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USDA RURAL DEVELOPMENT INVESTS OVER \$90 MILLION IN VERMONT

Montpelier, VT, December 30, 2008 Jolinda H. LaClair, State Director of USDA Rural Development (RD) for Vermont, announced that during Fiscal Year 2008, USDA Rural Development helped to improve the quality of life and increase economic opportunity with an investment of \$90,608,941 into Vermont. "We are proud to have provided technical and financial resources to assist Vermont individuals, organizations and community leaders to strengthen their communities," said LaClair. "As the economy fluctuates, USDA Rural Development's programs will continue to provide financing needed to reduce energy costs and consumption, create new jobs, increase and sustain homeownership and strengthen community infrastructure."

Partnering with Community National Bank, Northfield Savings Bank, Vermont Economic Development Authority and many other lenders, Vermont rural businesses and individuals received over \$13.5 million in loans guaranteed by Rural Development. One investment at a time, lenders brought the benefits of a USDA RD loan guarantee home to rural Vermont, helping rural small businesses to start or expand their already existing businesses. Preserving 77 jobs, a loan guarantee to Community National Bank allowed financing for the Vermont College of Fine Arts' for acquisition of real estate and assets, including program assets, of the Vermont College campus and graduate fine arts programs from the Union Institute and University in Montpelier. RD's Business Program grants, loans and loan guarantees investment of \$18.4 million during 2008 helped to create and save over 870 jobs by assisting 124 businesses.

As in previous years, Vermont successfully competed nationally in RD's Rural Energy for America Program. Over \$2 million in grants and loan guarantees will help Vermont agricultural producers and rural small businesses reduce energy costs and consumption through the purchase of renewable energy systems and installation of energy efficiency improvements. RD is pleased to help finance the Spotted Dog Farm's solar project in Thetford, and Stony Pond Farm's 10kW wind turbine. Both projects will generate replacement energy for these two business operations. Mathewson Associates in Barre will use their energy efficiency grant to upgrade the heating system in the old Mathewson School building, reducing their oil consumption. RD continues to support Vermont agriculture by investing in methane digesters and reverse osmosis equipment purchases and related installation.

Rural Development invested over \$10.7 million in Community Facility (CF) Grants, Loans and Loan Guarantees to assist communities with financing essential community services such as the renovation of a barn structure owned by Castleton Community Seniors, Inc., which will allow the center to dedicate space for health and fitness classes, workshops, prevention care programs and lectures focused around adult health care. Vermont organizations and municipalities receiving Community Facility Program funds will build new town buildings, larger health centers and homeless shelters, make accessibility modifications, purchase emergency equipment, library furniture and workstations, and upgrade playgrounds. This year the Sheffield-Wheelock Volunteer Fire Department, Inc., received a \$130,000 CF Grant and Loan to purchase a fire truck, complete with thermal imaging camera and air cylinder filling station. With this grant/loan combination, Sheffield-

Wheelock and the Town of Wheelock leaders like Fire Chief Marc Brown have used RD resources to revitalize the fire department creating for the Sheffield-Wheelock community, a ready and equipped first responder team.

RD continues to play a crucial role in helping rural communities connect to the electrical, telephone, water and waste disposal services necessary for growth and sustainability. RD invested over \$24 million in Water and Environmental Programs, Solid Waste Management, Distance Learning, Broadband and Community Connect loans and grants throughout Vermont. The Town of St. Johnsbury received a Water and Environmental Program loan of \$2,240,000 and grant of \$3,360,000 to make wastewater treatment plant improvements. Washington Electric Coop will use their Electric Loan from RD to install a fifth engine-generator at their existing Coventry landfill.

The White Mountains Regions School District are using their Distance Learning and Telemedicine Grants to place state of the art IP-based video conference equipment at locations in Orleans and Essex. The Bi-State Primary Care Association's 12 health centers will have provisions of family-based child psychology services via telemedicine. Expanded fiber network services will be provided to the Fairlee, and West Fairlee communities thanks to a RD Broadband Loan of \$2.2 million to the Topsham Telephone Co.

'Own Your Future' - 2008 June Homeownership Month theme was observed by RD with homeownership celebrations across the state. Partnering with Rockingham Area Community Land Trust (RACLT), the RD Brattleboro Area Office celebrated homeownership with a 'birdhouse building' event. RACLT merged resources with RD to assist many families and individuals realize their homeownership dream. More than \$25 million in loans and grants helped to purchase, repair and construct housing for 286 homeowners and individuals throughout Vermont. Additional home repairs will be made with \$100,940 in Housing Preservation Grants (HPG). These grant funds are leveraged with private sector dollars to repair existing homes owned by low-income individuals or families. Gilman Housing Trust Inc. and the Northeast Employment and Training Organization each received Housing Preservation Grants to make repairs to homes in the Northeast Kingdom.

RD invested over \$5 million to build affordable rental units in Franklin and Chittenden counties. Residents of RD funded rental properties received \$6.4 million in rental assistance, provided to ensure that rents are no more than 30% of a resident's income. RD joined Housing Vermont and RACLT for a groundbreaking ceremony of the Armory Square Apartments. Funding from USDA RD will be used to rehabilitate the Armory Square building, preserving much needed affordable rental housing units in the Windsor community. This is one of many projects with Housing Vermont and RACLT that help to bring affordable rental housing to Vermont. RACLT, a co-general partner, was successful in obtaining 2008 funding for a project in Bellows Falls which will result in a 17 unit family complex. Two farm operations received Farm Labor Housing loans to provide free and safe housing to their on-farm laborers.

RD's Fiscal Year 2008 total investment included more than \$22 million for Caledonia, Orleans, and Essex Counties. Many of these obligations were a result of the three counties being recognized as a Rural Economic Area Partnership (REAP) Zone, one of only five throughout the nation. In the 2008 Farm Bill, Senator Leahy, with support from the rest of Vermont's congressional delegation, secured a critical extension of the REAP Zone through fiscal year 2013, providing greater access to important USDA Rural Development program funds.

USDA Rural Development's mission is to increase economic opportunity and improve the quality of life in Rural America. This is done by providing financial and technical assistance to foster growth and new opportunities for business development, home ownership, and critical community and technology infrastructure. To learn more about USDA Rural Development programs visit the web site at <http://www.rurdev.usda.gov/vt>.