

Financial Assistance Available for Rural Health Care Providers



There is nothing more important to the quality of life in a community than the availability of quality

health care. Rural Development supports the availability of health care in rural communities by providing financing to non-profit health providers.

Our Community Facilities program has provided low-interest direct loans to a number of health care providers throughout the state. Most recently we obligated a loan of over \$8.7 million to Community Memorial Hospital in Cheboygan.

Community Memorial will use the loan to build a new medical building. With an interest rate of 4.5 percent and a repayment period of 40 years, the loan gives Community Memorial the financial flexibility to offer improved service and convenience to patients.

In addition to construction financing, the Community Facilities program can also finance new equipment or vehicles such as ambulances or mobile clinics. Over the years we have provided loans to a clinic serving migrant laborers and several medical facilities serving Native American tribes in the state.

Value-Added Program Popular in Michigan

Michigan's agricultural producers displayed their initiative for increasing the market for their products. Our state had the fourth largest number of applications for the Value Added Market Development Grant program.

The VADG program offers grants to producers, producer groups including co-ops and majority producer-owned businesses that seek to expand the market for their products. The grants can be used to develop new uses for agricultural products or new marketing or packaging methods.

In only its second year, 32 Michigan agricultural producers

applied for the VADG program. The grant applicants must compete for funds with other applicants from throughout the country. The applications are currently being reviewed in Washington, D.C. and the announcement of grant recipients is expected in October.

The VADG program has been funded for six years through the 2002 Farm Bill. A notice of funding availability for next year's round of grants through the VADG program will come out next year.

For more information about this program contact the Rural Business and Cooperative Development Service.

Time to Winterize is Now, RD can Help

Time is running short to get homes ready for another Michigan winter. Fortunately Rural Development has a program that can help.

Our single family housing program offers financing for low-income homeowners to make essential repairs.

These loans can be used to replace a furnace or to winterize before cold weather arrives.



Home repair loans can be made for up to \$20,000 and loans below \$7,500 do not require a mortgage on the property. The loans can be repaid over up to 20 years and have an interest rate of 1 percent.

To be eligible, the borrower must live in the home and not exceed the maximum income limit for the program. The maximum income limit varies depending on where the home is located. As an example, a two-person household in Clare County must have a combined annual income of \$17,900 or less to qualify.

If you or someone you know has a home in urgent need of repair before winter arrives, please contact Rural Development.

Contact *Rural Development News*: by telephone at (517) 324-5204 or by e-mail at brian.buehler@mi.usda.gov.

2002 is Record Year for RUS Program in Michigan

With over \$77.8 million in funding obligated for rural water and sewer projects, 2002 was a record year for our Rural Utilities Service.

The \$79 million in loan and grant funding was used to finance 27 sewer and water projects in 22 counties. The projects will improve sewer and water service for 11,759 homes and businesses. Of this total, over 2,000 will receive public water or sewer service for the first time when these projects are completed.

This year's record funding was bolstered by \$29 million in special loan and grant funds included in the 2002 Farm Bill. In addition to

the RUS funding, another \$7.8 million in financing was provided by other sources.



The state of Michigan provided financial assistance for several projects and the Michigan Rural Water Association and the Rural Community Assistance Program provided technical assistance.

Rural Development State Director Joanne C. DeVuyst and the RUS staff would like to thank the community leaders, the agencies mentioned and the many others who helped make these projects possible. Together we are improving the quality of life for the people of rural Michigan.

USDA Tribal Forum Set For October 28

In cooperation with the Grand Traverse Band of Ottawa and Chippewa Indians, the USDA is conducting an economic development forum.

The forum will be in Peshawbestown from 1 to 4 p.m. on Oct. 28. Several USDA agencies, including Rural Development will provide information on the types of assistance they can provide to Tribes.

For more information about this meeting contact the Grand Traverse Housing Office Manager at (231) 271-4473.

RD – National Credit Union Administration Sign Agreement

Agriculture Under Secretary for Rural Development Thomas C. Dorr announced this week the signing of an agreement between the U.S. Department of Agriculture and the National Credit Union Administration (NCUA) in support of President Bush's efforts of increasing economic opportunity in rural America by improving access to capital for businesses and homeownership.

This agreement is important because it will provide USDA a unique economic development opportunity to increase the availability of financing for business, housing and community development while promoting the creation of new jobs in rural America," said Dorr. "The opening of new markets will bring credit unions greater flexibility in developing lending strategies and stimulating further local economic development in historically underserved areas."

Under this agreement, USDA and NCUA will promote the availability of resources through USDA to assist the low-income population in communities

served by credit unions. In addition, the partnership will focus on and heighten credit union awareness of USDA-Rural Development programs and the potential use of these resources as funding sources for credit unions involved in the asset-building strategies for low-income members.

Partnership efforts between USDA and NCUA are another way in which the Bush Administration is working to foster the creation and expansion of businesses, employment opportunities and community development in rural communities through unique public-private partnerships.

The National Credit Union Administration is an independent federal agency that supervises and insures approximately 6,000 federal credit unions and insures approximately 3,300 state-chartered credit unions. Headquartered in Virginia, NCUA has six regional offices in New York, Virginia, Georgia, Illinois, Texas and California.



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