

Volume 1, Issue 1

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*Proudly serving 24 Western Illinois counties*

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## Contact Us!

At Rural Development, we are committed to supporting rural communities.

Galesburg Service Center  
(309) 342-5138 ext. 4 and 5

Jacksonville Service Center  
(217) 243-1535 ext. 4 and 6

Quincy Service Center  
(217) 224-9307 ext. 4

## Making a Dream Come True

Astoria's Raymond Parks had been looking for a home to buy for a long time. Like everyone else, he had to find one he could afford. More challenging was finding a home that could accommodate his disabilities. Raymond had suffered an injury that resulted in paralysis in his four limbs. He has had to live in a nursing home since his mother, his primary caregiver, passed away a few years ago.

Advocates for Access and USDA Rural Development made the process of buying his own home easier. Advocates for Access (AFA), headquartered in Peoria Heights, helps people with disabilities find ways to live independently in their communities. Rural



*RD Area Specialist Trish Yeager with new homeowner Raymond Parks.*

Development provides low cost financing to help people in smaller communities buy homes, upgrade to a better one, and make

*(continued on page 2)*

**For more on Rural Development's programs, visit us on the web!**

<http://www.rurdev.usda.gov/il>

## Illinois Electric Co-ops Score Big with USDA Funding



RD Specialist Molly Hammond asked AIEC Marketing Administrator Nancy Nixon and President & CEO Duane Noland to sign their Partnership Check in thanks for promoting

Illinois Director for USDA Rural Development (RD) Doug Wilson and

RD funding opportunities to their members. The check represents RD's record \$418 million invested in Illinois last year.

After hearing about the funding opportunities, Illinois electric cooperatives applied for and received \$3.68 million in funding over the last two years through RD's **Rural Economic Development Loan and Grant** program. Electric and telephone utilities that are eligible for financing from the agency's utilities program can apply for the funding. The cooperatives pass the

*(continued on page 2)*





**Dwight Reynolds**  
Area 4 Director

## Director's Corner

Welcome to our first Rural Development, Area 4 newsletter. The purpose of this newsletter is to inform the people of Western Illinois of the programs and projects that Rural Development is involved with. We hope you find it both informative and useful.

March 31<sup>st</sup> marked the halfway point for fiscal year 2008. Just to give you a brief overview of what we have been doing this year, here are some numbers. In the Water and Waste and Community Facilities, we have received over \$3.9 million for approved projects. For the Business Programs, we have obligated over \$5.6 million. In the housing programs, the figure is over \$34.8 million. Western Illinois has benefited from an investment of over

\$44 million dollars from RD's three core programs. With six months still to go and a large number of projects in the works, we are expecting great things for 2008.

It is my hope, that in future newsletters, we will be able to keep you informed on program changes, funding notices, application deadlines and other general information.

Finally, we would like to hear what you think of the newsletter. Did you like it? What would you like to see included? You can email your comments to either me at [Dwight.Reynolds@il.usda.gov](mailto:Dwight.Reynolds@il.usda.gov) or to Nicki Morgan at [Nicki.Morgan@il.usda.gov](mailto:Nicki.Morgan@il.usda.gov).

### Dream (continued from page 1)

*"We offered him a 38 year loan with a below-market interest rate and payment assistance." -  
Trish Yeager  
Area Specialist*

home improvements. When Raymond heard about a house that might work for him, AFA checked to see if the house would meet his needs or could be modified. Last month he found the right home, but he still needed a loan with an affordable mortgage payment. That's when Rural Development got involved. "AFA contacted my office to see if we could help Raymond," said Trish Yeager, an Area Specialist headquartered in Galesburg. "This was a perfect fit for

our direct home loan program. We offered him a 38 year loan with a below-market fixed interest rate and payment assistance."

"Because there is no mortgage insurance associated with our home loans, Raymond will save about \$70 a month by not having to pay those premiums," she said. "Our program doesn't require a down payment either, so in lieu of making that payment, AFA contributed \$14,350 to reduce his loan." ■

### Illinois Electric Co-ops (continued from page 1)

interest free funds on to public bodies, non-profits and private businesses of their choice at zero percent interest for ten years. Grant funds are used to establish revolving loan funds.

Funds can be used for many things including financing business start-ups and expansions, implementing economic development plans, and making community improvements to ensure rural areas remain attractive, economically viable places to live and work.

Two Western Illinois electric cooperatives have been approved for funding in the amount of \$1.78 million. Western Illinois Electrical Cooperative is receiving a \$740,000 loan and \$300,000 grant to help the City of

Carthage fund the infrastructure needed for the new Memorial Hospital.

Illinois Rural Electric Cooperative, serving five West Central Illinois counties, will pass through its \$740,000 loan to Westermeyer Industries, Inc., a Scott County company manufacturing cooling system components and accessories, to expand its facility. Since 2001, owner Gary Westermeyer has secured seven engineering patents and will have grown his company from a backyard workshop to a 55,000 square foot facility.

Monroe County Electric Co-Operative headquartered in Waterloo will pass on its \$740,000 no cost loan to Wm. Nobbe and Company, Inc. The funds will be used to build a new John Deere dealership facility in Jerseyville. ■

## Funding for Safe Water in Scott County

Scott County Rural Water Cooperative broke ground in March on its 32 mile water distribution system. With \$2,772,000 from USDA Rural Development and state funds, the cooperative is able to design and fund a rural water system to serve about 120 residences and farms. They will purchase water for the system from the City of Winchester.

Area residents currently get their water from wells and cisterns. Health department tests showed that most of the samples taken from private wells had unacceptable levels of contaminants. Scott County Rural Water Cooperative was formed to solve the problem.

Providing safe, reliable water can be an expensive undertaking in less populated areas because of the miles of water line needed to reach rural residents. Rural

Development is providing 80 percent of the funding with low interest loans for a 40 year term and with grants. Cooperative President Ron Coultas said, "Without funding assistance through USDA Rural Development, the project cannot be offered to our prospective water customers at reasonable rates and terms." ▪



Scott County Rural Water Cooperative members along with Rural Development's Rob Maschhoff and Dwight Reynolds.

# Program Spotlight

## Farm Labor Housing Loans and 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 an apartment 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.

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 the 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%.

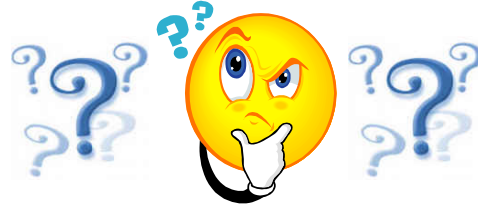
Maximum term is 33 years.

May be used for year round, seasonal or migrant housing.

No grants available.

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## Frequently Asked Questions



**Q: Is there a job creation number associated with the Guaranteed Business & Industry program?**


**A:** Not per say, but Rural Development is conscious of the number of jobs created or saved. Projects that create jobs with an average wage exceeding 125% and 150% of the Federal minimum wage receive additional priority points.

**Q: For housing loans, is there an acreage limit?**

**A:** Nope! Non-income producing sites can be financed regardless of size as long as the contributory value of the site and other structures is less than 30% of the total value. The 30% limitation may be exceeded if the site cannot be further subdivided for residential purposes based on its current zoning.

**Q: What are the benefits for a lender participating in the Guaranteed Business and Industry and Guaranteed Community Facilities Loan programs?**

**A:** The benefits include: a guarantee reduces the credit risk when specialized facilities do not have the hard collateral value to fully fund a project; loss protection; ability to market the loan note guarantee on the secondary market; reduced appraisal requirements; FDIC oversight; and Community Reinvestment Act credits. •

 STRAWBERRY MARSHMALLOW PIE  
from the kitchen of Lynn Armstrong  
Galesburg Office

◆ ◆ ◆ ◆ ◆ ◆

- 1 baked pie crust shell
- 1 10-ounce package frozen sweetened strawberries (with juice)
- 20 large marshmallows
- 1 8-ounce container of Cool Whip

Drain strawberry juice into a medium-sized pan and heat on the stove. Slowly add marshmallows and stir until marshmallows are melted. Set aside to cool. Fold in Cool Whip and strawberries and mix well. Pour into pie shell and refrigerate. The pie can also be frozen for a firmer, refreshing dessert. (I prefer it frozen and there's no need to thaw it out.)

## Get To Know Our Staff



Carla Harker

Area Technician, Quincy

After 12 years gaining experience from a local lender, I joined the Rural Development team seven years ago. The favorite part of my job is witnessing first-hand the hard work and success of our homeowners.

I have three teenage daughters, Colleen and Katelynn (15-year-old identical twins) and Kelsey who is 13 and a husband, Michael, who owns his own business.

I am and have been actively involved with many

community activities such as Girl Scouts of America leader, president of my church council, and chairperson for the local betterment committee.

Because of my very active family, spare time is always in short supply! But when I do get free time, I enjoy reading, drawing, singing and relaxing with my family. •

June 2008 is



A special thanks to: Lynn Armstrong, Carla Harker, Joan Messina, Mark Murphy, Dwight Reynolds, Jim Vanatta, & Trish Yeager for contributing to this quarter's newsletter.