural communities	All areas except cities of more than 50,000 and their contiguous and adjacent urbanized areas	Grant	Grants are awarded on a competitive basis. Three year grant agreement with matching funds.
PPG Predevelopment Planning Grants (Water & Waste Disposal)	Pay costs associated with developing an application for a proposed water or wastewater project	Public entities and non-profit corporations	Predevelopment costs, such as preliminary engineering and environmental reports, for entities intending to apply in the near future for water and waste disposal loans and grants.	10,000 or less	Grant	Median household income of the service area must be less than $39,056. Applications accepted year round.
SWMG Solid Waste Management Grants	Reduce or eliminate water pollution and improve solid waste sites.	Non-profit organizations and public bodies	Provide technical assistance and training to communities. Improve planning and management of solid waste facilities	10,000 or less.	Grant	Grants awarded on a competitive basis. Applications accepted from October 1 to December 31 each year.
DLT Distance Learning and Telemedicine Loans and Grants	Develop and deploy advanced telecommunication services to improve education and health care	For-profit and non-profit incorporated entities that operate rural schools, libraries, health care clinics, and educational facilities etc.	Hardware and software for classrooms (cameras, monitors, computers, LAN) and for healthcare facilities like medical records programs and teleradiology	20,000 or less.	Direct loan and/or grant	Matching funds required
Broadband Grants	Provide access to broadband transmission service to residents in a currently unserved community	Legally organized entities such as incorporated organizations, units of government, cooperatives, private corporations, or limited liability companies organized on a for-profit or not-for-profit basis	Construction, acquisition, or lease of facilities to deploy broadband transmission services; and improvement, expansion, construction or acquisition of a community center with at least ten computer access points free from charges for two years	20,000 or less	Grant	Grants awarded on a competitive basis annually.15%matching contribution required. $50,000 minimum; no maximum amount.
Rural Broadband Loans and Loan Guarantees	Deploy broadband service to eligible rural communities.	Legally organized entities (except those serving more than 2% of the telephone subscriber lines) providing or proposing to provide broadband service in eligible rural communities	Construction, acquisition, and improvement of broadband transmission facilities and equipment; land and buildings used for broadband service; and the refinancing of Telecommunications Program debt	Eligible population of 20,000 or less.	Direct loan, loan guarantee	Treasury rate at the time of the advance for a period equal to expected composite economic life of the assets financed. Loans are guaranteed at lender's rate for no more than 80% of the principal.
Electric and Telecommunications Loans and Guarantees	Provide financial aid through direct and guaranteed loans for electric and telecommunications services.	For profit entities, non-profit and cooperative associations, public bodies, and other utilities. Apply directly to Rural Development National Office.	Generation, bulk transmission facilities and distribution of electric power. Enhance 911 emergency service, digital switching equipment, fiber optic cable and traditional main system telecommunications service and broadband services.	Electric: Rural areas as defined by the U.S. Census. Telecommunication: 5,000 or less.	Direct loan and loan guarantee	Interest rates are established in accordance with 7 CFR 1745.

State Office

USDA Rural Development
2118 West Part Court
Suite A
Champaign, IL 61821
Phone: 217-403-6200
Fax: 217-403-6243
TDD: 217-403-6240

Area 1

Oregon Area Office
Phone: 815-732-6127 ext. 4
Fax: 815-732-3246

Ottawa Area Office
Phone: 815-433-0551 ext. 4
Fax: 815-433-0665

Princeton Area Office
Phone: 815-875-8732 ext. 5
Fax: 815-872-1175

Area 2

Champaign Area Office
Single Family Housing
Phone: 217-352-3536 ext. 4
Fax: 217-352-4781

Champaign Area Office
All other programs
Phone: 217-403-6236
Fax: 217-403-6237

Effingham Area Office
Phone: 217-347-7107 ext. 5
Fax: 217-342-4073

Pontiac Area Office
Phone: 815-844-6127 ext. 4
Fax: 815-844-6344

Area 3

Edwardsville Area Office
Phone: 618-656-7300 ext. 4
Fax: 618-656-914

Marion Area Office
Phone: 618-993-5396 ext. 4
Fax: 618-993-3014

Mt. Vernon Area Office
Phone: 618-244-0773 ext. 4, 5
Fax: 618-244-1786

Area 4

Galesburg Area Office
Phone: 309-342-5138 ext. 4, 5
Fax: 309-343-1182

Jacksonville Area Office
Phone: 217-243-1535 ext. 4, 6
Fax: 217-245-4875

Quincy Area Office
Phone: 217-224-9307 ext. 4
Fax: 217-224-4969

USDA Rural Development

Committed to the future of rural communities.

Illinois Community Champion

Mike Wallace, area specialist in Mt. Vernon, was selected as the inaugural winner of the **Illinois Community Champion** award. The award was created by the national office to recognize employees who excel at customer service, perform above expectations, bring innovation to their work and demonstrate strong leadership skills.

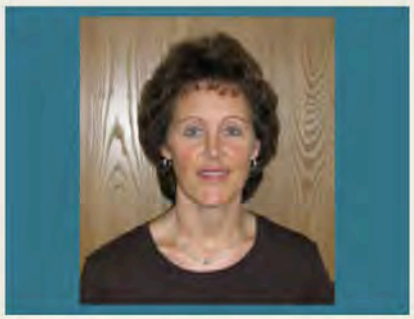
Mike was a key figure in the 12-year development of the Gateway Regional Water Company. He oversaw this extraordinarily complex project that required $19 million in funding from multiple sources and countless contracts and agreements.

Mike was responsible for creating the innovative structure that brought the diverse entities together to supply safe water to a water starved area. He saved millions of dollars and years of construction time by coordinating improvements to most of the member systems while the system, intake and pump station, and treatment plant were being built.

Thanks in large part to Mike's ingenuity, coordination and commitment, Gateway went online in August, solving the water problems of 25,000 people.

Employees Of The Year

Nancy Bitto, area specialist in Champaign, coordinated the merging of employees from three different offices into one. With her exceptional leadership during a difficult time of change, the Champaign staff excelled, making more guaranteed loans than ever before.



Lynn Armstrong, area technician in Galesburg, devised a system that improved loan and grant processing during a challenging time of personnel and service area changes. The system made file location, application status and information needs readily available to staff.

Specialist **Lorali Heintzelman**, Area Technician **Sacha Pruett**, and Area Assistant **Kim Brunner** in the **Oregon** office were recognized for exceptional loan production, very low default and foreclosure rates, quick and accurate loan processing, outreach, training and work with minority borrowers.

USDA is an equal opportunity provider employer, and lender.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice & TDD), Voice: (800) 795-3272 , TDD: (202) 720-6382

To file a complaint of discrimination write to:

USDA, Director, Office of Civil Rights 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410