



Rural Development 2001 Annual Report

\$69.3 Million Fosters Development of Sustainable Rural NEBRASKA Communities

INSIDE:

USDA Rural Development Dollars at Work in Rural Nebraska.

- 699 new rural homeowners from \$38,000,000.
- 7,086 rural Nebraskans provided dependable, safe and sanitary water & wastewater disposal with \$9,600,000.
- 24 rural communities impacted through \$9,200,000 for community centers, libraries, & more.
- 2 rural rental housing complexes (16 units) to be built for the elderly with \$657,000.
- 226 rural jobs impacted by \$8,900,000.
- 113 rural homeowners assisted with essential home repairs through \$604,000.
- \$188,000 awarded to develop/expand small emerging, rural private business enterprises.
- \$86,000 assists in the final development of 24-unit rural rental housing family complex.
- \$90,000 provides for business market plan, biodiesel plant feasibility study, and business recruitment plan in rural communities.
- 3 rural rental housing complexes (30 units) received needed updates through \$54,000.
- 113,899 rural Nebraskans gained improved health care via \$502,000.
- \$46,000 assists in new grocery store benefiting 681 rural households.
- 3 rural rental housing complexes (35 units) remain available to eligible tenants through transfer of ownership and \$475,000.
- 10 rural school districts benefit from \$434,000.
- 8 rural homes to receive repairs through \$50,000.
- \$291,000 assists in enhancing technical assistance services & opportunities afforded to rural cooperatives.
- USDA Rural Development assists rural cooperatives and value-added groups in continuing to form and to grow.

This has been a year of strong accomplishment for USDA Rural Development in Nebraska. We are pleased to report that in Fiscal Year 2001, we invested over \$69.3 million in the rural areas of our state.

USDA Rural Development is the primary financing entity of the Department of Agriculture in rural (non-farm) America through the provision of guaranteed loans, direct loans and grants in three main areas managed by three separate services within Rural Development. The Rural Utilities Service funds utilities and infrastructure; Rural Housing Service provides monies to build, buy and repair homes; and the Rural Business and Cooperative Service underwrites business loans, provides grants to finance and facilitate small, emerging business development, as well as, develop cooperatives and other businesses.

In Nebraska, over \$29 million was provided through business and community programs to help numerous rural communities with water and wastewater improvements and community facilities such as libraries, community centers, child care facilities, and more. The distance learning and telemedicine funding helped to update medical services and educational opportunities in rural Nebraska. Funding was also provided for new and existing businesses. Cooperatives were encouraged, particularly those trying to find ways to add value to agricultural products.

Nearly \$40 million was awarded through various housing programs in order to assist many individuals and families in communities of 20,000 population or less to obtain or improve their own homes. Repair programs for homeowners helped them make repairs and remove health and safety hazards and rural rental housing for the elderly and for families were also made available. Existing rural rental housing complexes received improvements, keeping the units attractive and safe for tenants and occupancy levels as high as possible.

Leveraging of funds with other programs augmented the impact of USDA funding. Without financial partners from other federal, state, local and private entities, our monies could not have accomplished nearly as much.

While a great deal has been accomplished, even more remains to be done in order to provide for the needs of rural Nebraska. Housing needs vary from community to community as some are growing and others continue to lose population. Needs for an aging infrastructure vie with new water quality requirements for infrastructure financing along with the need to keep the latest communications options available to rural Nebraska. Financing for expansion and generational transfer of existing businesses as well as monies for new enterprises including those that seek to add value to the state's agricultural commodities continue to be needed. In all of these areas, USDA Rural Development in concert with other partners will continue to play a leading role.

In closing, I would like to compliment the staff of USDA Rural Development on a job well done. Thank you all for your dedication, hard work and perseverance.

Sincerely,

Jim Barr
State Director

Rural Housing Service

☐ Community Facility Program

Over \$9.2 million in USDA Rural Development funds comprised of guaranteed loans of nearly \$2 million, direct loans totaling approximately \$6.5 million along with over \$780,000 in grants were distributed to 24 rural Nebraska communities in Fiscal Year 2001. USDA dollars were maximized through a 30 percent leverage of funds from financial partners. Projects funded include a daycare center, medical clinic, libraries, emergency warning system, community centers, assisted living facility and a college. (See attachment for list of projects funded).

Rural Utilities Service

☐ Distance Learning & Telemedicine Program

USDA Rural Development funded 3 projects in Fiscal Year 2001 totaling \$935,952 which will assist in furthering the distance learning and telemedicine opportunities in rural Nebraska.

① *Rural Health Partners, Inc., d.b.a Heartland Health Alliance (HHA)*; Holbrook, Nebraska received \$196,012 in grant funds for a telemedicine project that will potentially benefit approximately 33 physicians, 626 nurses and 23,899 rural residents. Currently, six HHA hospitals have interactive video systems installed at their facilities. The purpose of this project is to install interactive video systems at eight additional HHA rural hospitals. The eight hospitals are: Boone County Health Center (Albion), Crete Municipal Hospital (Crete), Jefferson Community Health Center (Fairbury), Johnson County Hospital (Tecumseh), Phelps Memorial Health Center (Holdrege), Valley County Hospital (Ord), Cherry County Hospital (Valentine), and Garden County Hospital (Oshkosh). The installation of these systems will assist the rural hospitals with expanding their local medical and educational programming opportunities and thus improve the medical care provided to the rural residents.

② *Crossroads Distance Learning Education Consortium of Columbus, Nebraska* was awarded \$433,830 in grant monies to create an interactive video network. The network will provide a broadened curriculum and better preparation of post-secondary education for the students, staff and community adults of the participating east-central Nebraska school districts. The school districts involved in this project include Columbus, David City, East Butler, High Plains, Humphrey, Osceola, Rising City, Schuyler, Shelby and

Stromsburg (Cross County Community Schools). The anticipated benefits of this project include providing advanced placement and college-level courses to students; and involving the community in the use of technology for personal and career development.

③ *Mid-American Rehabilitation Telehealth Network (MRTN) c/o Madonna Rehabilitation Hospital in Lincoln, Nebraska* was the recipient of a grant in the amount of \$306,110 for a telemedicine project that will benefit approximately 90,000 rural residents. Members of the MRTN include the Madonna Rehabilitation Hospital, Wilber Care Center, Ashland Care Center, and Fremont Area Medical Center. The goal of this telehealth system is to assure that rural residents have immediate access to quality rehabilitation care. The telehealth system will link community care centers and long-term care centers for patient consultation and treatment; education for patients, care providers, families, and community members; support groups, and for family/patient visitation. Patients will be able to receive care from rehabilitation professionals without leaving their home area. Continuing education opportunities will also be offered.

☐ Water and Wastewater Program

Fiscal Year 2001 records reveal that 18 rural Nebraska communities received over \$9.6 million in USDA Rural Development assistance. Of this funding, nearly \$5.5 million was composed of loans and more than \$4.1 million of grants. The program dollars afforded 7,086 rural Nebraskans with safe, clean, dependable drinking water and sanitary sewer services.

A greater number of rural Nebraska communities were impacted by USDA funding due to the leveraging of Federal, state and local dollars. Fiscal Year 2001 year-end totals reflect the Rural Utilities Service providing 83 percent of the total funding with 17 percent contributed by financial partners. (See attachment for list of projects funded.)

USDA Rural Development is an Equal Opportunity Lender, Provider and Employer. Complaints of discrimination should be sent to USDA, Director, OCR, Washington, D.C. 20250-9410.

Rural Business-Cooperative Service

❑ Business & Industry Loan Program

Fiscal Year 2001 year-end figures reflected over \$8.7 million in USDA Rural Development loan guarantees and \$216,000 in direct loans totaling greater than \$8.9 million, which benefited 6 businesses and impacted 226 jobs. Monies assisted in the debt restructure of 3 businesses and also in the purchasing of 3 existing businesses.

❑ Rural Business Enterprise Grant Program

The Nebraska Economic Development Corporation (NEDCO)-Lincoln was awarded \$188,000 in grant funds from USDA Rural Development in Fiscal Year 2001. NEDCO will use the funds to establish a revolving loan fund that will assist in financing the development and/or expansion of small emerging private business enterprises within the rural areas of Nebraska.

❑ Rural Business Opportunity Grant Program

USDA Rural Development provided to rural Nebraska in Fiscal Year 2001, 3 grants totaling \$90,000. Recipients were the City of South Sioux City-\$15,000 to develop a downtown business market plan; Bruning Community Foundation, Inc.-\$25,000 to fund a biodiesel plant technical/economic feasibility study; and the West Central Nebraska Development District-\$50,000 to establish a regional community economic development inventory, marketing plan, and direct marketing package for business recruitment to 18 rural southwest and west central Nebraska counties.

❑ Rural Economic Development Loan and Grant Program

The Glenwood Telephone Membership Corporation will administer \$46,000 of Fiscal Year 2001 USDA Rural Development loan funds that will be utilized to finance the construction of a new, pre-engineered steel building, custom designed for use as a grocery store. The store will be located in Blue Hill, Nebraska and will service approximately 681 rural households.

❑ Rural Cooperative Development Grant Program

USDA Rural Development grant funds of \$290,576 were awarded in Fiscal Year 2001 to the Nebraska Community Foundation for the benefit of the Nebraska Cooperative Development Center, a Foundation affiliated fund. Grant monies will assist the Center to enhance technical assistance services provided for and opportunities afforded to Nebraska cooperatives.

❑ Cooperative Services Program

Fiscal Year 2001 reports growth in Nebraska's cooperative development efforts. Producers are finding alternative product uses through the value-added approach and have formed cooperatives, limited liability companies, and other organizations to process and market their value-added products of pork, natural meat, perch, wood products, grain for ethanol, and more.

Various federal, state and local agencies work diligently to advance cooperative development in Nebraska. Through a unique partnering effort, a Cooperative Specialist in Holdrege provides expertise and technical assistance to potential cooperatives across Nebraska. This Specialist, along with two USDA Rural Development employees, serves on a statewide team of First Responders. This team provides general guidance, facilitation skills to groups, and assists the producer, individual or group from beginning to end in their cooperative endeavor. First Responders offer knowledge about the various technical assistance resources available for cooperative development and their accessibility.

Administrative

❑ Partnership For Rural Nebraska (PRN)

The PRN's collective mission is "to improve the effective use of resources that support local-based rural development efforts statewide, and to better utilize human and financial resources for rural development".

Key partners in this cooperative commitment are the State of Nebraska, University of Nebraska, USDA, Nebraska Development Network, and the Nebraska Rural Development Commission.

1. The Partnership for Rural Nebraska (PRN) is not an entity or agency.
2. The PRN is not a brick and mortar institution.
3. The Partnership for Rural Nebraska is a name applied to a "vision" - a vision of local, state and federal groups working together to stretch resources thereby benefiting more Nebraskans; a vision of educating each other on available resources and rural development needs, using educational opportunities such as the annual Rural Institute, PRN Orientation, etc.; a vision of acquainting Nebraskans and others, of rural development activities and opportunities through the Rural News Bits.
4. The PRN is envied by others outside Nebraska.

Rural Housing Programs

Single Family Housing

☐ *Direct Rural Housing Program*

Fiscal Year 2001 records reflect USDA Rural Development loan funds in excess of \$9 million assisting 166 rural Nebraska households in achieving homeownership. The USDA dollars also generated a 31 percent leverage of monies from outside financial sources, creating a greater impact on homeownership in rural Nebraska.

☐ *Guaranteed Rural Housing Program*

Over \$29 million in USDA Rural Development Guaranteed Rural Housing (GRH) loan funds enabled 533 rural households to become homeowners in Fiscal Year 2001. Sixty-five percent of the GRH funding was used in conjunction with Nebraska's Single-Family Housing tax-exempt bond program, which is administered by the Nebraska Investment Finance Authority. Nebraska at the present time has 120 approved lenders for the GRH Program.

The top 5 approved lenders who participated in the GRH Program in Fiscal Year 2001 are outlined below:

<u>Lender</u>	<u>Total Funding</u>
1. First National Bank of Columbus	\$2.8+ million
2. Cornerstone Bank-York	\$2.5+ million
3. Major Mortgage-Columbus	\$2.3+ million
4. Adams Bank-Ogallala	\$2.2+ million
5. Platte Valley National Bank-Scottsbluff	\$1.8+ million

☐ *Direct Rural Housing Repair Loan and Grant Program*

USDA Rural Development loan and grant funds totaling \$603,910 in Fiscal Year 2001 allowed 113 rural Nebraska homeowners to make needed home repairs.

Multi-Family Housing

☐ *Rural Rental Housing Program*

Two elderly complexes will be built thanks in part to USDA Rural Development loan funds of \$657,436 awarded in Fiscal Year 2001 to Blue Valley Community Services of Fairbury. Leveraged funds from financial partners will comprise the balance of the estimated \$1.1 million housing facility. The 12-unit complex in Beatrice and 4-unit complex in Odell will offer to Nebraska's elderly, affordable rural rental apartment housing.

Wahoo Housing Partners LP received in Fiscal Year 2001, a \$85,500 subsequent loan from USDA Rural Development to be used for the final development of a 24-unit rural rental housing family complex in Wahoo. An initial USDA Rural Development loan of \$885,000 was made to Wahoo Housing Partners LP in Fiscal Year 1999 for this facility. The balance of the estimated \$1.7 million housing complex is derived from outside financial sources.

USDA Rural Development assisted 3 non-profit organizations to each purchase a rural rental housing complex by a transfer of ownership and assumption of indebtedness plus subsequent (equity) loans totaling over \$475,000. These loans, in conjunction with the loan assumptions by the non-profits enabled the 3 complexes (35 units) to continue to provide housing for eligible tenants. The three recipient non-profit organizations are:

	<u>Non-profit/Owner</u>	<u>Complex/Location</u>	<u>Equity Loan Amount</u>
1.	Blue Valley Community Services	Mid-Town Apts. Osceola, Nebraska	\$179,807
2.	Louisville Housing Authority	Oakridge Place Louisville, Nebraska	\$215,500
3.	Southeast Nebraska Community Action	Countryside Apts. Sterling, Nebraska	<u>\$ 80,000</u>
		TOTAL	\$475,307

Shown below are 3 USDA Rural Development rural rental housing complexes (30 units) that were updated due to USDA Rural Development loan funds of \$54,000 combined with a 38 percent leverage of funds from financial partners.

	<u>Complex/Location</u>	<u>Subloan Amount</u>
1.	FenceRock I-Hickman, Nebraska	\$42,000
2.	FenceRock II-Hickman, Nebraska	
3.	Valley Vue Apts.-Orleans, Nebraska	<u>\$12,000</u>
	TOTAL	\$54,000

☐ *Housing Preservation Grant Program*

Panhandle Community Services of Gering received \$50,000 in USDA Rural Development grant funds in Fiscal Year 2001. These funds will assist in repairing 8 rural homes in the counties of Cheyenne and Kimball. The Housing Preservation Grant program provides funds that allow for homes to be brought to a standard that provides for safe and sanitary living conditions, conducive for an acceptable quality of living.

COMMUNITY FACILITY PROGRAM

<u>Applicant</u>	<u>Project</u>	<u>Loan Funds</u>	<u>Grant Funds</u>
■ Memorial Community Hospital Corporation-Blair	Purchase new computer information system	\$ 205,000 Direct	
■ Pawnee County Memorial Hospital-Pawnee City	Renovate hospital and build new medical clinic	\$ 200,000 Direct	
■ Panhandle Community Services-Gering	Expansion of health & family resource center	\$ 350,000 Direct	
■ Rock County Public Library-Bassett	Purchase bookmobile		\$ 18,800
■ City of Imperial	Purchase of thermal imaging cameras & associated telemetry equipment by Fire Dept.		\$ 5,700
■ Ulysses Township Library	Improvements to library		\$ 2,400
■ Pawnee City Historical Society & Museum, Inc.	Develop additional exhibit hall		\$ 9,000
■ Community Service Center, Inc.-Lexington	Purchase building & renovation costs	\$ 100,000 Guaranteed	
■ Cheyenne County Child Development Center-Dalton	Construct child care center in Sidney	\$1,265,000 Direct	
■ Village of Jansen	Update emergency warning system		\$ 6,400
■ City of Red Cloud	Develop community center	\$ 865,400 Direct	
■ Hayes County Agricultural Society, Inc.-Hayes Center	Develop new exhibit hall/community center	\$ 80,000 Direct	\$ 20,000
■ Nebraska Rural Water Association, Inc.-Wahoo	Construct new office building/training center	\$ 486,000 Direct	
■ Cambridge Memorial Hospital	Build assisted living facility	\$1,850,000 Guaranteed	
■ Cherry County Agricultural Society, Inc.-Valentine	Improvements to 4-H/community building	\$ 300,000 Direct	\$ 35,000
■ The Ponca Tribe of Nebraska-Lincoln	Renovate agency building to use as cultural resource center	\$ 61,700 Direct	\$ 99,000
■ The Community Hospital Association-McCook	Construct medical office building	\$2,458,000 Direct	
■ Hitchcock County Agricultural Society-Culbertson	Develop new exhibit hall/community center	\$ 240,000 Direct	\$100,000
■ Village of Oconto	Construct facility serving as library, community center, senior center & Village office		\$103,000
■ Village of Kilgore	Building restoration for use as Village office, meeting space & community center		\$ 80,000
■ Steele City-Endicott RFD #7	Improvements to fire hall, trucks, and fire fighting gear		\$ 22,000
■ Village of Norman	Installation of emergency warning system		\$ 9,000
■ Little Priest Tribal College-Winnebago	Develop new facility to serve as a college and public library		\$135,000
■ Nebraska Indian Community College-Macy	Develop new tribal college facility		\$135,000
■ FISCAL YEAR 2001 TOTALS		\$8,461,100	\$780,300

WATER AND WASTEWATER PROGRAM

<u>Applicant</u>	<u>Project</u>	<u>Loan Funds</u>	<u>Grant Funds</u>
■ Village of Newport	Water Improvement	\$ 67,000	\$ 476,000
■ Village of Deshler	Water Improvement	\$ 167,000	
■ Village of Malmo	Water Improvement		\$ 9,000
■ Village of Silver Creek	Water Improvement	\$ 611,000	\$ 390,000
■ Village of Dix	Water Improvement	\$ 430,000	\$ 219,500
■ Village of Bloomington	Water Improvement	\$ 135,000	\$ 211,000
■ Village of Union	Sewer Improvement	\$ 386,600	\$ 50,400
■ Village of Brule	Water Improvement	\$ 484,000	\$ 487,000
■ City of Hooper	Sewer Improvement	\$1,638,000	\$ 48,000
■ Village of Paxton	Water Improvement	\$ 493,000	\$ 380,300
■ Omaha Tribe of Nebraska	Solid Waste Improvement		\$ 203,000
■ Omaha Tribe of Nebraska	Sewer Improvement		\$ 65,000
■ Village of Verdon	Water Improvement	\$ 205,900	\$ 568,100
■ Village of Ashton	Water Improvement	\$ 165,000	\$ 359,000
■ Village of Ruskin	Water Improvement	\$ 209,500	\$ 407,000
■ Village of Craig	Sewer Improvement	\$ 256,000	\$ 191,000
■ Village of Naper	Water Improvement	\$ 44,600	\$ 34,200
■ Village of Shubert	Water Improvement	\$ 186,000	\$ 24,000
■ FISCAL YEAR 2001 TOTALS		\$5,478,600	\$4,122,500

Nebraska USDA Rural Development Directory

□ **State Office**

Office Location:
Room 308 Federal Building
100 Centennial Mall North Lincoln,
NE
Mailing Address:
Room 152 Federal Building
100 Centennial Mall North Lincoln,
NE 68508
402-437-5551

Office Of The State Director Staff:

402-437-5550

Administrative Management Staff:

402-437-5575

Business & Community Programs

Staff: 402-437-5556

Rural Housing Staff:

402-437-5557

□ **Kearney Area Office**

4009 North 6th Ave
PO Box 730
Kearney, NE 68848-0730
308-237-3118

Hastings Branch Office

2727 West 2nd Street Suite 108
Hastings, NE 68901-4608
402-463-6771

Lexington Branch Office

721 E. Pacific St. PO Box 0
Lexington, NE 68850
308-324-6314

North Platte Field Office

1202 S. Cottonwood
North Platte, NE 69101
or PO Box 2009 69103
308-534-2360

McCook Branch Office

1400 W. 5th Street Suite 4
McCook, NE 69001
308-345-4163

Valentine Branch Office

518 W. Hwy. 20 Suite 3
PO Box 607
Valentine, NE 69201
402-376-1712

Scottsbluff Field Office

818 Ferdinand Plaza Suite B
Scottsbluff, NE 69361-4401
308-632-2195

Chadron Branch Office

1020 West 6th
Chadron, NE 69337-2909
308-432-4616

Sidney Branch Office

2244 Jackson Box 179
Sidney, NE 69162-0179
308-254-4507

□ **Beatrice Area Office**

201 N. 25 Street
Beatrice, NE 68310
402-223-3125

Lincoln Field Office

6030 S. 58th St. Suite B
Lincoln, NE 68516
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□ **Norfolk Area Office**

1909 Vicki Lane Suite 103
Norfolk, NE 68701
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107-B E. Hwy. 20 PO Box 630
O'Neill, NE 68763
402-336-3796

Wayne Branch Office

709 Providence Rd. PO Box 218
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Columbus Field Office

3100 23rd St. US 30 Center
Columbus, NE 68601
402-564-0506

Fremont Branch Office

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