

THE RURAL MINNESOTAN



Committed to the future of rural communities.

Official Newsletter of USDA Rural Development in MN West Central Minnesota Edition

Addressing water and wastewater issues

BYRON — The city of Stewartville, Minn., is located about 15 miles south of Rochester. Like many communities that USDA Rural Development works with, Stewartville is growing.

“It’s a slower and steadier growth,” said Bill Schimmell, Stewartville’s city administrator. “But we’re definitely growing.”

A problem that many growing rural communities face is how to deal with wastewater and water treatment issues. Often, these problems can be overwhelming and intimidating.

USDA Rural Development, along with several valuable partners, are trying to help rural communities confront these issues before they become problems by



Terry Louwagie of Rural Development presents at the Byron session.

conducting a series of training sessions. The sessions educate city officials about the importance of proper water and wastewater treatment, assessing what a community needs, where to go for funding and technical assistance, how to hire an engineer, different types of systems for treatment, and system operations. The sessions are free and have been a major success thus far.

“The nuts and bolts of each session is to edu-

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From the desk of State Director Steve Wenzel

ST. PAUL — Welcome to the new official newsletter of USDA Rural Development in Minnesota. One of my goals as State Director was to improve awareness

and communication with our customers and rural Minnesotans about Rural Development programs and our activity throughout rural Minnesota. We have made tremendous strides in this area, but were lacking a consistent, state-wide newsletter. It is with great pride that I introduce the Rural Minnesotan,

the official newsletter of USDA Rural Development in Minnesota. Each issue will have a lead story that we will feature statewide, information tailored to each specific region of the state where we have office locations and a column from yours truly. These areas include northwest, northeast, west central, east central, southwest, and southeast Minnesota.

Secretary of Agriculture Mike Johanns announced the President’s and department’s proposals for the new 2007 U.S. Farm Bill on Jan. 31. The proposals have been debated and discussed for the past couple of months, but there is one thing I can say with certainty: The Secretary’s proposals are a giant step in providing for an even greater impact by USDA Rural Development on the future of rural America. The plan includes three significant funding initiatives that will impact rural communities:

*Over **\$1.6 billion** in renewable energy funding

*Over **\$1.6 billion** in guaranteed loans to rehab the nation’s 1,200 Critical Access Hospitals.

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cate communities before entering into a project,” said Jeff Dale of the Minnesota Rural Water Association at a session in Byron, Minn., on March 20. “There’s never a one-size-fits-all option.”



Schimmel said that Stewartville has begun looking into building a new wastewater plant and upgrading its water infrastructure. The city is seeing a lot of new residential development as it becomes a “suburb” of Rochester. He thought the training session

was extremely beneficial.

“It was a good refresher,” Schimmel said. “It was nice to hear about current trends and revenue sources. We also got to the root of what is working and what isn’t.”

Ten workshops will be completed by the end of April. The first was conducted in 2005. Bill Slininger, Community Programs Director for Rural Development, hopes to conduct six workshops each year as long as there is a need. The locations of each session will vary.

“To my knowledge no other state has done this,” Slininger said. “The Rural Development model is 1-on-1 mentoring and training. These sessions are perfect for that.”

It’s also a way for rural communities to get to know the groups out there to assist with water and wastewater projects.

“All of this is free of charge, but people usually take a day off of work to come here,” Dale said. “We make sure that we get everyone familiar with who’s out there for technical assistance and really make this worthwhile for people.”

The next education and training session will be in Windom on April 24. For more information, contact Bill Slininger at (651) 602-7810.



The crowd at the Byron session listens to a presentation from Paul Evenson, Rural Development engineer.

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*Over **\$500 million** to address a backlog of rural infrastructure projects such as water and wastewater systems.

On top of these key funding initiatives, the Farm Bill would continue to address housing, business, emergency response, high-speed Internet access, and other infrastructure needs that are vital to our rural communities.

Some of you may be asking how Secretary Johanns and the Bush Administration came up with the proposed 2007 Farm Bill. The Secretary and other USDA officials conducted 52 Farm Bill listening sessions last year. These sessions gave farmers and rural citizens a chance to voice their opinions on what they wanted the 2007 Farm Bill to look like. Secretary Johanns reported that Rural Development programs received unanimous support at each and every listening session he conducted.

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I attended the listening session at Farmfest in Redwood Falls on Aug. 3, 2005. Over 1,500 people crowded the tent to voice their opinion on the Farm Bill on a day when the temperature was 100-plus degrees. I witnessed the support of Rural Development programs first-hand that day. It was truly one of the most rewarding days I’ve had as State Director.

Rural Development programs make a positive impact in our rural communities. Minnesota’s rural communities have a unique quality of life and are a great place to live, work and raise a family. Our rural leaders and rural citizens work every day to maintain this unique quality of life. I feel honored to be part of an organization like USDA Rural Development that exists to work with these leaders and rural citizens in close partnership.

The coming months will be busy for USDA Rural Development. I am looking forward to the challenge.

Have an idea for the Rural Development newsletter? E-mail them to Adam Czech or Chris Swedzinski!
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Home ownership gives hope to Willmar Family

WILLMAR -- Last summer Juan Cardenas was a man in search of something permanent.

He and his wife Laura and their five children struggled with finding a place to call home. With seven people in the Cardenas family the majority of Willmar apartments were far too small to fit their needs. They thought because of their limited income home ownership was a dream they could not afford.



In the spring of 2006 the Cardenas family was visiting with their realtor, Lourdez Schwaab, and was searching

for something to fit their needs. It was in that meeting that Juan learned about USDA Rural Development and its home ownership programs. Juan was intrigued by the affordable interest rate and the Direct Single Family Housing programs preferences toward those with stable lower incomes.

Juan was amazed at the quick turnaround of his application and how quickly his family's dream of home ownership became reality. The Cardenas children now have a yard to play games and space to allow their imagination to grow. Laura Cardenas says her family has been so happy with their home and that she enjoys mowing the lawn. According to Juan, Laura is also planning on planting a garden this spring.

When asked what his favorite thing about home ownership is Juan said: "In an apartment you are not allowed to make improvements, but now I can renovate and change my home to fit my families needs."

If you are interested in learning more about Rural Development's single-family housing programs please check out our website at <http://www.rurdev.usda.gov/mn/SFH.htm>. You can also contact a specialist in the Willmar or Alexandria offices listed on the last page of this newsletter

Fresh ideas save water supply

ALBERTA — In 2000 the residents of Alberta, Minn. grabbed the sink by the faucet to improve their slice of Minnesota. Alberta was a typical town of 143. It had couple of business, a café and a gas station. The town's water came from two untreated wells and wasn't winning awards for quality. Something had to change to meet the new standard for arsenic levels being set forth by the Environmental Protection Agency (EPA).

USDA Rural Development awarded the city a \$400,000 loan and \$161,000 in grants to pipe in water from neighboring Morris. Building a few miles of pipe instead of constructing a new treatment plant saved the city a considerable amount of money.

It's not every day a group of people can make a lasting difference, but this rural community about six miles west of Morris decided it was their turn to be proactive. As with any change, hard decisions had to be made. With an expensive project looming Mayor Glen Tomoson was worried about mortgaging the future of his community.

"Alberta was staring a \$1 million project square in the face and when I divided it by 143 people, it simply did not pencil out," Tomoson said.

Tomoson is also a local business owner and understands the need to be innovative in approaching problems.

"Alberta is a bedroom community for Morris and it's used to that relationship," he said. "It was a natural connection to

connect our water supplies." The water has been running since mid-2005 and Tomoson says that he has not received a single complaint on the quality and increased price of the



water bill. He said that with the old water his water heater and appliances would wear out in a couple of years due to the water's corrosive nature.

The savings Alberta residents are seeing because of the extended life of appliances and clean water they have to drink are making Alberta a stronger community. Alberta is now canvassing rural residence that live near the water line to gauge interest in bringing this innovative project into their homes.

Introducing Kevin Friesen

WILLMAR — Kevin Friesen is the new Community Programs Specialist for Rural Development in West Central Minnesota.



Kevin was raised on a small hobby farm outside of Pemberton, Minn., and pursued a career as a Band Instrument Repair technician after high school. Looking to broaden his horizons, Kevin enrolled at North Dakota State and began studying architecture. He switched his major to Business Administration and was hired by the Department of Veterans Affairs in January of 2004.

Kevin joined the Rural Development team in August of 2006. Him and his wife, Sarah, have a 2-year-old daughter named Emma. Kevin enjoys NDSU athletics, computer activities, home improvement and remote controlled vehicles in his spare time.

Kevin is a welcome addition to our Rural Development team and is available to answer any questions you may have about Rural Development and Community Programs Division.

Application deadlines for Business Programs announced

ST. PAUL, Minn. — Notice of Funding Available (NOFAs) were recently published and application deadlines announced for many of Rural Development's business programs:

Section 9006 Renewable Energy and Energy Improvement Program — May 18 for grants; July 2 for guaranteed loans and loan/grant combinations.

Value-Added Producer Grants — Coming soon.

Rural Business Enterprise Grant — ASAP!

Intermediary Relending Program — Quarterly due dates. Remaining dates are June 20 and Sept. 28.

Rural Economic Development Loan & Grant — Same as Intermediary Relending Program.

Small Minority Grants — Coming soon.

Be an informed consumer

ST. PAUL, Minn. — Before investing valuable time and money searching for a magical grant to start your own business, look up Rural Development.

Too often, we see potential customers who have already spent hundreds or thousands of dollars on a seminar or Internet course that promises to deliver free money. If they had called or Googled USDA Rural Development, they would have saved themselves money and heartache.

Kathy Coyle, Business and Cooperative Specialist for Rural Development, recently assisted Amber Swanson, who wanted to open a retail store near her dairy farm.

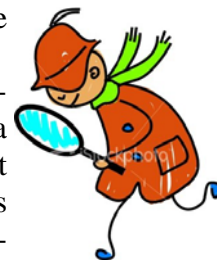
“Unfortunately Amber sent nearly \$400 to a Texas company she found on the Internet, in return for what she thought would be quality leads on grants to start her business,” Coyle said. “If she had read our web site instead, she would have figured out on her own that she didn’t qualify for what she was applying for.”

Coyle and colleagues also pointed out through a web search that the company was fraudulent and no longer working out of its Houston office. Coyle also offered further advice to assist Swanson in starting her business.

“I told her she was lucky to not have lost more money because some people have paid \$1,000 for poor advice at workshops,” Coyle said.

Potential new business owners should write a business plan (a prototype is on www.sba.gov), visit one of the many business consultants the federal government supports, contact a commercial lender, and then consider gap financing from one of the many Intermediary Re-lending Programs (IRPs) that Rural Development supports. Examples of business consultants supported with federal funds can be contacted at Small Business Development Centers or other economic development organizations in St. Cloud, Mankato, Brainerd, Moorhead, Willmar, Hutchinson, Ogema, Virginia, Duluth, Badger, and Cass County. A number of cities and counties also offer business assistance through their economic development offices.

“People shouldn’t be discouraged from starting businesses,” Coyle said. “But we want to make sure they’re informed consumers.”



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