



Committed to the future of rural communities.

Rural Resources

www.rurdev.usda.gov/me

June 2006



Michael W. Aube, State Director

[Contact Us](#)

Emily J. Cannon, Public Affairs Specialist

“Your newsletter for building rural communities.”



Message from the State Director:

June is National Homeownership Month, an important month dedicated to bringing the awareness of programs promoting homeownership to the forefront through public events, awards, and speaking

engagements aimed at helping Americans obtain homeownership. At USDA Rural Development, we work diligently *every day* to ensure that the dream of homeownership becomes a reality for Maine residents. Through our housing programs last year, over **\$80 million** was invested in Maine, ensuring that **684 families** obtained or maintained homeownership in our state. To date this Fiscal Year, **466 families** have utilized Rural Development’s housing programs to obtain or maintain homeownership.

Homeownership is not only the American Dream, but a building block of the community. Families who own their homes feel a sense of pride, responsibility, and ownership of their future. They often become more active in their towns, volunteer, vote, and become involved because they are stakeholders in the towns they live in. As parents, they set an example for the next generation who will likely understand the value of an ownership society. Every citizen we assist in homeownership has the potential to change their lives, and the lives of their children in a very permanent way.

As we celebrate National Homeownership Month with events showcasing lives transformed, and highlight the efforts of our partners to bring homeownership to rural Maine, it is evident that we are making a difference, one life at a time.

[Read President Bush’s Proclamation of National Homeownership Month](#)

Johanns Announces Program Enhancements to Promote Ownership of Energy-Efficient New Homes

In support of National Homeownership Month in June, Agriculture Secretary Mike Johanns has announced special eligibility considerations for low and moderate-income home loan applicants who are purchasing newer, energy-efficient homes.

"Homeownership has always been a central part of the American Dream," said Johanns at the Stand Up for Rural America Conference. "I'm pleased that through this new initiative we can encourage efforts to expand access to new, affordable housing opportunities in rural America, while emphasizing energy conservation."

Under the special program, called Home Energy Advantage, the qualifying ratios used to determine an applicant's ability to repay a home loan may be exceeded by up to two percentage points if an energy-efficient home is purchased.

Eligible applicants to the Rural Development Section 502 homeownership loan program will receive increased flexibility in their loan eligibility determinations if they are purchasing a newer home that is energy efficient. In some cases, applicants may be able to afford a larger loan amount due to the qualifying flexibility because lower utility costs associated with newer homes equate to more income that can be applied to mortgage and other debt payment in a given month.

USDA Rural Development's Section 502 loan programs are available to qualified low- and (continued on page 2)

In This Issue

Welcome and Highlights	1
Housing Programs.....	2
Business Programs.....	3
Community Programs.....	4

Housing Programs

moderate-income families to purchase modest homes in rural areas. Loans can be made for up to 100 percent of the appraised value of the property. The cost of installing energy-saving features in a home, such as insulation, storm windows and doors, as well as energy-efficient appliances, may be included in the loan amount.

All new homes that are built to meet the 2000 International Energy Conservation Code (IECC) or a subsequent comparable code are considered energy efficient and eligible for the two percentage point increase in the qualifying ratios. Existing homes that meet the same standard, or are being retrofitted to meet it, are also eligible. The program is a nationwide pilot and will operate for the next 18 months.

New homes that are built to IECC standards offer considerable energy efficiency and save homeowners money in their utility costs. After the mortgage payment, utility bills are usually the largest housing-related expense for homeowners each month. But an energy-efficient home, with such features as proper insulation, high efficiency heating and cooling systems, and energy-efficient windows, can lower utility bills significantly. For more information, contact Rural Development's housing programs at 990-9110.

Rural Development Celebrates Partners in Homeownership

During National Homeownership Month, Rural Development is recognizing the partners and lenders we collaborate with to assist Maine residents in homeownership. These very special partners work to find ways to assist families who might not have been able to obtain homeownership in conventional ways. We commend our 2006 Homeownership Partners of the Year on their exceptional commitment to ensuring safe, decent, and affordable housing to the people of Maine:

Carlton Pinney, Penquis Community Action Program

Bangor Savings Bank

Community Concepts, Inc.

Kennebec Federal Savings Bank

Northern Aroostook Wells and Septics Program

Countrywide Home Loans, Inc.

York County Community Action:

Residential Mortgage Services:



New Rural Development Income Limits Expand Affordable Housing Opportunities

Rural Development has announced new income limits for the Direct and Guaranteed Single Family Housing Programs. Effective April 26, 2006, Rural Development has adopted new income limits. For example, a family of four living in Hermon on an income of \$43,500 may qualify for Rural Development assistance under the Section 502 Direct Single Family Housing Loan Program. This valuable program assists homeowners in buying, building, repairing, or rehabilitating a home in a rural area for use as a permanent residence. Under Rural Development's Section 502 Guaranteed Single Family Housing Loan Program, a family of four living in Hermon with a household income of up to \$68,550 may qualify for assistance to purchase a new or existing home in a rural area. To determine eligibility in your area, visit <http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do>

Rural Development State Director Michael W. Aube said, "Homeownership is important to rural communities as it provides equity and stability while strengthening Maine families. These new income limits will provide more families with an opportunity to qualify for homeownership."

For more information on Rural Development's housing programs, please call Dale Holmes at 990-9110.

Multi-Family Housing Site Manager of the Year Named



Presenting the Site Manager of the Year Award at left is Assistant Deputy Administrator for Rural Development's Housing Programs Lawrence Anderson; Site Manager of the Year Award Recipient Sharon Grant; Rural Development Housing Program Director Dale Holmes

Congratulations to Sharon Grant, Administrator of Hancock County Homes Foundation. Sharon received the "State of Maine's 2005 Site Manager of the Year Award," at the annual Multi-Family Housing Seminar held in Lewiston April 12, 2006.

Business Programs

Dean Churchill Named Small Business Administration Financial Services Champion of the Year



Back Row: (left to right) Michael W. Aube, State Director, USDA Rural Development; Lorraine Wark, Chair, Small Business Advisory Council; Steve Adams, Small Business Administration New England Regional Advocate; Mary McAleney, Small Business Administration Maine District Director

Front Row: (left to right) Charles Summers, Small Business Administration New England Regional Administrator; Dean Churchill, Business and Cooperative Loan Specialist, USDA Rural Development.

Photo credit - John Gardner, SBA Maine

The U.S. Small Business Administration (SBA) recently bestowed its 2006 Financial Services Champion of the Year Award on Dean Churchill. A career Rural Development employee for 28 years, Dean has shown exemplary service to Maine's small businesses. His no-nonsense, non-bureaucratic approach to assisting people has resulted in lenders, economic development organizations, and small business owners all having a high regard for his ability to get a project off the ground. In the past five years alone, Dean has been personally responsible for helping to create or save over 1,600 jobs in Maine through his efforts in processing 29 Guaranteed Business and Industry Loans, 16 Rural Business Enterprise Grants, 10 Rural Business Opportunity Grants, and 3 Intermediary Relending Loans. This investment, totaling over \$52 million, has assisted over 500 rural Maine businesses.

Maine Wild Blueberries Going to the Dogs!



Peaked Mountain Farm, located in Dedham, was the recipient of a Value-Added Agricultural Producer Grant from Rural Development which enabled Daniel and Gail VanWart, owners, to develop a business plan to market Maine Blueberry 'Bite-O-Blue'™ dog biscuits. The value-added product will enable the VanWarts to increase sales of Maine wild blueberries in a manner which will significantly increase the value of their products to their customers. These dog biscuits are considered a healthy, antioxidant rich treat for canines. This farm has been in the family since 1868, and all of the wild blueberries used to make the 'Bite-O-Blue'™ biscuits are grown on Peaked Mountain Farm. The dog treats are presently being sold in 30 locations, from Maine to Florida.



Rural Development Provides Loan Guarantee to Morris Yachts

Machias Savings Bank partnered with Rural Development on a Guaranteed Business & Industry Loan in the amount of \$1.2 million to assist a family-run business, Morris Yacht Inc., located in Bass Harbor. Morris Yachts was founded in 1972 as "Thomas D.C. Morris, Yacht Builder." Since 1974, four properties have been acquired, and operations have been expanded to include production, service, storage, brokerage, and charting.

This successful Maine business employs 90 people and is the recipient of the 2006 SBA Small Business Exporter award. Morris Yachts builds vessels to exacting standards, by dedicated craftsmen. Rural Development assistance to this company enabled the lender to refinance debt, thus insuring continued success to this outstanding boat building family business.

For more information on Rural Development's Business Programs, contact Michael Grondin at 990-9168.

Community Programs

Groundbreaking Ceremony Celebrates \$7 Million Water and Waste Treatment Upgrade



From right to left at the groundbreaking ceremony are- Carol Woodcock, State Office Representative, Office of Senator Susan M. Collins; Rosemary Winslow, District Director, Office of Congressman Michael H. Michaud; Elton Jones, Director of Eastern Woodlands Office of Native American Programs Grants Management Division, Department of Housing and Urban Development; Andrew Varisco, Maine Staff Assistant, Office of Senator Olympia J. Snowe; Rear Admiral Richie Grinnell, Area Director, Indian Health Service; Cathy Chambers, Facilities Manager, Maine Indian Education- Bureau of Indian Affairs; Margo Fraser, Development Program Manager, Department of Economic and Community Development; Robert L. Newell, Governor, Passamaquoddy Tribe at Indian Township; Curtis M. Anderson, Deputy Administrator for Utility Programs, USDA Rural Development

On May 18, officials from agencies nationwide gathered at the site of Indian Township's Water and Waste Treatment Upgrade. The celebration was held to commemorate the outstanding Federal, State, and local partnerships that resulted in a \$7 million investment in the Tribe's sewer system.

The reservation is in need of expanding its sewer system, as it has reached capacity. This has resulted in an inability to add any houses to the system, meaning no growth for the community. The sewer project will resolve the issue of two failed sub-surface systems: one serving Peter Dana Point, and the other serving the schools. A health and safety issue is also being corrected, providing a "dependable long-term solution to the community's existing liquid waste disposal dilemma" as written in a letter of support by the Division of Environmental Health Services. The project will result in the construction of a wastewater storage lagoon and force main, improving the quality of life for a population of 1,350. Rural Development provided \$2.2 million of the total project cost.

USDA Rural Development Deputy Administrator for Utilities Programs Curtis M. Anderson said, "This project really shows the impact that the combined efforts of Federal, State, and local agencies can have on a rural community. This shared

investment means this community can continue to develop, thereby preserving the culture for the next generation."

The funding is a collaborative effort made possible by USDA Rural Development, the Bureau of Indian Affairs, Indian Health Service, the Environmental Protection Agency, the Department of Housing and Urban Development, a Community Development Block Grant, and support by Maine's congressional delegation.

USDA Rural Development has invested over \$4.5 million in the Indian Township community through its community programs since Fiscal Year 2000.

New Portland Community Library Opens the Door to Learning

On May 25, approximately 40 members of the New Portland community filled the New Portland Community Library for the official Grand Opening and ceremonious Ribbon Cutting Ceremony.

The books were carefully aligned, and fresh flowers decorated the counters as Board Member Joan Moes spoke of the impact the library would have on the next generation. "It takes a village to raise a child, but it takes a library to make them intelligent," she said. Indeed the new library will engage young minds for years to come.

Rural Development Area Director Raymond S. Roberts III called the project "truly remarkable," and commented that this contribution to the community was made possible by "thoughtful partnerships." Indeed the library was a result of Federal, State, and local funding, as well as the generosity of the people of New Portland. In 2003, the former library, housed in a two-room grange hall, was to undergo renovations to improve ADA accessibility and make necessary improvements. The expense of renovation led the Board of the library to make the decision to rebuild.

Funding came in the form of two USDA Rural Development Community Facilities Grants totaling \$53,652, as well as a Community Development Block Grant in the amount of \$250,000, donations by the Stephen and Tabitha King Foundation and Poland Spring, and the generosity of the community.

Residents Nona and Gardiner Young, founders of the original library, contributed \$21,000 out of their own pockets to see the library come to fruition.



This was without a doubt a very special day for the Town of New Portland and for Abby Richardson (pictured above), granddaughter of Board Member Russell Morey, who checked out her first book at the library "Word Wizard" with her brand new library card.