

THE RURAL MINNESOTAN



Committed to the future of rural communities.

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

Faribault Family Has a New Home for the Holidays

FARIBAULT — *I'll Be Home for Christmas* took on a new meaning for a local family this holiday season.

Jason and Tracy Baker of Faribault and their five children lost their mobile home in a fire last June. Thankfully, the family was not home at the time. However the Baker's did lose their two pets in the blaze: Lucas, a 10-year-old German Sheppard and Shelly, a two-year-old Sheltie.

"It was just devastating," Tracy said. "Everything we worked for was gone. The hardest part was the pets. The house just became a thing with four walls, but losing our pets really hurt us a lot."

After the fire, the family lived with Tracy's mother in a two-bedroom mobile home and contemplated what to do next. The recovery process began immediately, and was accelerated during cleanup. The

family manually tore down the remains of their former home and began searching for other housing options.

"Once tearing down the house was done, we began to move on and try to heal," Tracy said. "That made everything final for us."

A big part of the healing process was trying to find a new place to live. With five kids, renting was a



Three of the Baker boys play with their new dog in front of a Christmas tree donated to the family from a local church.

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From the desk of State Director Steve Wenzel

ST. PAUL -- USDA Rural Development of Minnesota had the honor and privilege of hosting the Rural Renaissance meeting in Minneapolis on October 30 and 31. The State Director's, Administrative Officers and Public Information Coordinators joined Rural Development Under Secretary Thomas Dorr and other national Rural Development leaders for two days to discuss the future of our agency and how we can serve rural America in more innovative and efficient ways.



Many of you are probably asking, "What exactly is the Rural Renaissance?"

The Rural Renaissance refers to the many new opportunities for growth and wealth creation in rural America. Rural America is constantly evolving, and it's essential that USDA Rural Development evolve with it. The Rural Renaissance meeting in Minneapolis gave us all the opportunity to discuss ways we can position ourselves to be the leading advocate for rural communities everywhere.

Another thing we discussed at the Rural Renaissance meeting is establishing specific goals and objectives at the local, state and national level. Minnesota now has a set of specific goals and objectives that we will be working to achieve each and every year. These goals ensure that we are out in the communities we serve and are informing everyone about our programs. The goals will help each and every person at Rural Development become a better advocate for our rural communities.

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last resort. The Baker's wanted to find a home, but struggled to find something they could afford.

Then the family learned about the U.S. Department of Agriculture's (USDA) Rural Development program.

The Baker's applied for housing assistance through USDA Rural Development in mid-August. Rural Development's single-family housing program's help low and moderate income individuals and families purchase homes in rural areas, generally defined as a city with a population of 20,000 or less.

"We're low income, so there's no way we could afford a traditional home," Tracy said. "We couldn't go back to renting. The people at Rural Development were very helpful in helping us get a home we could afford."

The subsidized loan they received from Rural Development enabled them to provide a four bedroom home for their children with manageable monthly payments. The Baker's moved in on Dec. 14, just in time to trim the tree, hang the stockings and send a change-of-address form to Santa.

"I wanted to be in a new home before Christmas very badly," Tracy said. "I remember asking Rural Development before the loan money came in how long we had to wait before we make any offers. I wanted to move in right away!"

Carol Horstman and the staff in Rural Development's Faribault office guided the family through



The Baker's new home in Faribault, financed by Rural Development's direct Single-Family Housing program.

the loan process and was there to answer any questions the Baker's had. Securing funding and buying a new home can be an intimidating process for

some people. Rural Development works to make that process as smooth as possible for applicants.

"Our staff is right there to help when needed," said Steve Wenzel, State Director of Rural Development in Minnesota. "We pride ourselves on being advocates for rural Minnesota and we have staff throughout Minnesota ready to assist you."

That assistance, combined with a positive and hard-working attitude from the Baker family, helped turn a nightmare into a dream come true.

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New Multi-Family Housing Program Director

On another note, I am proud to announce the appointment of Karen Thompson to the position of Multi-Family Housing (MFH) Program Director for Minnesota.

This is a very key appointment for the agency and for all of rural Minnesota. Karen brings almost 30 years of USDA knowledge and experience into her new position as Program Director and will serve the needs and interests of the agency well. She has also been a supervisor in the agency for the last 23 years.

Karen began her career in 1979 with USDA in Pine

City. Since 1984 she has served as the Rural Development office supervisor of the Buffalo office. Her knowledge and experience will be essential as Minnesota continues to service one of the largest MFH portfolios in the nation and implements the Rural Renaissance Initiative.

Minnesota's MFH portfolio consists of about 640 projects and serves about 11,500 low-income households. We have projects in 84 of Minnesota's 87 counties and provide rental assistance to about 6,500 households. Minnesota has the fourth largest MFH caseload in the nation.

"Minnesota has the fourth largest MFH caseload in the nation, serving over 11,500 households."

Lender outreach and guaranteed loan programs

Be sure to check out page four of this edition of the Rural Minnesotan for a complete schedule and itinerary for a series of meetings we will be holding throughout the state to highlight our guaranteed loan programs.

Each meeting will highlight and explain in detail our guaranteed lending programs and give each and every one of you the opportunity to tell us how we can meet the needs of your community. If you're a lender, nonprofit, healthcare administrator, or economic development authority, I strongly encourage you to attend a session in your area.

Contact Adam Czech, Public Information Coordinator, at (651) 602-7799, or adam.czech@mn.usda.gov for more information.



Here is an overhead view of the new wastewater ponds constructed in Dent using Rural Development financing.

New Wastewater System Up and Running in Dent

DENT — A few years ago, the city of Dent was in need of a new wastewater treatment system. The city's old treatment ponds needed updating because of excessive leakage and violations of Minnesota Pollution Control agency standards.

USDA Rural Development stepped in and awarded a \$493,000 loan and \$81,000 grant to finance the project. The state of Minnesota's Wastewater Infrastructure Fund provided a matching grant of \$81,000.

"Finding money was the biggest problem," Dent mayor Perry Coleman said. "They don't make them cheap. The city and the engineer (Moore Engineering) worked with Rural Development before. That's how we found out about the program."

The new project consisted of a new primary cell, converting the existing primary cell to a secondary cell and concerting the existing secondary cell and leaching pit to three rapid infiltration basins. The project also provides ground water monitoring.

While the technical aspects of the project may be a little hard to understand, what's clear is that Dent now has a modern treatment system, is in compliance with the MPCA, and has safeguards in place to protect its ground water. Rates are also affordable for this community of 192 in West Central Minnesota.

"Everything is working the way it is supposed to," Coleman said. "It should last for a long time."

The Dent project was administered and overseen by the Alexandria Rural Development office.

Rural Development Recognizes 4 Projects in West Central Area

Fairfax, Spicer, Browns Valley and Sunburg all used Rural Development's Community Facilities program in 2007. On Oct. 10 and 11, Rural Development visited each community and got a firsthand look at each investment.



State Director Steve Wenzel signs the \$135,000 check that will help expand the city library in Spicer.

Fairfax, a city of 1,295 was awarded a \$5,700 grant for a new defibrillator machine. A defibrillator is a machine used to shock the victim's heart and restore the heart's normal rhythmic patterns.

Spicer received a \$135,000 loan to update its library. The library will double in size and create better access for the over 7,000 people it serves.

About 140 homes were damaged in a spring flood in Browns Valley. As part of the rebuilding effort, the city was awarded a \$4,000 grant to purchase a new early warning storm system.



Doug Altrichter, subbing for State Director Wenzel, signs the check in Wheaton.

Finally, the city of Sunburg was awarded an \$85,000 loan and \$20,000 grant to purchase a new ambulance.



Demonstrating the defibrillator machine in Fairfax.

"These communities have a lot going for them," said Steve Wenzel, State

Director of Rural Development in Minnesota. "We saw a variety of projects on this trip and I want to congratulate each community and thank them for putting in the time and effort to improve their community. I look forward to hearing about how these projects help each community in the future."

Rural Development's Business Programs Support Job Growth

The creation and success of *Trussworthy Components, Inc.* can trace its solid footings to USDA Rural Development programs. Business specialist, Kathy Coyle says the concept of a truss factory in the small northern



Minnesota town of Pine River first surfaced on an application for a Rural Business Enterprise Grant (RBEG) from the Cass County Economic Development Corporation. Money was needed to provide quality business counseling to assist entrepreneurs in the economically challenged county. The RBEG supported the work of the EDC's consultant, Gail Levenson. She assisted Trussworthy's Craig Anderson in developing his business plan, application for Minnesota JOBZ tax incentives, and advice on financing. Anderson, a twelve year veteran of the lumber business is a first time business owner. Empowered with the knowledge to make quality decisions, Anderson contacted the Initiative Foundation, one of Rural Development's Intermediary Re-lending Program (IRP) participants, for a business loan. When Coyle visited Trussworthy, October 2007, she saw raw wood turn into finished product for lumberyards in a 100 mile radius and custom trusses created for specific building projects in the lakes area. What began as just a dream a few years ago is now employing 23 people in the Pine River area. Down the road, in Hackensack, MN., a similar scenario played out as Levenson advised Jim Johnson, the founder of the *Hackensack Senior Class, LLC*, a 37-unit assisted living facility. The Initiative Foundation also assisted with an IRP business loan for the construction of the \$4.5m complex that employs 20 area people. Johnson, a community leader, also realized the need for a clinic and pharmacy in the small town so he partnered with St. Joseph's Medical Center to include that medical facility within the senior complex.

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USDA Rural Development to highlight guaranteed lending programs throughout state

USDA Rural Development will be conducting special informational meetings to educate, discuss and highlight our guaranteed lending programs. Lenders, nonprofits and economic developers are encouraged to attend. Refreshments will be served. For more information and to RSVP, contact Adam Czech at (651) 602-7799 or adam.czech@mn.usda.gov. A full schedule of meetings is below.

| <u>Date</u> | <u>City</u> | <u>Place</u> |
|-------------|-------------------|--------------------|
| Feb. 27 | Owatonna | Cabela's |
| March 12 | Mt. Iron | Community Center |
| March 18 | Thief River Falls | Seven Clans Casino |
| March 19 | Bemidji | Hampton Inn |
| March 25 | St. Cloud | Holiday Inn |
| April 9 | Redwood Falls | Community Center |
| April 10 | Alexandria | Holiday Inn |

Agenda

- 9 a.m. — Registration
- 9:30 a.m. — Introduction
- 9:45 a.m. — Community Programs overview
- 10:15 a.m. — Business Programs overview
- 10:45 a.m. — Break
- 11 a.m. — Multi-Family Housing overview
- 11:30 a.m. — Single-Family Housing overview
- Noon — Community needs assessment and Q&A
- 12:30 p.m. — Adjourn

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