

THE RURAL MINNESOTAN



Committed to the future of rural communities.

Official Newsletter of USDA Rural Development in MN Southwestern 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



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 educate communities before entering into a project,” said Jeff Dale of the Minnesota Rural Water Association at

(Continued on page 2)

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.

(Continued on page 2)

(Continued from page 1)

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 up-



grading 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.

(Continued from page 1)

*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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SWMHP Rehabs Area Homes

SLAYTON — The Southwest Minnesota Housing Partnership (SWMHP) has developed, rehabilitated or financed over 4,100 housing units to date, investing over \$160 million in the region. The Partnership has also recently partnered with Rural Development on a couple of projects.

The Partnership has been awarded two Housing Preservation Grants (HPG's) through Rural Development in recent years. The HPG program awards grants to nonprofit organizations, local governments and Native American tribes to renovate existing low-income housing units.

One \$23,000 grant will help remove lead from eight homes in Blue Earth county and another \$26,000 grant will help renovate eight homes in the Slayton and Jeffers area.

"Communities want to see good neighborhoods," said Lisa Graphenteen, Community Development coordinator with the SWMHP. "It's important that we rehab these homes so we don't have to tear them down in 5-10 years and see the owners move to different cities. We're also creating a healthy environment for kids."

In addition to Rural Development, the Partnership teams with several other organizations to preserve homes in the region. These organizations include the Greater Minnesota Housing Fund, the Affordable Housing Fund, Community Action Agencies, the Small City Development Program and Community Development Block Grants.

There's more to rehabbing these homes than



USDA Rural Development awarded a \$26,000 housing preservation grant to the SWMHP in October of 2006. Graphenteen is in the center, holding the check. Rural Development State Director Steve Wenzel is on the right. Next to him is Area Director Scott Knutson. On the left is Peter Morgan, chief of staff for Rural Development's housing programs in Washington DC. To his left is Gil Gutknecht, 1st District Representative at the time of the grant award.

lead removal and fix-ups, however. Improving the energy efficiency in the homes is also a priority.

"When you're strapped to pay your utility bills, improving a home's energy efficiency makes a lot of difference."

For more information on the SWMHP, visit www.swmhp.org. For more information on Rural Development's HPG program, visit www.rurdev.usda.gov/mn/mfh.htm.



The Wolf family wind farm is located near Rushmore in southwestern Minnesota.

Wind energy runs in the Wolf family

RUSHMORE — Wind energy is a tradition for the Wolf family. So much so that the family decided to own and operate its own wind farm.

USDA Rural Development helped the Wolf's get it's five-turbine wind farm off the ground with nearly \$1 million in grants from its Section 9006 Renewable Energy and Energy Improvement program.

Each turbine is owned by a member of the Wolf family along with an equity investor. Ryan Wolf is the project coordinator. Three generations of Wolf's have an ownership stake, including Grandfather Joe, Ryan's parents Mike and Cindy, and sister Gina. The family leases the land for the turbines from a cousin. The project puts out 6.25 megawatts of power.

The project was recognized by Curtis Anderson from Rural Development's national office during Earth Day last year.

"The Wolf's are to be commended for their renewable energy venture," Anderson said. "Projects such as theirs will help provide for a cleaner environ-

(Continued on page 4)

(Continued from page 3)

ment and assist in paving the way to future economic opportunities for rural Minnesota.”

Applications are now being accepted for 2007 through the Section 9006 Renewable Energy and Energy Improvement program. The deadline for grant applications is May 18. The deadline for guaranteed loan and loan/grant combinations is July 2.

Lisa Noty administers the program for Rural Development. She can be reached at (507) 373-7960, or lisa.noty@mn.usda.gov. More information can also be found at www.rurdev.usda.gov/mn/rbs.html.

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 Jane Doe, who wanted to open a retail store near her dairy farm.

“Unfortunately Jane 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 Doe 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 gov-



ernment 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.”

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.

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

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