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NEWS RELEASE

United States Department of Agriculture • Rural Development

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USDA RURAL DEVELOPMENT FINANCES NORTHWOOD PROJECT

Three years after the tornado, USDA partners with local investors to build new Northwood Inn

NORTHWOOD, June 30, 2010 – It was almost three years ago when an F-4 tornado swept through Northwood leaving the community to rise from the rubble. Today, there is a feeling of excitement as USDA Rural Development State Director Jasper Schneider joins elected officials, community leaders and the public in celebrating the grand opening and ribbon cutting of the new Northwood Inn, Laundromat, & RV Park.

“The community of Northwood continues to persevere and rebuild after facing great tragedy,” said Schneider. “This project is a good example of a partnership between a government entity and private business to spur economic growth. USDA Rural Development is committed to preserving and creating rural jobs and providing a positive impact to our rural economy.”

The \$558,500 project was made possible with a \$433,500 Rural Development loan guarantee through Citizens State Bank, and a \$135,000 contribution from Valley Investor Group LLC.

“After we started looking at the idea of building a new hotel, we started to put together an investment group,” said David Korsmo. “The group is called Valley Investor Group LLC and is made up of 14 community-minded business individuals.”

The Inn consists of ten rooms; seven of which are double queen size rooms and three are king-size business suites.

The Laundromat is accessible from both the Inn and the outside for easy entrance and the RV Park includes sites with full hookups and some without.

“When looking for funding, we were glad that Rural Development was able to assist us with the project,” continued Korsmo. “Without their help, this project would not have happened.”

This project is being funded through USDA Rural Development’s Business and Industry Guaranteed Loan Program. This program provides assistance to improve, develop, or finance business, industry, and employment and improve the economic and environmental climate in rural communities with a population of 50,000 and less.



USDA Rural Development State Director Jasper Schneider, representatives from the Valley Investor Group and Citizens State Bank gather for the Northwood Inn ribbon-cutting.

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In Fiscal Year 2009, USDA Rural Development provided **\$56.4 million** in housing programs, **\$79.7 million** in business and community programs, and **\$647.1 million** in electric programs to North Dakota citizens.

Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA Rural Development's web site at <http://www.rurdev.usda.gov>.

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