



Committed to the future of rural communities.

Community Facility Guaranteed Loan Program



Success Stories

USDA Rural Development's Community Facility Guaranteed Loan Program

Community Programs, a division of the Housing and Community Facilities Programs, is part of the United States Department of Agriculture's Rural Development mission area. Community Programs administers programs designed to develop essential community facilities for public use in rural areas. These facilities include schools, libraries, childcare, hospitals, medical clinics, assisted living facilities, fire and rescue stations, police stations, community centers, public buildings and transportation.

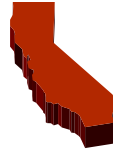
Through its Community Programs, the Department of Agriculture is striving to ensure that such facilities are readily available to all rural communities.

Community Programs can guarantee loans made and serviced by lenders such as banks, savings and loans, mortgage companies which are part of bank holding companies, banks of the Farm Credit System, or insurance companies regulated by the National Association of Insurance Commissioners. Community Programs may guarantee up to 90% of any loss of interest or principal on the loan.

Loan funds may be used to construct, enlarge, or improve community facilities for health care, public safety, and public services. This can include costs to acquire land needed for a facility, pay necessary professional fees, and purchase equipment required for its operation.

Throughout this book, you'll find examples of the successes achieved through USDA Rural Development's Community Facility Guaranteed Loan Program and the communities across the country that have benefited from it, as well as the lenders that have partnered with USDA Rural Development to make these projects possible.

For more information about the Community Facility Guaranteed Loan Program please visit:
www.rurdev.usda.gov/



California Lender: Bank of America



Top photo: Feather River Tribal Health (FTRH), Inc. in the City Of Oroville, CA

Bottom photo: dedication ceremony for the new medical clinic

Feather River Tribal Health, Inc. was leasing from three separate landlords in former bank and title company buildings located in two different cities, Oroville and Yuba City, CA. Demand for affordable health care was growing in Oroville and the organization needed to expand to meet rising demands and consolidate to an efficient, centralized, facility.

USDA Rural Development provided major financial support with a \$4 million direct loan and a \$4 million CF guarantee loan.

Purchase and development of an 8.3 acre site with a 36,746 square foot Medical Clinic facility was completed in June, 2002. The facility is located in the City Of Oroville with full city utilities and services. When originally constructed, the facility contained 18 exam rooms, 9 dental operatories, supporting administrative offices and a conference facility. The clinic offers outpatient clinic services to Native Americans and other low-income people who are medically underserved. They are a designated FQHC (Federally Qualified Health Clinic) and as such receive a higher per patient reimbursement under Medicare allowing them to offer much more than conventional health care providers. The organization currently serves 5,807.

Officials tour new St. James health facility

Published April 06, 2007



By Mary L. Meyer
The Free Press

ST. JAMES— The new St. James Health Services facility scheduled for completion in December was lauded by officials of the U.S. Department of Agriculture Thursday as an example of a critical access hospital at the forefront in providing quality medical care for rural communities.

Advances in rural medical care using telemedicine technology were showcased in a video teleconference that included U.S. Secretary of Agriculture Mike Johanns, Under Secretary for Rural Development Tom Dorr, State USDA Director Steve Wenzel, State Representative Bob Gunther and Chairman of the St. James Health Services Board Mike Kircher. The presentation included participants from five states where Distance Learning and Telemedicine (DLT) is utilized and funded by the Rural Development Program.

Johanns outlined proposals in the 2007 Farm Bill targeted at rural critical access hospitals like the St. James facility, which is using more than \$19 million in guaranteed loan funds from the USDA Rural Development Program for the construction project.

“Having access to quality health care is absolutely critical to our rural communities,” Johanns said, noting DLT communication is a valuable tool in a rural medical center.

“Being able to have an X-ray, MRI or other test results seen by the right specialist at the right time can make all the difference. It can literally save lives.

“On a more everyday basis, just knowing that kind of care is available, knowing your health or the health of your loved ones won’t suffer because of where you live brings about a tremendous amount of peace of mind. And that’s a benefit everyone living in a rural area can share even if they don’t need medical care for themselves,” Johanns said.

Jerry Crest, Chief Administrative Officer at Immanuel St. Joseph’s hospital who manages the St. James medical facility, outlined the community’s need for a new facility.

“The population in south central Minnesota is growing older like many other parts of the country. They require more and more primary care and other acute care services. There is also a significant low-income population that has difficulty traveling to distant medical facilities,” Crest said, indicating a growing Hispanic population in the area also has “unique issues with communication and travel.”

St. James Health Services serves approximately 12,000 people in the area. As a Veterans Administration Community Outpatient Clinic, the facility also serves 1,800 veterans in 13 surrounding counties.



The new St. James Health Services facility is scheduled for completion in December, 2007. The Free Press



Robert DeGezelle (right), project manager at the new St. James Health Services facility, explains building features to Steve Wenzel (center), state director of the USDA's Rural Development, and Andy Burmeister, constituent policy liason for Sen. Norm Coleman, Thursday during a tour of the site.

“It’s very important that we have quality health care services in this community readily available to people throughout the region. That’s why it was important that we look at St. James and seek some help,” Crest said.

The existing 40-year-old hospital was showing signs of its age. Citing the semiprivate rooms, limited bathrooms and other problems, Crest said the building could not be upgraded but had to be completely replaced on a new site.

“We felt that it was very important to move ahead with the project for area residents,” Crest said. “We believe it will excite people in the region to use services here and will be an attraction for us to bring additional providers and other health care professionals to this community. It is also an opportunity for us to serve the veterans who served this country. It’s one of two organizations that is here to service the general public and also the community outpatient base the clinic services for the VA.”

Vietnam veteran Roger Frenzel of St. James has utilized the health center’s services and attested to the benefits of local care with telecommunication. Saving time in emergencies and skipping the inconvenience of travel to distant Veterans Administration medical facilities were cited as advantages for Frenzel.

“In the future I believe this is going to be something the veterans can use quite a bit,” Frenzel said. As the St. James facility has acquired more digital equipment, medical professionals have increasingly used it in teleconferencing to share CT scans, MRIs and digital mammography with specialists in remote locations. In this way, a radiologist at ISJ and the local physician are able to view a digital image simultaneously and discuss the images and patient care.

USDA assistance with a construction loan was vital for the project, Crest said. He is optimistic that the request for an additional \$2 million in funding to purchase equipment will also be approved. Telecommunication will be more widely used as more technologically advanced equipment becomes available in rural areas.

“The capabilities we have seen demonstrated today are lifesavers, but they are also community savers,” Dorr said, summing up the conference. “Health care availability keeps communities thriving.”



West Virginia Lender: Capon Valley Bank

Mathias-Baker Volunteer Emergency Squad to Receive \$950,000 Guaranteed Loan from USDA

5/23/2005

WASHINGTON, DC - (5/23) A Community Facility Guaranteed Loan worth \$950,000 is being awarded to Hardy County's Mathias-Baker Volunteer Emergency Squad, Inc. to finance Baker's new emergency complex building, Congresswoman Shelley Moore Capito (R-WV) announced today.

USDA Rural Development funds are being used to finance the building, which was completed earlier this year. The new structure will house the Volunteer Emergency Squad and the Volunteer Fire Department.

"I'm excited for Hardy County because this modern facility will be a real asset not only to the firemen and EMS technicians but to the community as a whole," Capito said.

Alan Brill, who assisted with the loan as CEO of Capon Valley Bank, said, "We are very pleased to provide the funding for this very worthy project for the community. Capon Valley Bank has worked with the Mathias Baker VFD on the funding for the station in Mathias and we are very happy to have helped with the new station in Baker."

According to Richard Hamilton, President of the Mathias-Baker Volunteer Emergency Squad, the new building will allow emergency workers more room to operate and to house equipment.

Hamilton noted, "We didn't have room to house different, bigger equipment in our old station. Another reason we needed this building was we had no training capability in the old station. Heating was a problem, and there was no air conditioning which made it virtually impossible to have training classes in the summer."

Hamilton believes the emergency complex building will be "a state of the art training facility for the whole county, for both fire and EMS personnel."

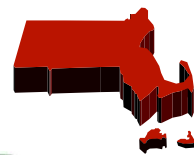
In addition to these functions, Hamilton explained that the building will be a source of income for the community when it is rented out for various events. Furthermore, nonprofits like the Boy Scouts will be able to use the facility for their meetings.



The Mathias-Baker Volunteer Emergency Squad, Inc. new facility in Baker (Hardy County), WV.



Standing in front of an emergency vehicle and the facility are Joann Byrd (on the left), Branch Manager of the Baker Branch of the Capon Valley Bank and on the right is Karen Hamilton, Lieutenant of the Mathias- Baker VES, Inc.



Massachusetts

Lender:
Benjamin Franklin
Bank



Pictured at the Whitin Mill renovation groundbreaking yesterday are, from left, David Tuttle, state director of the U.S. Department of Agriculture; Michael Coughlin, Northbridge town administrator; Russell D. Collins, chairperson of the Northbridge Board of Selectmen; Rep. George N. Peterson, R-Grafton; Joseph J. Montecalvo, Northbridge selectman; Rose Buckley, Benjamin Franklin Bank; Sen. Richard T. Moore, D-Uxbridge; Wayne M. Peters, volunteer board chairman for Alternatives; Dennis H. Rice, executive director of Alternatives.

Big plans for Northbridge mill

Alternatives to add restaurant, riverside plaza to Whitin Mill

By Patricia A. Russell/ Daily News Correspondent
Saturday, May 13, 2006

NORTHBRIDGE -- Under the green tent, Alternatives Unlimited, Inc., which had considered pulling up stakes five years ago, held a groundbreaking ceremony for its Whitin Mill renovation project.

Yesterday at noon as rain beat down on the covering, a group of dignitaries and the executive director of Alternatives donned hard hats and picked up shovels of sand as a symbolic gesture of the groundbreaking. Delivered by Consigli Construction, which will oversee the project, the mound of sand will eventually become part of a six-building, 37,000-square-foot complex.

Alternatives, which serves developmentally disabled adults, went from putting its Douglas Road buildings up for sale in 2001 to embarking on an \$8.7 million project that will transform the mill into a multi-use, community facility that will feature space for artisans in the old forge, a restaurant, performance and training space and a public riverside plaza.

(Continued on next page)

"The Whitin Mill project will create a sustainable pool of resources that not only contributes to the economic development and quality of life of the region, but will provide opportunity after opportunity for the people we serve to obtain the jobs, the homes and the relationships that they deserve," said Executive Director Dennis Rice.

Sources of funding include \$3.7 million from Ben Franklin Bank through the USDA Rural Development Guaranteed Loan, Alternatives' capital campaign of \$4 million and Alternatives' own funds of \$1 million.

Of raising \$4 million, Scott Rossiter, volunteer chairman of the capital campaign steering committee, is confident.

"We will do it," he said, urging those present: "We still need your help."

Welcoming remarks were made yesterday by Wayne Peters, volunteer board chairman, who said "the concept of turning an historic but aging complex into a vibrant, multi-dimensional hub for the promotion of community and cultural experience, requires great vision, wisdom and courage."

As he spoke, he was presented with enlarged copies of documents that reflected some milestones in the project. At 3:38 p.m. on Thursday, the federal, state and local approvals had arrived. A half-hour later on the same day, the project got its building permit.

Town Manager Michael Coughlin also spoke to the several hundred men and women who attended the groundbreaking.

"The project will be a stunning addition, a model of mill renovation, and a great entryway to our downtown streetscape and for me a pleasant riverfront retreat from the doldrums of my office at Town Hall," he said.

The project is a "really exciting opportunity" for the community, said Sen. Richard Moore, D-Uxbridge, adding that as it was once an "economic engine" driving the town's economy, it will become one once again.

Moore said the community could "take pride" in the project that will surely become a "magnet" drawing people from all over to Northbridge.

Brian Kelly, self advocate and member of Alternatives board of directors, said "I am supported by Alternatives to become more independent. I have been assisted to overcome many challenges in life, learned new skills and developed lots of friendships and relationships."

The project, he said, "is going to be very good."

Dr. G.B. Singh, lead contributor of the project, said that he and his wife, Lexi, moved to Northbridge eight months ago. He said they were impressed to meet some movers and shakers in town who were going to turn the facility into a community asset.

Following the ceremony and remarks, people were invited to tour the mill.

Architect Jonathan Austin, who will work on the project, said that the social aspect as well as incorporating green technology in the renovation "set this project apart" from others.

Alternatives is a nonprofit agency serving more than 550 adults with developmental and psychiatric disabilities in more than 40 employment, day and residential programs throughout central Massachusetts. With the renovation, Alternatives will house its main administrative offices, an employment program and three apartments for individuals served.

Previously, Alternatives used the mill as a "sheltered workshop," a place where people with disabilities could work. About nine years ago, Alternatives started phasing out the sheltered workshop and mainstreaming clients into community-based work programs that left Alternatives with a lot of extra room.



Calais Regional Hospital, Calais, Maine
-Photo by Charles Beck

Lender: Katahdin Trust
Company

Maine



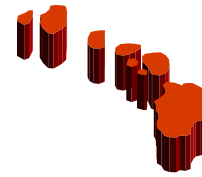
Calais Regional Hospital: A Rural Critical Access Hospital Success Story

June 8, 2005: Officials Break Ground- It was an important day for the future of the 16,000 area residents who depend on Calais Regional Hospital for their healthcare needs. Officials were breaking ground on the new Calais Regional Hospital and a crowd of over 120 people had come to watch. Chief Executive Officer and Administrator of Calais Regional Hospital Ray H. Davis, Jr., spoke of the hard work that went into making the project a reality and of what this Critical Access Hospital would mean to area residents. In the last five years, the number of visits to Calais Regional Hospital's Emergency Room had increased by 20 percent, and a new, larger, and more efficient facility was needed. (Picture from Groundbreaking Ceremony at top right.)

July 8, 2006: A New Calais Regional Hospital is Ready to Serve Patients- Just over one year after a Groundbreaking Ceremony was held to begin construction on a new and improved Calais Regional Hospital, partners gathered to cut the ribbon in front of a grateful community. (Pictured bottom right.)

Nearly 50 years after the first patient was admitted to the former Calais Regional Hospital, the new state-of-the-art facility was complete. The 60,000 square foot hospital has 25 private patient rooms, 2 operating rooms, 30 percent more parking, and separate waiting areas for Emergency Room, maternity, and other patients. It is significantly more efficient than the previous facility and better able to meet the needs of its clients. Each year Calais Regional Hospital admits over 800 patients for inpatient stays and manages over 20,000 patients.

The Partners: USDA Rural Development contributed over \$18.7 million to make this new hospital possible. (Rural Development Community Facility Direct Loan of \$13.7 million and Community Facility Guaranteed Loan of \$5 million with Katahdin Trust Company.) Additional funding in the amount of \$3.3 million came from Calais Regional Hospital and their fundraising efforts, which included numerous donations by the community. "This was a true community effort, and I am very proud to live in a community like Calais," said Capital Campaign Co-chair Drew Case, at the Ribbon Cutting Ceremony. This funding has assisted Calais Regional Hospital in achieving its vision: "To be known by its customers as the best rural hospital in Maine."



Hawaii

Lender: Central Pacific Bank

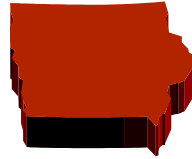


SMART INVESTMENT MADE BY USDA RURAL DEVELOPMENT

Hilo – February 15, 2007 - Just a few years ago, there was a great need for a high-quality private school in the Kapolei area of Oahu. In 2004, Island Pacific Academy (IPA) was established to meet the need and has been one of the fastest growing private schools in the country. IPA enjoys tremendous support from the developer and the surrounding communities. Its vision goes beyond the normally high expectations of a private school. Of course, it has high academic standards and an extremely professional staff. But what makes IPA distinctive is its deep roots in the community and the high level of financial aid it offers. Many deserving students from nearby communities are able to attend on scholarships, which IPA provides in amounts well beyond its peer schools. IPA has students attending from Ewa, Waianae, other nearby areas but also as far away as Kaneohe.

The school was able to obtain \$24 million in permanent financing through Central Pacific Bank, with a 90% guarantee from the USDA Rural Development Community Facilities Program. Lorraine P. Shin, Hawaii State Director, USDA Rural Development, stated, “We are especially proud of what IPA stands for and what it provides for the community. This facility will allow students and their families to lead better lives within this growing community.”

IPA plans to stay small to keep the quality of education high, even if it means foregoing added profit. Part of the funding they received will be used for operations until the school ‘ramps up’ to the expected level. The school will serve students from kindergarten to the 12th grade once its existing classes naturally grow to that point.



Iowa

Lender: Iowa State Bank

USDA Secretary Mike Johanns (center) tours the new Orange City Area Health System medical campus with USDA Rural Development Under Secretary Tom Dorr (far right).



In April 2006, the Orange City Area Health System opened a new medical campus on a 37-acre site between Orange City, Iowa and Alton, Iowa. The 128,000 square-foot facility, that is both beautiful and functional, was made possible, thanks in part to assistance from USDA Rural Development.

Orange City, a growing community with a number of successful businesses, had outgrown its 46-year-old downtown facility and had been working toward the completion of a new hospital for a number of years. The idea for the new facility began forming in the fall of 1999 as the future needs of the Orange City Area Health System were being determined. This began years of strategic planning and feasibility studies, community focus groups and forums. In the summer of 2003, the master campus design was completed and the process to secure funding was initiated.

The total project cost ended up being \$29.6 million, including land. USDA Rural Development was able to play an important role in the financing by providing a 90 percent guarantee on the \$20 million loan funded through Iowa State Bank, which partnered with five other local banks.

The Orange City Area Health System also received a \$1.75 million Business and Industry Loan Guarantee from Rural Development to support construction of a 14,922 square-foot medical office building on the new campus that will include outpatient physical and occupational therapy, an otolaryngology (ear/nose/throat) clinic, audiology and aquatic rehabilitation/community wellness center.

Rural Development also provided a \$300,000 Rural Economic Development Grant to North West Rural Electric Cooperative that they used to finance construction costs and related equipment for a new diagnostic imaging center at the hospital.



Kentucky

Lender: Peoples Bank
Flemingsburg, KY

PrimaryPlus breaks ground in Maysville

By MISTY MAYNARD

Thursday, March 22, 2007

Rainy weather diverted the groundbreaking for the new PrimaryPlus facility in Maysville from its actual location at 927 Kenton Station Drive to the entrance of Meadowview Regional Medical Center, which afforded some cover to the crowd gathered for the event.

Among those speaking at the event Thursday afternoon were Jerry Ugrin, CEO of Lewis County Primary Care Center, now operating as PrimaryPlus, Steve Miller, executive director of Buffalo Trace Area Development District, Maysville Mayor David Cartmell, Mason County Judge-Executive James "Buddy" Gallenstein, and field representatives for Congressman Geoff Davis and senators Jim Bunning and Mitch McConnell. In addition, Kenneth Slone, state director of USDA Rural Development, addressed the crowd.

Ugrin said the project first came into consideration two and a half years ago. Ugrin expressed appreciation for those involved in the bringing the project to fruition.

Everyone who spoke at the event offered congratulations for the success of the effort.

"We are thrilled that this investment is being made in Maysville," Cartmell said.

Gallenstein added during his remarks the project was "all about partnership," and with a study on healthcare being conducted in Mason County, the facility would be another piece of the puzzle regarding accessibility to healthcare.

Bill Tom Cooper, field representative for Geoff Davis, spoke of the history of PrimaryPlus, when it opened in Lewis County in 1987, then expanded to Tollesboro, then Fleming County.

John Salyers, field representative for Bunning, and Adam Howard, field representative for McConnell, each offered their congratulations on the project.

Slone noted there had been a lot of money invested in Mason and Lewis counties in the last year and a half. He emphasized the importance of healthcare, noting it was "high on the president's agenda."

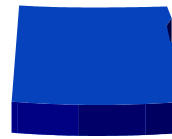
Ugrin said the one location will offer affordable, qualitative, accessible healthcare to the area.

The new facility will be two stories, 35,000 square feet and house a number of services including OB/GYN, dental services, family health and 340B Pharmacy services.



The new building with cost about \$6.5 million. Funding was secured through a \$4 million loan through USDA Rural Development and \$2.5 million through a guaranteed loan through Rural Development.

Ugrin said, optimistically, the facility could be completed by Christmas.



North Dakota

Lender: First United Bank

A COMMITMENT TO CARE

Grand Forks Herald

By Kevin Bonham

Herald Staff Writer - 04/01/2007

PARK RIVER, N.D. - Louise Dryburgh's office is no bigger than a small bedroom - and getting more crowded every day, as boxes and equipment pile high along the walls, on tabletops and anyplace else that's relatively level. But the CEO of First Care Health Center gladly will put up with the cramped quarters because she knows there's a reward in the near future.

The community-based hospital in this town of 1,700 is in the final phase of a two-year, \$7.75 million hospital and clinic expansion project. It's a project that was sparked by community investment and ignited by federal funding through USDA Rural Development.

Park River residents showed their support in November 2004 to pass a 1 percent city sales tax by an 85-15 percent margin. At the time, Dryburgh and other local officials heard stories of people traveling from cities throughout the region driving to Park River to try to vote. The facility, with about 80 employees, serves about 15 communities in the region. "It's little stories like that that make you feel good about the accomplishments," Dryburgh said.

Of course, nonresidents were turned away from the polls. But they contribute to the cause every time they shop in Park River.

The hospital has budgeted \$90,000 a year in revenue from the city sales tax, but receipts have been more than \$100,000.

"When you get that kind of commitment - 85 percent approval - that gives you the opportunity to find other financing," Dryburgh said.

Rural Development

Park River officials didn't seek out Rural Development. The agency found them.

Dryburgh said she was encouraged to look at Rural Development while attending a meeting in Langdon, N.D., to learn about a federal Housing and Urban Development program. Later, a Rural Development field representative from Bismarck sought out Dryburgh at a meeting in Fargo and asked how the agency could help.

"People have said they're intimidated by the USDA process," Dryburgh said. "It's really not intimidating. You just have to go through it, and they'll help."

Once the federal funding was secured, the hospital had a construction project budget of about \$6.6 million. But bids came in at about \$7.5 million.

"It was just after (Hurricane) Katrina, and costs for everything had gone up," Dryburgh said. Then, Rural Development found some additional funding - with the help of North Dakota's congressional delegation- to help the project get started.

Here is a capsule of the funding for the \$7.75 million project:

- \$4 million through a Rural Development Community Facility Direct loan. \$1.59 million from a USDA guaranteed loan.
- \$360,000 from rural economic development grant/revolving loan fund from USDA Rural Development to Polar Communications, Park River, which passed the money to the hospital.
- \$600,000 from First Care Health Center.
- \$1.2 million from Park River city sales tax revenue.

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Long time coming

People have been talking about adding a clinic for more than 20 years, Dryburgh said. St. Ansgar's Hospital was built in 1952 and operated by the Presentation Sisters and Catholic Health Organization over the years.

Dryburgh left a job at the old Pisek (N.D.) Public School in 1989 to work at St. Ansgar's. She remembers seeing drawings of a proposed new clinic hanging on the wall. And that wasn't the first project that never got off the ground.

At the time, St. Ansgar's was affiliated with Catholic Health Corp., a nonprofit, multi-institutional organization. In 1996, it became part of Catholic Health Initiatives in 1996. CHI ended its affiliation with the hospital at the end of 2000, leading to the formation of First Care Health Center, a community-based health center, in January 2001.

"Since it has been a community-based facility, we've done very well," Dryburgh said. "We've had excellent nurses and an excellent medical staff."

A new look

Construction started in August 2005.

A new clinic and emergency room were completed last fall. The clinic is the new main entrance to First Care Health Center.

Until this past August, Park River had two clinics. The new clinic, which is connected to the hospital, brought together the town's three physicians – Dr. Olakayode Omotunde, Dr. Joel Johnson and Park River native Dr. Kristi Midgarden. They're joined by Physicians Assistant Taruny Clemetson and Nurse Practitioner Danielle Skaar.

In February, the hospital moved all of its inpatient rooms to a remodeled first floor. Now, all patient rooms are located around a central nurses station. The enlarged emergency room also is more conveniently located.

"The old emergency room was not much bigger than a big bedroom," Dryburgh said.

Construction of a new operating room will begin later this month. While it's under construction - for about 60 days - surgeries and births will be referred to other facilities in the region, most likely Devils Lake or Grand Forks.

The second floor is under construction now. When it's finished, it'll be used for an expanded physical therapy department and related services, plus business and staff offices.

Dryburgh, however, will not be moving her office to the spacious second-floor accommodations. She'll remain in her tiny bedroom-sized office on the first floor, not far from the facility's main entrance.

She looks forward, though, to the day when stacks of boxes, wheel chairs and other equipment can be stored in cabinets in other parts of the hospital and clinic, so she has just a bit of elbow room.





Texas Lender: First National Bank, Rotan

Assisted living on the rise in rural areas

Facilities help seniors stay closer to home

By Brian Bethel / Reporter-News Staff Writer

June 5, 2005

Joe Dale Burk grew up in Rotan, and now in his advanced years, he plans to stick close to the community he loved as a boy.

So when he heard about a new assisted living facility designed to keep rural residents from the Rotan-Roby area close to the fields they know, he knew it was a place he wanted to live.

"Although I never intended to be in one of these facilities at this point in my life, I'm happy to have this," he said. "It keeps me close to my children and lets me have a halfway decent life. I couldn't get out and about in Abilene like I can here."

Burk isn't alone in his desires to stay close to where he's from.

In a market with several major players in nearby Abilene, there's still room for small-town facilities such as the new 14-apartment, 10,800-square-foot Heritage House on the Brazos, said Myrna Watkins, administrator. The facility opened Wednesday.

The assisted living project, located between Roby and Rotan next to the Fisher County Hospital, is funded through a variety of sources, including \$880,000 in long-term funding from the U.S. Department of Agriculture, \$5,000 from the Dian Graves Stai Foundation, a \$250,000 loan from Rotan's First National Bank, and \$19,000 from Rotan's Economic Development Corporation. The project was started thanks to a \$200,000 gift from an Aspermont resident, Charles Peach, who died in 2003.

"Some of our area residents went to look at larger facilities, and we heard from many people that moving to a situation like that from a rural background was just overwhelming," Watkins said. "They live here, and they want to stay, for obvious reasons."

The new assisted living facility will help senior residents like Burk live independently with a little help when it's needed, Watkins said.

And it's what Ella Raye Helms, administrator of Fisher County Hospital, thinks is the beginning of a big trend.

Helms said she had heard of several area small towns that were considering building assisted living facilities. The reason? The sheer number of older people expected in all areas of the country, Helms said.

The Fisher County Hospital has long maintained a 10-unit assisted living wing, but perceived a growing need in the community for rural assisted living with more space, Watkins said.

"So many of our residents were moving to Abilene, Lubbock or Amarillo where they could get that type of accommodation," she said.

Heritage House is considered a nonprofit, separate entity from the hospital, but its oversight management will be handled by the same firm, Arapaho Management, that oversees Fisher County Hospital.



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Helms will serve as the CEO of the facility while maintaining her duties at the hospital.

By the numbers

Gail Kaiser, director of the West Central Texas Council of Governments' Area Agency on Aging, said the elder population was set to "explode" in all areas of the United States as Baby Boomers rapidly hit their 60s.

"As far as population in the 19-county area we serve, we estimate that there are 65,435 people who meet the criteria," she said.

Abilene alone currently has 17,725 people over age 60, while Taylor County has 20,195, she said.

To Kaiser, the recent interest in building assisted living in smaller communities is a course correction that has needed to be made.

"One of the board members on our citizens advisory council spoke to us a bit recently about how many people she was losing from her hometown senior center in Snyder because so few resources needed there were actually being built," she said. "She told us they are losing their community members because people had to go to a larger town like Abilene to get the resources they needed."

In general, trends "seem to not be in favor of rural communities," Kaiser said.

However, she said a tremendous number of people in rural communities can benefit from assisted living facilities. And, those new facilities would boost local economies.

"Abilene will always be the economic center of this region," she said. "It just makes sense to our own health and vitality to help rural communities, and that means doing what we can to help keep people in those communities who want to live there, even into advanced age."

Room enough

Even larger assisted living providers say there should be plenty of seniors to go around as Baby Boomers age.

"I think it's a wonderful idea if the community has enough people in the area to support an assisted living facility," said Joe Frush, executive director of Royal Estates in Abilene.

Royal Estates does get a fair amount of business from rural areas, and Frush said he expected word of mouth to keep that influx strong.

But he said he understood why small communities would want to build assisted living facilities.

"The agricultural business and the oil business can't provide rural areas with the financial help they used to, and the bottom line is that people just want to stay close to home in smaller communities," he said.

The assisted living market is the fastest growing segment of the senior housing market, said Sheri Easton-Garrett, executive director for community services with Sears Methodist Retirement System, which runs a number of assisted living facilities in Abilene.

While new technology will allow people to stay at home longer, which is what most people prefer, assisted living facilities will always be needed, she said.

But rather than being in cut-throat competition, Sears Methodist Center's Easton-Garrett said assisted living facilities often try to work with each other.

Sears, for example, works with other assisted living facilities such as Royal Estates and Covenant Place by contracting with them to provide nursing staff.

"I think we're all going to have to collaborate and work together to achieve our mutual goals of helping people," Easton-Garrett said.

Susan Moellinger, executive director of Covenant Place of Abilene, said that she didn't believe that rural assisted living would hurt larger cities' offerings.

"I believe that there are enough seniors right now to fill every building in planning and probably a lot not even being thought of right now," she said.



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Connecticut

Lender: **People's United Bank**
formerly *People's Bank*



PEOPLE'S BANK PROVIDES \$13.7 MILLION LOAN TO JOHNSON MEMORIAL HOSPITAL TO FUND EMERGENCY ROOM

90 Percent Loan Guarantee Provided by USDA Rural Development Loan Guarantee Program

BRIDGEPORT, CONN. – People's Bank has provided a \$13.7 million loan to the Johnson Memorial Hospital in Stafford Springs to fund construction of a new state-of-the-art emergency room and to refinance existing debt. Ninety percent of the total loan amount is guaranteed by the United States Department of Agriculture (USDA) Rural Development Community Facilities Loan Guarantee Program. The new emergency room, whose cost represents \$8.9 million of the total loan, is expected to open in June 2007.

The USDA Rural Development program makes and/or guarantees loans to develop essential community facilities in rural areas and towns of up to 20,000 people. USDA Rural Development can guarantee loans made and serviced by lenders such as banks, members of the Farm Credit System or insurance companies regulated by the National Association of Insurance Commissioners. USDA Rural Development may guarantee up to 90 percent of any loss of interest or principal on the loan. Direct loans from the USDA can also be made to applicants who are unable to obtain commercial credit.

Johnson Memorial Hospital, the USDA and People's Bank will hold a ceremony at 2:30 p.m. on Friday, September 8 to set the final steel beam for the new emergency room at the hospital's campus on 201 Chestnut Hill Road in Stafford Springs. Invited guests include U.S. Representative Rob Simmons, USDA Rural Development State Director David Tuttle, USDA Rural Development Area Director Mary Grasso, and bank and hospital leadership and staff.

"People's Bank is pleased to meet the borrowing needs of a community hospital so important to the residents of north central Connecticut," said Paul Savino, a vice president in the People's Bank Commercial Lending Division. "With healthcare procedures increasing as our population ages, community hospitals are under pressure to treat an escalating number of patients, many of them in emergency room settings. Johnson Memorial's new emergency room will provide Tolland County with a state-of-the-art emergency facility, and the USDA loan guarantee made possible an attractive financing package with which the hospital will fund construction."

"Our new facility will be a technically advanced treatment center offering a full spectrum of services," said Alfred Lerz, president and executive director of Johnson Memorial Hospital. "With this new facility and the fine health professionals who will staff it, we'll be better able to meet the growing healthcare needs of residents in north central Connecticut."

(continued on next page)

“The USDA Rural Development program funds construction of community facilities, such as health care clinics, police and fire stations, schools and child care centers, which are all essential to the quality of life in any rural community,” said Mary E. Grasso, Area Director for the USDA Rural Development program. “Through its Community Facilities Loan Program, USDA Rural Development is helping ensure that such facilities are readily available to all rural Americans. The commitment of USDA Rural Development to this effort is at the core of its mission and its promise to help build stronger, more vibrant rural communities nationwide,” added USDA Rural Development State Director, David Tuttle.

In addition to the construction or enlargement of community facilities for health care, public safety and public services, USDA loans may be used to acquire land needed for a facility, to pay necessary professional fees, and to purchase equipment required for the facility’s operation. Loans and guarantees are available to public entities such as municipalities, counties, and special-purpose districts as well as non-profit corporations and tribal governments.

Founded in 1842, People's Bank is one of Connecticut's largest banks with assets of \$11 billion, more than 240 ATMs and 156 branches, 73 of which offer convenient seven-day banking in Super Stop & Shop locations across the state. A diversified financial services company, People's Bank provides consumer, commercial, insurance, brokerage, financial advisory and trust services to personal and business banking customers.

Johnson Memorial Hospital was founded in 1912 and has provided emergency services to the community for generations. The hospital's Emergency Department was originally built in 1975, measuring in at 3,300 gross square feet. It was expanded to its current size of 6,800 gross square feet in 1986. In the two decades since that time, the number of patients who utilize Johnson's emergency services in the course of a year has nearly quadrupled, from 5,500 to 19,000.

USDA has the unique responsibility of coordinating Federal assistance to rural areas of the nation. The Rural Development mission is to help rural Americans to improve the quality of their lives. To do this, USDA Rural Development is working closely with the private and nonprofit sectors and with state, tribal, and local governments to fundamentally change the way government works. With this new philosophy of public partnership -- this new relationship among Government, industry, and communities -- many positive outcomes for rural Americans are happening daily. Now and in the future, prosperity in rural America depends on ensuring that residents have a wide range of economic opportunities. Rural Development works to make sure that rural citizens can participate fully in the global economy -- with technical assistance and programs that help rural Americans





Arkansas

Lender: [ArborOne Financial](#)

Booneville Hospital Construction Starts

By Ben Boulden
Wednesday, January 24, 2007
Times Record

Patients at Booneville Community Hospital should enjoy expanded and improved health care service in a new building by March 2008 if the project's potential is realized.

Health care officials and community leaders broke ground on construction of a new, \$18 million facility to be located on land just east of the old hospital building.

"It will be an awesome, awesome hospital," said Dzaidi Daud, the hospital's chief executive officer.

Although the old and new hospital buildings each have the same 25-bed average, the 21st century structure will offer a more efficient layout than the circa 1961 facility it will replace, Dr. William Daniel said.

Daniel, who has practiced medicine at the Booneville hospital since 1971, said an endoscopy suite should make it possible to perform that diagnostic procedure on the day it is needed. Ultrasound imaging will become available "full-time" instead of one day a week. It also may become possible, Daniel said, to ventilate a patient on-site.

Having more services available at the hospital will help it to keep more patients who need health care close to home in Booneville, he said.

The improvements also may make it easier to attract new physicians to work at the hospital, he said.

Richard Eccles, a fourth-year student at the University of Arkansas for Medical Sciences in Little Rock who will specialize in family practice, said he plans on doing just that when he finishes his residency.

A native of Heber Springs, he said Booneville feels comfortable to him and along with its people, the new hospital was the major inducement to him.

"It was paramount in the decision to come here," he said. "I saw the support for the sales tax that was just passed overwhelmingly and that indicates how much the community supports the hospital. The new hospital was a big selling point."

On Jan. 9, Booneville voters decided 113-14 to reword a 2003 sales tax measure, dedicating a portion to repay a \$1.8 million hospital improvement bond issue.

One-quarter of the 1 percent sales tax is dedicated to bond repayment and the remaining three-quarters to hospital operations.

At a luncheon before the 1 p.m. groundbreaking ceremony, Roy Smith, an official with the U.S. Department of Agriculture Rural Development program, presented Booneville with a

\$16.65 million check as part of a federal loan for the project.

“That’s a big check,” Booneville Mayor Jerry Wilkins said. “This isn’t a dream anymore. We have the money.”

Daniel and Daud predicted the expansion will result in:

- More subspecialty clinics.
- Moving the hospital’s computed tomography or CT scanner from a trailer to inside the building.
- Placing the nurses’ station in a position to better serve patient rooms and the emergency room.
- More space in the ER for triage and trauma care.
- Better access to the ER from outside the hospital.
- A larger operating room and a bigger physical therapy area.



CARROL COPELAND • TIMES RECORD

Jerry Standridge “plants” shovels that were used for the official groundbreaking of the new Booneville Hospital on Tuesday afternoon.



Colorado Lender: Colorado Housing and Finance Authority

Children's Ark Provides Service for Colorado's Children

Outline of Need: Nine years ago, Eric and Jean Ann West sold their home in California, cashed in their retirement, left their friends and family and moved to Colorado to make a dream come true. In 1994, using the proceeds from the sale of their home, they purchased property in Green Mountain Falls, CO and founded Children's ARK, a residential treatment center for abused and neglected children.

How Rural Development Helped: In 2002 the couple wanted to build a new building that would provide therapy facilities, cafeteria, and recreational facilities complementing the existing classrooms and residential cabins. They requested funding from Colorado Housing and Finance Authority (CHFA) to build a 23,800 square foot facility, and a 7,000 square foot gymnasium and to refinance two existing real estate loans to improve the cash flow. The financing was structured under the Business Finance Division's Non-profit Real Estate Loan Program and included a 90% guarantee from USDA, Rural Development Community Facilities Program. The 90% guarantee covered \$2.88 million of the \$3.2 million loan, which limited CHFA's exposure on the permanent loan

The Results: From this first small step (with the acceptance of their first boy for treatment in 1995) Children's ARK has expanded to three licensed Residential Treatment Centers, servicing children who present issues which place them outside of parental, educational and community control. More than 900 children have resided at Children's ARK facilities. These adolescents, males and females ages 10-18, have come to Children's ARK from 34 of the 64 Colorado counties, as well as from the Ute Mountain and Ute Indian tribes.

The current center places an emphasis on giving each child the skills to succeed not only within the program but also at home and in society. The educational services include on site accredited schools offering special education and individualized plans designed for transition back to public school programs with transferable academic credits.

Children's ARK is fortunate to have a dedicated staff that is willing to walk alongside troubled adolescents and call it their mission!



Pictures from left to right: Local dignitaries and staff at the groundbreaking ceremony and an artist's rendition of the project.



**Lender: ArborOne
Financial**

Michigan

New Mackinac hospital scores federal loan

By SooToday.com Staff

SooToday.com

Saturday, September 15, 2007



NEWS RELEASE

**CONGRESSMAN
BART STUPAK**

**1ST CONGRESSIONAL
DISTRICT OF MICHIGAN**

Stupak announces \$37 million loan for Mackinac Straits Hospital

WASHINGTON - (September 14) - The U.S. Department of Agriculture (USDA) has approved \$37.2 million in loans to allow Mackinac Straits Hospital to build a new hospital, Congressman Bart Stupak (D-Menominee) announced this week.

One of the partners in building the new hospital will be the Sault Tribe, which is locating their St. Ignace health clinic in the new hospital.

Stupak said the new hospital and new clinic will provide improved health care service to the residents of the eastern Upper Peninsula (U.P.).

"It is highly unusual for the U.S. Department of Agriculture to approve a loan of this size," Stupak said.

"I am pleased that USDA recognized how vital these

funds are to ensure St. Ignace area residents continue receiving quality health care," he said.

In August, Stupak led Senators Levin and Stabenow in writing the USDA in support of approval of the loan.

In their letter, the legislators noted that the current hospital facility in St. Ignace was built in 1954.

The dated structure cannot expand to provide quality, modern health care services.

"This funding will allow for this hospital to be re-built from the bottom up," Stupak noted.

"Updates to the Mackinac Straits hospital are long overdue."

The new facility will offer expanded outpatient dialysis, oncology/infusion, rehabilitative and radiological services and a mobile MRI.

Stupak noted that the current hospital is badly in need of upgrade, with acute care patients forced to stay in rooms with no air conditioning or air exchange and to use community bathrooms and showers.

"The staff at Mackinac Straits hospital do a tremendous job, but the fact is that the old building impedes their ability to care for their patients," Stupak noted.

"The old Mackinac Straits hospital is not even handicapped accessible and the dated infrastructure is falling apart."

Stupak has made securing funding for Mackinac Straits Hospital a priority.

Stupak requested funding for the project in the labor, health and human services, and education appropriations bill for the 2007 and 2008 fiscal years.

Stupak's office also weighed in with the USDA with phone calls, urging approval of the loans.

Rod Nelson, chief executive officer of Mackinac Straits Hospital, praised Stupak's role in seeing the loan through to approval.

"Congressman Stupak fought diligently for Mackinac Straits Hospital's request for rural development funds from the USDA," Nelson said.

"Because of his efforts, the federal government responded to the healthcare needs of the eastern Upper Peninsula."

"Ultimately, this funding means that residents of the eastern U.P. and Mackinac Island will continue to have access to quality healthcare," Stupak added.

"The approval of this funding is a major victory for my constituents who live in St. Ignace and I am pleased to see it approved."

The loans are being supplied in the form of a \$10.4 million direct loan from USDA and a \$26.8 million loan guarantee.



South Dakota

Lender: Native American Bank of Colorado

EMPOWERING LAKOTA WOMEN AND FAMILIES

Outline of Need: Cangleska, Inc. is a state incorporated, private, non-profit 501 (c) (3) as well as a tribally chartered organization which was created in 1996 in order to provide domestic violence/sexual assault prevention and intervention services to citizens of the Oglala Sioux Tribe on the Pine Ridge Reservation. Cangleska, Inc. oversees the operations of ten departments including working towards enhancing the safety for victims of domestic and sexual violence, in addition to providing accountability and rehabilitation to the offenders.

Cangleska, Inc. has been operating out of a building owned by the Oglala Sioux Tribe. Cangleska, Inc. outgrew the present shelter facility and was in need of additional space. The U.S. Government reports that 6 out of 8 American Indian and Alaskan Native women will be physically assaulted in their lifetime.

How Rural Development Helped: Rural Development Specialists Connie Gerard and Jim Jirsa worked closely with Cangleska representatives to complete the application process. Cangleska, Inc. was awarded community facility direct loan funds in the amount of \$500,000 and guaranteed loan funds in partnership with Native American Bank of Colorado of \$500,000 for the construction of a women’s shelter/children’s center. The federal funds were leveraged with an application contribution of \$250,000. In addition, the Oglala Sioux Tribe, Medicine Root District, All Tribes Foundation, Jane Fonda, Rosanne Barr Foundation, Shakopee Mdewakanton Sioux Community, V-Day and Eve Ensler made contributions to bring the project to completion.

The Results: Cangleska, Inc. celebrated the grand opening of the new shelter on Friday, May 4, 2007 while celebrating the 10-year anniversary of opening the doors to its first Native women’s shelter on the Oglala Sioux reservation. The new shelter is part of a newly constructed \$1.35 million 9-acre complex on the Pine Ridge reservation which includes a \$1.25 million shelter, the Tokahe Wicayai Visitation Center and a new maintenance building.

The new 7,800 square foot shelter will comfortably house up to 36 women and children as well as office and meeting space for the administrative and counseling service of the organization.

Cangleska, Inc opened the doors to its existing shelter, a leased building owned by the Oglala Sioux Tribe, on April 1, 1999. The nonprofit also operates Ohitika Najin Win (Standing Strong Woman House), a second shelter in Rapid City. The organization has a 20-year history of grassroots work in responding to domestic violence on the Pine Ridge reservation. It is considered the national model for domestic violence programs and is a 1999 Innovations in American Government winner through Harvard University and the Ford Foundation. It has provided comprehensive domestic violence and sexual assault advocacy and related services to citizens of the Oglala Sioux Tribe living on and near the Pine Ridge Reservation since 1989. “Cangleska is honored to be able to offer safe and comfortable space for women and children in crisis. The new shelter will offer women who have been victimized by domestic violence and/or sexual

assault an opportunity to examine options, the time needed to plan for a life without violence, a life of dignity and safety for themselves and their children. “The new shelter is beautiful and a dream come true,” said Karen Artichoker, Director of Cangleska, Inc.



Pictured above is Rural Development Specialist Jim Jirsa being recognized by Karen Artichoker for his support of the project.



Pictured above is the newly constructed shelter.



Alaska

Lender: Wells Fargo



USDA RURAL DEVELOPMENT GUARANTEES LOAN TO YUKON KUSKOKWIM HEALTH CORPORATION

Palmer, Alaska – October 16, 2007. USDA Rural Development has guaranteed a \$2.8 million loan made by Wells Fargo Bank to the Yukon Kuskokwim Health Corporation (YKHC) to provide financing for YKHC's customer connectivity project. The FY 2006 loan guarantee was the largest Guaranteed Community Facilities loan ever made in the State of Alaska.

YKHC is a Regional Non-Profit Alaska Native Health Corporation with a comprehensive health care delivery system for fifty rural communities in southwest Alaska. The region served by YKHC includes underserved and targeted areas. The YKHC region is larger than Oregon and lacks road access to the rest of Alaska. "Remoteness, lack of roads and the extremely high cost of fuel in rural Alaska renders transportation within the region very expensive and makes electronic communication extremely cost-effective," said Chad Padgett, Acting Director of Alaska USDA Rural Development.

"This loan guarantee from USDA Rural Development gives us an opportunity to bring modern technology to our village clinics," said YKHC President and CEO Gene Peltola.

The project will link all YKHC sites to the main hospital in Bethel and allow for electronic submission of billing and video diagnostics for patients. In addition, this project will allow the different locations to communicate via telephone without toll charges, saving an estimated \$50,000 per month which will cover a major portion of the debt service.

"Wells Fargo is proud to partner with USDA Rural Development to provide financing for this important project to connect residents in the Y-K Delta with vital health services," said Richard Strutz, Wells Fargo Alaska regional president. "We worked closely with the USDA to make sure that the loan was closed on time so YKHC had the equipment they needed."



Committed to the future of rural communities.

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