



***Pennsylvania
Progress Report 2008***

www.rurdev.usda.gov/pa



Ed Schafer
Secretary of Agriculture

I have been proud to serve our Nation during these exciting and challenging times. I am confident that with the support of USDA Rural Development, rural America's best days are yet to come.



Thomas C. Dorr
Under Secretary
USDA Rural Development



USDA Rural Development is approaching its 75th anniversary, and the prospects for rural America have never been brighter. Rural America is changing. USDA Rural Development is changing along with it to meet new challenges and opportunities. But one thing has not changed: the partnership between USDA Rural Development and millions of rural Americans. It is truly a privilege to serve rural America, and because of that partnership, we can meet the challenges of today with confidence in a better tomorrow.

Gary H. Groves
Pennsylvania State Director
USDA Rural Development

Rural Development in Pennsylvania has just completed a record year investing in the future of our rural communities. Thanks to our many partners and a dedicated and loyal staff, our investment in FY '08 was \$373,478,267— an increase of over \$153,610,329 million from FY '07. We had a goal this year to produce \$3 million per full-time employee (FTE) —something never done before—and that goal was shattered by achieving \$3.4 million per FTE. I'm extremely proud of the Pennsylvania Rural Development Team, and it has been a pleasure to serve them and all of rural Pennsylvania. We remain committed to the future of rural communities.



On the cover: *The Millersburg Ferry Boat Association was awarded a \$90,000 Rural Business Enterprise Grant to make much-needed repairs and renovations to the historic ferry that provides transportation back and forth across the Susquehanna River servicing tourists and others bringing business into the downtown Millersburg area.*

FY '08 Investments in Pennsylvania

COMMUNITY PROGRAMS:

Water/Waste		
Direct Loans	\$55,148,300	
Grants	13,817,200	
Solid Waste Management Grant	399,900	69,365,400
Telecommunication Loans		33,400,000
Electric Loans		17,000,000
Public TV Digital Transition Grant		115,980
Distance Learning & Telemedicine Grants and Loans		1,715,581
Community Facilities		
Direct Loans	12,726,895	
Guaranteed Loans	4,150,000	
Grants	652,000	17,528,895
Economic Impact Initiative Grants		299,997
Empowerment Zone/Enterprise Community		123,152
Appalachian Regional Commission Grants		625,000

RURAL BUSINESS & COOPERATIVE PROGRAMS:

Guaranteed Business & Industry		22,761,750
Specialty Lending		
Rural Business Opportunity Grants	100,000	
Intermediary Relending Program	1,000,000	
Rural Business Enterprise Grants	1,899,760	
Renewable Energy & Energy Efficiency Grants	59,762	
Appalachian Regional Commission Grants	370,000	3,429,522
Cooperative Program		
Value-Added Producer Grants	131,805	
Rural Cooperative Development Grant	200,000	331,805

RURAL HOUSING PROGRAMS:

Single Family		
502/504 Direct Loans	34,158,911	
502 Guaranteed Loans	155,886,906	
504 Repair Grants	1,501,671	191,547,488
Multi-Family		
533 Housing Preservation Grants	296,447	
538 Guaranteed Loans	4,260,400	
515 Rental Assistance	10,676,850	15,233,697

TOTAL **\$373,478,267**

Housing

\$206,781,185 invested in Housing

The following housing programs offer opportunities to eligible rural residents such as the purchase, building or repair of affordable homes, multi family rental units, rental assistance, and more. For further information on Rural Development's housing programs, visit the www.rurdev.usda.gov/pa website.

\$34,158,911 Single Family Housing Direct Loans (502/504 Direct)

Low interest 502 mortgage loans help eligible rural families achieve the dream of homeownership. The 504 loans assists eligible homeowners in making needed health, safety or energy efficiency repairs including accessibility.

\$155,886,906 Single Family Housing Guaranteed Loans (502 Guaranteed)

Eligible families can buy or build a home financed through a private lender with a guarantee from Rural Development.

\$1,501,671 Repair Grants (504 Program)

Assists eligible homeowners in making needed health, safety or energy efficiency repairs including accessibility.

\$296,447 Housing Preservation Grants

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

\$4,260,400 Rural Rental Housing Guaranteed (538 Program)

To lenders to develop or repair rental housing for eligible rural renters.

\$10,676,850 Rural Rental Assistance (521 Program)

Provides financial assistance to eligible renters in multi-family housing towards the goal of homeownership.



F & M Trust of Chambersburg received a Certificate of Appreciation from State Director Groves for its participation in Rural Development's 502 Guaranteed Rural Housing Program and Guaranteed Underwriting System.



A dedication/grand opening of the \$6 million Crossroad Meadows 538 Multi Family project was held in Ebensburg. It has eight apartment buildings—50 affordable units. Funding was provided by Rural Development and the Pennsylvania Housing Finance Agency.

Business

\$26,523,077 invested in Business

The following business programs offer opportunities to eligible rural residents and businesses for business development creating and saving jobs. For further information on Rural Development's business programs, visit the www.rurdev.usda.gov/pa website.

\$22,761,750 **Guaranteed Business & Industry Loans**

Provides loan guarantees up to 80 percent for businesses to use for working capital, equipment, buildings, real estate and job creation and retention.

\$100,000 **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.

\$1,000,000 **Intermediary Relending Program (IRP)**

Provides capital to intermediaries who relend the funds to local businesses to promote rural economic development.

\$1,899,760 **Rural Business Enterprise Grants (RBEG)**

Provides public and nonprofit groups with capital to facilitate the development of small and emerging businesses.

\$59,762 **9006 Renewable Energy and Energy Efficiency Program (REEE)**

Provides grants, guaranteed loans, and combination of both to help agricultural producers and rural small businesses purchase and install renewable energy systems and make energy efficiency improvements.

\$131,805 **Value Added Producer Grants (VAPG)**

Planning and working capital to a producer who adds value to an agricultural product.

\$200,000 **Rural Cooperative Development Grant (RCDG)**

Provides cooperative development assistance to nonprofit cooperative development centers.

\$370,000 **Appalachian Regional Commission Grants**—Rural Development manages, under its regulations, the grants awarded to two Pennsylvania recipients.



A maple syrup producer will use the 9006 Renewable Energy and Energy Efficiency Improvement Grant of \$6,376 to purchase and install a reverse osmosis machine that will reduce energy consumption during the sap evaporation process in the production of maple syrup.



Rural Development, Jersey Shore State Bank, and Renovo Rail Industries gathered in February to celebrate the B & I Guaranteed Loan to Renovo Rails, a railcar repair company bringing back manufacturing jobs to this former railroad town.



Economic Progress Alliance of Crawford County received a \$500,000 Intermediary Relending Loan for its revolving loan fund to help business development in the area.

Communities

\$18,577,044 invested in Communities

The following community programs offer opportunities to develop essential community facilities in rural areas. For further information on Rural Development's community programs, visit the www.rurdev.usda.gov/pa website.

\$12,726,895 Community Facilities Direct Loans

To local governments, native tribes and nonprofit corporations to improve community facilities providing essential services in rural areas for health care, fire and rescue, community centers, assisted living projects, day care centers and other public purposes.

\$4,150,000 Community Facilities Guaranteed Loans

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

\$652,000 Community Facilities Grants

Provides technical and financial resources to public and nonprofit entities to construct, enlarge or improve essential services in rural areas such as education, health care and first responder facilities, vehicles and equipment.

\$299,997 Economic Impact Initiative Grants

Special grant funding for communities with high unemployment for essential community facilities.

\$123,152 Empowerment Zone/Enterprise Community

Year 10 of 10 annual appropriations to an enterprise community for revitalization.

\$625,000 Appalachian Regional Commission Grants

To financially distressed communities administered by Rural Development.



Brandywine Health and Housing Center (dedicated in 2008) serves the uninsured and underinsured residents and families in the Coatesville community with medical and dental needs, supportive services and senior housing. The project received a Community Facility direct and guaranteed loan.



Leg Up Farm, a non-profit organization in York County, received a Community Facilities direct and guaranteed loan for its \$5.6 million developmental and therapeutic center for children, adolescents and young adults to age 21 with disabilities.



Young Men's Volunteer Fire Company of Blairsville received a \$155,000 Community Facility Direct Loan and a \$50,000 grant to purchase a new KME rescue/pumper vehicle.

Utilities

\$121,596,961 invested in Utilities

The following utility programs offer opportunities to for rural communities to address water and sewer needs. For further information on Rural Development's utility programs, visit the www.rurdev.usda.gov/pa website.

\$55,148,300 Water & Environmental Loans

Direct and guaranteed low-interest loans, in partnership with private lenders, and technical assistance for nonprofit entities to develop, improve and repair water, sewer and storm drainage systems.

\$13,817,200 Water & Disposal Grants

Disposal grants reduce water and waste disposal costs to a reasonable level.

\$399,900 Solid Waste Management Grants

Provide technical assistance and/or training to public and private nonprofit organizations to address reduction or elimination of pollution of water resources and/or to improve planning and management of solid waste facilities.

\$1,715,581 Distance Learning & Telemedicine Grants and Loans

This grant and loan program is designed to meet the educational and health care needs of rural America.

\$115,980 Public TV Digital Transition Grant

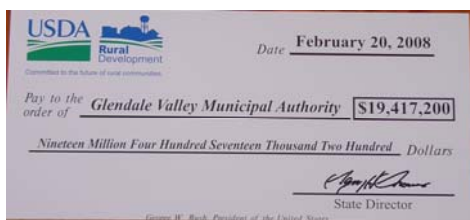
To be used for engineering and environmental studies associated with the transition from analog to digital television and other purposes.

\$17,000,000 Electric Loans

To rural utilities and cooperatives for new electric lines and system improvements.

\$33,400,000 Telecommunication Loans

To help bring new and improved telecommunications services to rural areas.



A Rural Development waste disposal loan of \$8,173,000 and a grant of \$8,026,700 was awarded to Glendale Valley Municipal Authority of Fallen Timber to construct a new sewer collection and treatment system.



Hamot Medical Center of Erie received a \$192,406 Distance Learning and Telemedicine Grant to be used as an expansion of its telemedicine program to partner with 13 other medical facilities to provide telemedicine through interactive videoconferencing to rural northwestern Pennsylvania.



Farmington Township, Leeper, is extending its sewer collection and water distribution lines to additional township residents with the help of a water and waste disposal loan from Rural Development.

Pennsylvania State Office
Gary H. Groves, State Director
One Credit Union Place, Suite 330
Harrisburg, PA 17110-2996
(717) 237-2299
711 or 1-800-654-5984 (Hearing Impaired)
www.rurdev.usda.gov/pa

Robert Schoenfeldt, Area Director (Areas 1 & 2)

Crawford Area Office, Area 1

14699 N. Main Street Extension
Meadville, PA 16335-9441
(814) 336-6155, ext. 4

Clinton Area Office, Area 2

216 Spring Run Road, Room 103
Mill Hall, PA 17751-9543
(570) 726-3196, ext. 4

Jack Kauffman, Area Director (Areas 3, 4 & 5)

Lycoming Area Office, Area 3

542 County Farm Road, Suite 205
Montoursville, PA 17754-9209
(570) 433-3006 ext. 4

Wyoming Area Office, Area 4

One Hollowcrest Complex
Tunkhannock, PA 18657-6632
(570) 836-5111, ext. 4

Lehigh Area Office, Area 5

2211 Mack Blvd.
Allentown, PA 18103-5623
(610) 791-9810

George Klaus, Area Director (Areas 6, 7 & 8)

Lebanon Area Office, Area 6

2120 Cornwall Road, Suite 7
Lebanon, PA 17042-9790
(717) 272-3908, ext. 6

Cumberland Area Office, Area 7

401 E. Louthier St., Suite 304
Carlisle, PA 17013-2652
(717) 218-3002

Juniata Area Office, Area 8

R. R. #5, Box 35
Stoney Creek Drive
Mifflintown, PA 17059-9533
(717) 436-8953, ext. 4

Lambert Rosenbaum, Area Director Areas 9 & 10

Westmoreland Area Office, Area 9

226 Donohoe Road, Suite 201
Greensburg, PA 15601-7470
(724) 853-5555 ext. 4

Butler Area Office, Area 10

625 Evans City Road, Suite 101
Butler, PA 16001-8704
(724) 482-4800, ext. 4