

United States Department of Agriculture

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# NORTH DAKOTA RURAL DEVELOPMENT 2007 ANNUAL REPORT





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Committed to the future of rural communities.

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## Six Years of Investments in North Dakota Fiscal Years 2001-2007

Business Programs	\$ 153,850,563
Housing Programs	\$ 221,126,318
Utilities Programs	\$ 1,110,334,593

**Grand Total \$1,485,311,474**

For more information on programs, contact your local  
North Dakota Rural Development Office:

North Dakota State Office, Bismarck, N.D.	701-530-2037
Bismarck Office	701-250-3905
Devils Lake Office	701-662-8634
Dickinson Office	701-225-9168
Minot Office	701-852-1754
Valley City Office	701-845-5150
Williston Office	701-572-4597

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1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272  
(voice), or (202) 720-6382 (TDD).

<http://www.rurdev.usda.gov/nd/>

# North Dakota 2007 Investments

## Housing Investments

Single Family Direct Loans.....	\$ 5,953,236
Single Family Guaranteed Loans .....	\$ 14,761,377
Single Family EZ/REAP Grants and Loans.....	\$ 156,175
Multi-Family Rental Assistance.....	\$ 4,588,890
Multi-Family Guaranteed Loans .....	\$ 807,073
Multi-Family Rentals Refurbished.....	\$ 1,922,489
Housing Preservations Grants .....	\$ 506,091
<b>Total:</b> .....	<b>\$ 28,695,331</b>

*Families and Individuals Achieved Home Ownership = 247*

## Utility Investments

Water and Waste Loans.....	\$ 11,357,500
Water and Waste Grants.....	\$ 6,995,568
Rural Electricity .....	\$ 227,913,000
Distance Learning and Telemedicine Grants .....	\$ 462,617
<b>Total:</b> .....	<b>\$ 246,728,685</b>

*Water & Waste Water Users Assisted = 9,256*

## Business Investments

Guaranteed Business and Industry Loans .....	\$ 15,664,610
Intermediary Relending Program .....	\$ 1,800,000
Rural Business Enterprise Grants.....	\$ 619,717
Rural Business Opportunity Grants .....	\$ 149,000
Rural Cooperative Development Grants .....	\$ 200,000
Renewable Energy/Energy Efficiency Grants .....	\$ 133,606
Empowerment Zone/REAP.....	\$ 1,345,739
<b>Total:</b> .....	<b>\$ 19,912,672</b>

*Jobs Created = 283 Jobs Saved = 181 Businesses Assisted = 13*

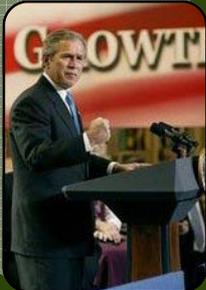
## Community Investments

Direct Community Facility Loans.....	\$ 802,325
Guaranteed Community Facility Loans .....	\$ 1,340,424
Community Facility Grants.....	\$ 163,000
Weather Radio Grants .....	\$ 54,767
Tribal College Grants .....	\$ 700,000
Economic Impact Initiative Grants .....	\$ 144,290
<b>Total:</b> .....	<b>\$ 3,204,806</b>

*Communities Served = 10*

**GRAND TOTAL: \$298,541,494**

*Committed to the future of rural communities.*



*“Rural America is diverse, and the challenges facing rural communities are wide-ranging, varied, and defy homogeneous solutions.”*

*George W. Bush, President of the United States*

*“Our rural communities are the home and heart of American agriculture. Family life on the farm largely depends on the schools, hospitals, businesses and other services in town. That’s why our rural development mission is so important. In 2007 alone, USDA Rural Development invested nearly \$14 billion in rural communities, including water systems, health care, education, small businesses and home ownership. I’m very proud of the Bush Administration’s record of support for rural America and proud of our USDA Rural Development team of dedicated workers.”*



**Ed Schafer**  
*Secretary of Agriculture*



**Thomas C. Dorr**  
*Under Secretary,  
USDA Rural Development*

*“We have the privilege of working for an agency that touches people’s lives, that strengthens communities, that builds hope one business, one job and one home at a time. Our mission and structure have changed significantly over the years. In our present form, we are essentially an investment bank for rural America with a portfolio of more than \$97 billion. This is invested in rural infrastructure, housing, community facilities, business, and energy development. We are, in fact, the only agency in the federal government that can build an entire community from the ground up.”*

*“We welcome Governor Ed Schafer as Secretary of Agriculture! It is a great honor to have a North Dakotan in this position, and I can tell you from having been his Ag Policy Director, during a portion of his governorship, he is knowledgeable and focused on the opportunities for rural America. As Under Secretary Tom Dorr says, and is so right, it is a privilege to work for an agency with a great mission like USDA Rural Development. Fortunately, at the state level, we see the fruits of our labor up close. Each of you makes a contribution to our mission each day, and I appreciate your effort.”*



**Clare A. Carlson**  
*State Director*

# B U S I N E S S

**\$19,912,672** invested in business

Business programs work with private lenders to promote a dynamic business environment by increasing the pool of investment capital available in rural areas for things like business creation, expansion and relocation and they help communities and local organizations build strong, flexible business-infrastructure to nurture future economic growth by funding projects that create or preserve quality jobs and/or promote a clean rural environment. Most business programs are available to individuals and organizations in rural areas and cities with a population of less than 50,000. For more information on Rural Development business programs call us at 701-530-2065 or visit [www.rurdev.usda.gov/nd](http://www.rurdev.usda.gov/nd)

- \$15,664,610**      **Guaranteed Business & Industry Loans (B&I)**  
Provides loan guarantees up to 80 percent for businesses to use for working capital, equipment, buildings and real estate.
- \$619,717**      **Rural Business Enterprise Grants (RBEG)**  
Provides public and non-profit groups with capital to facilitate the development of small and emerging businesses.
- \$1,800,000**      **Intermediary Relending Program (IRP)**  
Provides capital to intermediaries who re-lend the funds to local recipients that promote rural business development.
- \$149,000**      **Rural Business Opportunity Grants (RBOG)**  
Provides capital for public and non-profit groups to provide technical assistance, training and strategic planning to improve local economic conditions.
- \$200,000**      **Rural Cooperative Development Grant Program (RCDG)**  
Promotes understanding and use of the cooperative form of business as a viable organizational option for marketing and distributing agricultural products and to effectively use cooperatives to improve their economic well-being and quality of life.
- \$133,606**      **Renewable Energy and Energy Efficiency Program (REEE)**  
Provides grants, guaranteed loans, and combination grant/guaranteed loans to help agricultural producers and rural small businesses purchase and install renewable energy systems and make energy efficiency improvements in rural areas.
- \$1,345,739**      **Empowerment Zone/REAP Program**  
Provides special set-aside funds to promote self sustaining communities located in the REAP and Empowerment Zones that experience high unemployment, weak economies, shortages of affordable housing, and high out migration.

## Developing Economic Opportunities



Activities for Learning, Inc. used a guaranteed loan to expand their existing business, RightStart Mathematics, which is a curriculum used in classrooms and home education world wide.

A \$1.9 million B&I Loan Guarantee assisted Braun Properties, LLC with construction costs for a new headquarters and warehouse for Queen City Beverage, Inc. and Queen City Candy, Inc.

A \$750,000 IRP assisted Lewis and Clark Regional Development Corporation establish a revolving loan fund to assist business and community development in the City of Mandan.

# H O U S I N G

**\$28,695,331** invested in housing

Housing programs provide a number of homeownership opportunities to rural Americans as well as programs to assist families and individuals to buy, build, or repair affordable homes in rural areas with populations less than 20,000. Eligibility is based on family income and varies in each county. Housing programs also make financing available to elderly, disabled, or low-income rural residents of multi-unit housing buildings with rental assistance. These programs are delivered directly and in conjunction with non-profit organizations and private lenders. For more information on Rural Development housing programs call us at 701-530-2050 or visit [www.rurdev.usda.gov/nd](http://www.rurdev.usda.gov/nd)

\$5,953,236

## **Single Family Housing Direct Loans** (502 Direct)

Helps eligible rural families achieve the dream of homeownership through low interest mortgage loans originated and serviced by Rural Development.

\$14,761,377

## **Single Family Housing Guaranteed Loans** (502 Guaranteed)

Works with private lenders to help eligible families buy, build and refinance homes with loans up to 100 percent of market value.

\$456,091

## **Repair Loans and Grants** (SFH 504)

Assists eligible homeowners in making needed health or safety repairs and to improve accessibility. Grants are designated for elderly homeowners.

\$156,175

## **Empowerment Zone/REAP Loans and Grants**

Provides funds to promote homeownership, assist in rehabilitation of homes for the elderly, and to promote economic development and job creation in rural communities experiencing high unemployment and high out migration.

\$50,000

## **Housing Preservation Grants** (HPG 533)

Funds public and non-profit entities that provide eligible homeowners with help making needed health or safety repairs and improved accessibility.

\$4,588,890

## **Rural Rental Assistance** (MFH 521)

Provides financial assistance to eligible renters in multi-family housing as a first step toward homeownership.

\$1,922,489

## **Rural Rental Housing Guaranteed** (GRRH 538)

Creates financing incentives for lenders to develop or repair rental housing.

\$807,073

## **Rural Rental Housing Rehabilitation** (MFH 515)

Funds for rehabilitation of Rural Development-funded multi-family housing.

Building Rural Communities . . . one family at a time



Mike and Brandy Zacher were the 30,000th guaranteed housing loan recipients with the help of partners ND Housing & Finance Agency, USDA Rural Development, and Dakota Community Bank.



After qualifying as a first-time home buyer, Darwin Magnuson was able to purchase his first home using Rural Development's 502 direct loan program. A Colorado Blue Spruce was planted by Bowman SCS.



With Rural Development's 502 direct loan program, Gary and Andrea Holmgren were able to purchase the house they were renting, and provide the much needed space for their growing family.

# COMMUNITY

**\$3,204,806** invested in essential community services

Community programs offer grants as well as direct and guaranteed loans to develop or improve essential community facilities and services that are available to the public. Essential community infrastructure is key to economic development, to health and safety, along with other public-use facilities such as schools, libraries, childcare centers, hospitals and clinics, assisted living facilities, fire and rescue stations and equipment, police stations, community centers and transportation assets. For more information on Rural Development community programs call us at 701-530-2047 or visit [www.rurdev.usda.gov/nd](http://www.rurdev.usda.gov/nd)

\$802,325

### **Community Facilities Direct Loans**

Direct loans are used to improve community facilities providing essential services in rural areas and towns. The funds are available to local governments, Native Tribes and non-profit corporations for health care, fire and rescue, community centers, assisted living projects, day care centers, and other public purposes.

\$1,340,424

### **Community Facilities Guaranteed Loans**

Available to finance the same types of facilities as the community facilities direct loan program, as well as community recreational facilities.

\$163,000

### **Community Facilities Grants**

Provides technical and financial resources to public and non-profit entities to construct, enlarge, or improve essential services like education, health care and first responder facilities, vehicles and equipment. These programs serve unincorporated areas and cities with a population less than 20,000.

\$144,290

### **Community Facilities Economic Impact Initiative Grants**

Provides the needed community facilities to communities with extreme unemployment, greater than 19.5 percent, and severe economic depression.

\$700,000

### **Community Facilities Tribal College Grants**

Annually, Congress appropriates funds for the Tribal College Initiative Grant program, which provides special set-aside funds to assist Tribal Colleges in financing buildings and essential equipment for expanding college curriculum to institutions under the Equity in Education Land-Grant Act of 1994.

\$54,767

### **Weather Radio All Hazardous Warning System Grants**

Provides grants for Weather Radio Transmitters to extend the coverage of the National Oceanic and Atmospheric Administration Weather Radio All Hazards (NWR) early warning system nationwide broadcasting 24 hours a day to alert people of approaching dangerous weather and other emergencies, including natural, environmental and public safety alerts.

## Providing Essential Community Services



Napoleon Assisted Living Center provides a setting with essential services to residents allowing them not only to stay in their community, but also to be close to families and friends.



The Weather and All Hazards Radio Transmitter serves over 9,000 citizens in parts of Hettinger, Adams, Bowman, and Slope counties in N. D. and Perkins and Harding counties in S. D.



Dakota Valley sponsored the Oakes Voluntary Ambulance Service in securing a \$168,000 loan through the REDL&G program to purchase a new ambulance and construct a new ambulance garage.

# UTILITIES

**\$246,728,685** invested in basic infrastructure

Rural Americans are touched daily through the rural utilities programs of USDA Rural Development. With project financing and technical assistance, communities build the infrastructure needed to provide rural businesses and households with modern telecommunications, electricity and water services. The program also brings high-speed internet access to rural America. These programs ensure that rural areas enjoy the same basic quality-of-life community services enjoyed by people across the U.S. For more information on Rural Development community programs call us at 701-530-2065 or visit [www.rurdev.usda.gov/nd](http://www.rurdev.usda.gov/nd)

\$11,357,500

## **Water & Environmental Loans**

Promotes health, safety and economic development by providing technical and financial assistance through direct and guaranteed low-interest loans, in partnership with private lenders, and grants for public and non-profit entities to develop, improve and repair water, sewer and storm drainage systems.

\$13,500

## **Water & Waste Predevelopment Grants**

\$2,770,900

## **Water and Disposal Grants**

Predevelopment grants identify and evaluate solutions to water and waste disposal problems in rural areas and provide assistance to applicants in preparing applications.

Disposal grants reduce water and waste disposal costs to a reasonable level. In some cases, grants may be made up to 75 percent of eligible project costs. The program serves municipalities, counties, special-purpose districts, non-profits, and Indian Tribes.

\$2,265,900

## **Water/Waste Empowerment Zone/Empowerment Community (EZ/EC)**

These programs provide for targeted funds for use on water and waste projects located within the Empowerment Zone and Empowerment Community.

\$1,945,268

## **Native American Water & Waste Grants**

The funds are specially intended for Federally Recognized Tribes that are severely distressed economically, have high unemployment rates and have critical water-related human and environmental health problems.

\$227,913,000

## **Electric Loan Program**

The loans and loan guarantees finance the construction of electric distribution, transmission, and generation facilities, including system improvements and replacement required to furnish and improve electric service in rural areas, as well as demand side management, energy conservation programs, and on-grid and off-grid renewable energy systems.

\$462,617

## **Distance Learning & Telemedicine Grants (DLT)**

Funds public and non-profit programs that use technology and the Internet to promote education and health care.

## Strengthening Community Infrastructure



In celebration of Earth Day 2007, Allan Johnson announced \$2.18M loan/grant funding for the Hutton Community to be used for sanitary improvements for residential and business customers.



Administrator James Andrew announced \$2.31M loan/grant funding to the State Water Commission for completion of the Medora Beach Pocket of the Southwest Water Pipeline Project.



Spirit Lake and Standing Rock Sioux Tribes utilized the water and environmental program to construct, enlarge, relocate or extend their water supply to their respective communities.