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CONTACT US!

At Rural Development, we are committed to serving rural communities!

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Ottawa Service Center
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Princeton Service Center
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SUMMER 2009

Rural Development Quarterly News

Agriculture Secretary Vilsack Holds Forum in Illinois

U.S. Secretary of Agriculture Tom Vilsack visited Illinois and held a rural community forum on June 1, 2009 to discuss efforts by the Obama Administration to rebuild and revitalize rural America, listen to local residents talk about how USDA can assist them, and discuss solutions to challenges facing their communities. This was the fifth such forum Vilsack had done since being sworn in.

"To rebuild and revitalize rural America, President Obama and I want those affected by decisions made in Washington to participate in the process of developing innovative solutions and charting a path for communities to participate and thrive in the new 21st century economy," said Vilsack.

Vilsack's visit to Illinois in June continued the USDA's listening tour through rural America. Previously, he visited Brush, Co., Portageville, Mo., Ludowici, Ga., and Harrodsburg, Ky. After Illinois, he visited with communities in Indiana.



Agriculture Secretary Tom Vilsack and U.S. Senator Dick Durbin (seated at left) listen to questions and comments from community members in Geneseo on June 1, 2009.

At the rural community forum held in Geneseo, Vilsack discussed how the USDA is working to promote a sustainable, safe, sufficient and nutritious food supply, ensure that America leads the global fight against climate change, and revitalize rural communities by expanding economic

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Multimillion Dollar Upgrade Underway for Wyoming Water System



The City of Wyoming broke ground on its \$5.5 million water system improvements on June 25, 2009.

In the City of Wyoming, the days of low water pressure for residents and inadequate pressure and flow for fire protection will soon be over. The city broke ground Friday to replace virtually its entire water distribution system.

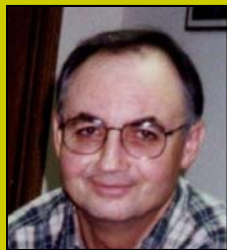
Many of the 60 to 100 year old cast iron water mains have been choked by rust and corrosion, effectively reducing the capacity of the mains by a third. The city's elevated water storage tank has to be

replaced to produce good water pressure throughout the distribution system.

According to Duane Smith, the Rural Development specialist who has worked with the city on the \$5.5 million project, this is the largest financing package he has closed in his 30 years with the agency. "Our grants and low-cost loans help rural communities afford necessary upgrades to their water systems," he said. "The story here is the substantial amount of grant funds—\$2.8million—we worked together to secure that will save the average Wyoming household about \$200 each year." The grant funding includes \$350,000 from the State of Illinois.

"It took considerable effort over four years to secure the funding, and design the preliminary and actual plans, and secure EPA approval," Smith

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Herman Wisslead
Area I Director

Director's Corner

With additional funding available to communities, Rural Development will present information at workshops hosted by the Illinois Rural Water Association (IRWA) on July 29th and 30th to highlight the availability of water and waste water loan and grant funding as well as the services IRWA can offer to assist applicants with Recovery Act funding.

The workshops will be held in Ottawa (July 29th from 9 a.m. to Noon) at the Holiday Inn Express

located at 120 West Stephenson Road and in Malta (July 30th from 9 a.m. to Noon) at Kishwaukee College, Room A225, 21193 Malta Road. Directions will be mailed along with the confirmation. To register for the workshops, please visit IRWA's website at: www.ilrwa.org.



For more information on the American Recovery and Reinvestment Act, visit:



www.recovery.gov

Vilsack (continued from page 1)

opportunities. He also noted several American Recovery and Reinvestment Act (ARRA) efforts that are underway in Illinois including the following:

- Providing \$5.3 million for five water and waste disposal projects in Illinois, including \$400,000 for the Tri-City Regional Port District, \$1.1 million for the Scott County Rural Water Coop, nearly \$750,000 for the city of Barry, \$980,000 for the Village of Sandoval, and \$2 million for the Clay County Water Company;
- Committed to providing more than \$6million for community Facilities projects in Illinois including more than \$3.7 million to the City of Jacksonville for roadway construction, \$1.7

million for Franklin Williamson Human Services to construct a new mental health clinic, \$1 million for Shawnee Health Services to construct a new dental care facility, and \$86,000 for the Gibson Area Hospital to purchase new ambulance chassis;

- Obligated \$102.4 million through the Rural Development Single Family Housing Program for 1,058 guaranteed loans and \$5.9 million for 56 direct loans.

For more information on Rural Development's programs and funds available, contact your area Illinois Rural Development office: www.rurdev.usda.gov/il/ao-list.htm ▪

Wyoming (continued from page 1)

said, "but it will take only about a year to complete construction.

"The process got started when Carol Merna, now district director for Congressman Aaron Schock, asked USDA Rural Development to help finance a new water main to the elementary school needed for fire protection. The better solution was to address the city's entire failing water distribution system. With its reverse osmosis treatment plant, Wyoming has some of the best quality water you can get, but they couldn't deliver it to their customers with enough pressure to meet their needs," Smith said.

The project entails replacing 9.4 miles of water main and the related equipment. The city will replace the 90 year old water tower that is too short to produce sufficient pressure with one that is four times as large and tall enough to make sure all the residents have appropriate water pressure and fire protection. The city will also replace the ground storage tank cited by IEPA as being at the end of its service life.

Smith credits a number of people for their outstanding commitment to correcting the city's failing water infrastructure, particularly former Mayor Sally Pepper. Other invaluable contributors have been current Mayor Pat Maher, City Clerk Judy St. John, City Engineer David Wright with Peoria's Christopher E. Burke Engineering, Ltd., City Attorney Bruce Fehrenbacher and Jim Cummings, the project's grant administrator.

The city has contracted with three Illinois companies to complete the work. Denton Gunther Underground of Macomb will install the new water mains. Wm. Aupperle & Sons from Morton will construct the ground storage tank and CB&I Constructors from Bolingbrook will build the water tower.

Rural Development's programs help to foster growth and economic stability in rural areas by providing affordable financing and technical assistance for homeownership, business development, community needs and technology infrastructure. ▪

Hidden Cove Sportsplex Expands with USDA Guarantee

With no other sports complexes within a reasonable driving distance from Kankakee, Hidden Cove Sportsplex will meet a multitude of recreational interests. Champion Development and BMA Properties has expanded and renovated the Family Entertainment Center in Bourbonnais to create a multi-purpose sports complex.

Champion Development and BMA Properties approached Country Bank in Aledo, Ill., to finance the 50,000 square foot addition that includes multiple courts and fields. By utilizing USDA Rural Development's business and industry loan guarantee program, country Bank was able to offer Hidden Cove Sportsplex, LLC the needed financing.

Hidden cove will be able to accommodate local teams who need additional space for practice and will be able to sponsor and support community events. The sportsplex will also offer basketball and volleyball courts, an arcade, a field house for hockey and football, min-bowling, bumper cars, paintball and many other family-oriented activities to the Bourbonnais area.

Loan guarantees provide lenders with another tool to expand their loan portfolio, increase earnings through

participation in the secondary market and make loans above their legal lending limits. The lenders can then, in turn, offer businesses higher loan amount, lower interest rates and longer repayment terms.

Businesses in communities with up to 50,000 people may be eligible for guarantees of up to 80 percent. Area businesses can utilize this program for acquisitions, construction, conversion, expansion, repair, modernization and for development costs. They can purchase equipment, machinery and supplies and use the funds for start-up costs, working capital and certain types of debt refinancing. ▪



Hidden Cove Sportsplex in Bourbonnais celebrated its grand opening on June 25, 2009. Pictured to the right is part of the sportsplex's miniature golf course.



For more information on Rural Development's programs, visit:

www.rurdev.usda.gov

Program Spotlight

Farm Labor Housing Loans & Grants

OFF FARM HOUSING

Purpose: To increase the supply of affordable housing for farm laborers regardless of the farm location.

Applicant: Broadly based nonprofit corporation or limited partnership, community or public agency.

Eligible Area: Not limited to rural areas (typically apartments or dormitory buildings).

Residents: U.S. Citizens and permanent resident alien farm workers.

Financing Features:

- May apply for Agency rental assistance.
- Funding preference based on percentage of contribution from other sources.
- Loan rate is an effective 1%.
- Maximum term is 33 years.
- May be used for year round, seasonal or migrant housing.
- Section 516 grant assistance may be available to make the project affordable.

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ON FARM HOUSING

Purpose: To increase the supply of affordable housing for farm laborers specific to the farm where they work.

Applicant: Must be a farm owner, family farm partnership, farm corporation or association of farmers.

Eligible Area: Housing must be located on or near the farm (can be a single-family type dwelling).

Residents: U.S. Citizens and permanent resident alien farm workers.

Financing Features:

- No rental assistance is available.
- No funding preference for leveraged funds.
- Loan rate is an effective 1%.
- Maximum term is 33 years.
- May be used for year round, seasonal or migrant housing.
- No grants available.

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Multi-Family Housing Toolbox



QUICK REMINDERS

- RD Form 3560-13 “Multi-Family Project Borrower’s/Management Agent’s Management Certification” does not expire. Be sure to include the agreement term in Section 1.b.(1) .
- RD Form 3560-31 “Identity of Interest Disclosure/Qualification Certificate” expires 3 years from the date stated at the bottom of the form RD Form 3560-30 “Certification of No Identity of Interest” has no expiration.
- Please review the tenant occupancy in your complexes. **Tenants in units that are under-utilized must have the following language in the lease, “I/we acknowledge that I/we are occupying a unit that is overcrowded/underutilized and that I/we will be required to vacate the unit at the end of the lease term unless eligibility can be established following specified steps, such as moving to an appropriate size unit, or an exception is granted to the owner/owner’s agent.”** If you have questions, contact the Princeton or Ottawa Rural Development office. ▪

Get your copy of the most recent Multi-Family Housing newsletter to get all the updates on capital needs assessments, audit requirements, income calculations and much more! Just email penny.hexdall@il.usda.gov or christine.pratt@il.usda.gov and request a copy!

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MARK YOUR CALENDAR!

Farm Labor Housing Loan & Grant Webinar

Wednesday, July 8, 2009

1:00 - 2:00 p.m.

Don’t miss out on this great opportunity to learn more about what Rural Development can do for you and your community! Contact any Area I office to sign up.

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Area I Highlights

Secretary of Agriculture in Illinois



On June 1, 2009, Secretary of Agriculture Tom Vilsack stopped in Illinois as part of his rural tour. While in Illinois, Secretary Vilsack held a community forum in Geneseo, visited with USDA staff in Galesburg

and celebrated Homeownership Month with an event at Advocates for Access in Peoria Heights.

Pictured left to right: Barry Ramsey, Illinois Housing Programs Director; Trish Yeager, RD Loan Specialist in Galesburg; Joan Messina, Illinois Public Information Coordinator; Jeff DeSplinter, RD Loan Specialist in Princeton; Secretary Vilsack; Nicki Morgan, RD Loan Specialist in Ottawa; Lynn Armstrong, RD Technician in Galesburg; Dwight Reynolds, RD Area Director in Jacksonville. ▪

Illinois State Director Announced



On June 29, 2009, Secretary of Agriculture Tom Vilsack announced Colleen Callahan as the new Illinois Rural Development Director. Callahan is a 30 year veteran of farm broadcasting on radio and television and a former president of the National Association of Farm Broadcasters. She owns a communications firm specializing in agri-marketing, public relations, public speaking and event facilitation. She has an extensive history of

public service, serving on the executive boards of many community, business and regional organizations. She and her husband Richard Burns, a regional sales manager for Burrus Seed, raise purebred Angus cattle on their farm near Kickapoo, Illinois and own a farm in DeWitt County. ▪

A special thanks to: Area 4, Penny Hexdall, Tony Humble, Joan Messina, Christine Pratt, Duane Smith and Herman Wisslead for contributing to this quarter’s newsletter.

