



# RURAL DEVELOPMENT SOUTH CAROLINA

## 2004 ANNUAL REPORT



*Committed to the future  
of rural communities*



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One of the hallmarks of the Bush Administration centers on improving the quality-of-life and increasing economic opportunities in rural communities. To do this, USDA Rural Development focuses efforts on three primary areas -- home ownership opportunities, business development, and community infrastructure.

The \$50 billion in USDA Rural Development investments made by the Bush Administration has helped to create or save over 800,000 jobs that are important to rural communities. The all time record high of 76.1 percent homeownership in rural areas is evidence that programs are working as USDA Rural Development has helped 170,000 families attain their dream of homeownership. President Bush has set a goal of providing internet access to all Americans by 2007. USDA Rural Development is helping meet this goal by increasing access for 1.2 million households and businesses to high-speed Internet technologies.



USDA Rural Development has provided 2.7 million people with basic community water and wastewater infrastructure. Additionally, investments that assist communities with financing public health and safety first responder requests, including financing the purchase of 600 fire trucks and 150 police cars and construct or renovate nearly 100 medical facilities, are having a positive impact on the quality of life in rural America.

The Bush Administration understands the values and traditions that are unique to those who call rural America home. President Bush and I, along with our USDA Rural Development family, are working hard to support families, businesses, and communities increase economic opportunities and improve the quality of life in rural communities.

Ann M. Veneman  
Secretary  
United States Department of Agriculture



Citizens and community leaders throughout rural America share a common desire to bring economic opportunity and an improved quality of life to their community. There is a remarkable cohesiveness among rural citizens that allows the energy and enthusiasm of local citizens to harness the resources needed to bring solutions to economic and social issues facing their communities.

Today, more Americans than ever are realizing their dream of becoming a homeowner- bringing stability to families, neighborhoods and increasing personal family wealth through building of financial equity in their future. I am proud to say that 20 percent of the first-time homeowners receiving financing this year are minority families.

We are committed to aggressively working to help families, communities and businesses build the basic community infrastructure, help create more local jobs and gain access to educational and health care services and technologies that allow them to be better prepared to compete in a global environment.

While we have accomplished much, we know that more must be done to assist more families, businesses, and communities to benefit from the financing and technical assistance USDA Rural Development provides. That is why I unveiled this year a new education and outreach effort designed to ensure everyone in rural areas know what assistance is available to help them achieve their economic goals and improve their quality of life. Simply put, USDA Rural Development is the sole government agency that can build rural communities from the ground up.

To date, the Bush Administration, through USDA Rural Development, has invested \$50 billion to help create or save over 800,000 jobs. We have a team of dedicated professionals capable and ready to work with you to improve the quality of life in rural South Carolina. I encourage you to contact your local or state office in South Carolina to learn more about how USDA Rural Development can help improve the quality of life and increase the economic opportunity in your community.

Gilbert Gonzalez  
Acting Under Secretary of Rural Development  
United States Department of Agriculture

We are again pleased to provide you a report of the activities of USDA Rural Development within our state.

As you view this report, I hope you will recognize the many ways we have enhanced the ability of rural communities to develop, grow, and improve their quality of life. USDA Rural Development invested more than \$325 million in rural South Carolina this year to improve the quality of life for more than 257,400 people and 276 businesses through housing, water and waste services, community facilities programs, business and cooperative development and job creation. All of this was made possible in part through the dedication and hard work of our employees.



Also, our partnership with state and other federal agencies, nonprofit organizations, and private businesses helped us to meet more of the economic development needs of the state. However, without the committed efforts and support of the South Carolina Congressional delegation to bring federal dollars to the state, USDA Rural Development would not have had the funds to make these investments to help people.

We also must recognize that we are through with yesterday, and we must move on to tomorrow. To USDA Rural Development partners, customers and colleagues, I hope you will also view this report with an open mind as to how we might continue to work with diverse individuals and organizations to meet the challenges that remain. USDA Rural Development is committed to the future of rural communities and we ask you to join us in this commitment as we move on to tomorrow.

In our global economy, things will be changed before you can read this report. My hope is that you will be willing to be creative as you identify ways that we can help each other reach our potential of having an impact on the lives of the people we serve. We must look to the future and not waste our tomorrows.

Charles D. Sparks  
State Director, South Carolina

## Housing Programs

### Single Family Housing

Single Family Housing (SFH) programs administered by USDA Rural Development offer home ownership and home improvement loans and grants for individuals and families in rural areas. Financing is available at favorable rates and terms with little or no down payment. In many cases, payments can be reduced according to the client's ability to pay.

The **502 Direct Loan** program serves rural people whose incomes are below 80 percent of the median income in the area where they live. Since USDA Rural Development Housing Programs can make loans to those who will not qualify for a conventional loan, the Direct Loan program enables many more people to buy homes than might otherwise be possible. Direct loans may be made for the purchase of an existing home, for new home construction and for repairs to an existing home.

Under the **502 Guaranteed Loan** program, USDA Rural Development Housing Programs guarantee loans made by approved private sector lenders. The loan guarantee means that should the borrower default on the loan, the USDA Rural Development Housing Program will pay the private lender for a portion of any loss taken on the loan. The individual or family works with a private lender and makes their mortgage payments to that lender. Financing is available up to 100 percent of the appraised value, eliminating the need for a down payment. Since many people lack the funds to make a down payment, the USDA Rural Development Housing Program loan guarantee makes owning a home possible for more Americans.

**Section 504 Home Repair Loans and Grants** are available to very low-income rural homeowners to remove health and safety hazards and make needed home repairs.

Very low-income homeowners can receive loans of up to \$20,000 with a repayment period of up to 20 years at one percent interest. Homeowners who are at least 62 years old can receive a grant of up to \$7,500 for home repairs and improvements to remove health and safety hazards from their home if they cannot repay a Section 504 loan.

Another option available to very low and low-income families is the **Mutual Self-Help Housing Loan** program that makes homes more affordable for families who perform approximately 65 percent of the construction labor. The labor cost savings help each homeowner pay less for their home. Grants are awarded to nonprofit and local government organizations that provide technical assistance. They supervise groups of 6 to 10 families in constructing their own homes. The families work on their homes together and move in only when all are completed. Usually the homes are financed through a Section 502 Direct Loan.

Home ownership builds economic stability and contributes to the growth of communities in rural areas. During fiscal year 2004, Single Family Housing programs contributed to the growth of rural South Carolina by investing more than \$90 million dollars. Through these funds we helped 1,093 very low, low, and moderate income individuals and families own homes and/or make home repairs.

Rural Development co-sponsored the 2004 Community Economic Development and Housing Summit in Charleston, South Carolina in September. This event focused on faith-based and community initiatives with more than 500 people in attendance. Other event sponsors included Fannie Mae, U. S. Department of Housing and Urban Development, and the South Carolina Association of Community Development Corporations.

### Single Family Housing Activities

| Congressional Districts | Guaranteed Loans    | 502 Direct Loans    | 504 Loans/ Grants  | Families Assisted |
|-------------------------|---------------------|---------------------|--------------------|-------------------|
| Brown                   | \$ 2,356,974        | \$ 4,488,439        | \$ 123,910         | 82                |
| Wilson                  | 23,771,915          | 7,421,928           | 188,883            | 297               |
| Barrett                 | 1,996,487           | 1,322,907           | 73,418             | 44                |
| DeMint                  | 14,683,198          | 3,073,520           | 51,191             | 172               |
| Spratt                  | 12,017,536          | 6,519,848           | 452,480            | 272               |
| Clyburn                 | 4,826,648           | 8,259,507           | 626,323            | 239               |
| <b>Totals</b>           | <b>\$59,652,758</b> | <b>\$31,086,149</b> | <b>\$1,516,205</b> | <b>1106</b>       |

Union County resident Eddie Gore remembers seeing daylight through his kitchen wall. Mr. Gore, age 69, lived in fear that the old electrical wiring in his home could cause a fire and he wouldn't be able to escape because he couldn't open any of his windows. His home had no insulation in the floors or attic. In the winter, he was cold. In the summer he was hot. The plumbing in his home was not serviceable.

Mr. Gore needed help, but didn't know where to turn. His nephew contacted Rural Development to see what type of assistance was available for Mr. Gore to make the badly needed repairs to his home in Buffalo, South Carolina. Through the Rural Development Single Family Section 504 Home Repair Loan and Grant Program, he was able to replace a leaky tin roof with a new shingled roof. Improvements were also made to the interior of the home to repair walls, floors and ceilings damaged by the leaky roof. New energy efficient windows replaced the windows that could not be opened.

The old waste, vent and water pipes were removed and replaced. The existing bathroom commode and sink were replaced. The old kitchen sink was replaced with an insulated stainless steel sink and new base and wall cabinets. The electrical wiring panel box was replaced and all

appropriate wiring was brought up to code, in addition to new lighting fixtures and outlets.

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*“I feel like I have a new home. I never believed any of this would be possible.” - Eddie Gore*

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Mr. Gore is greatly appreciative of all the improvements that made his home decent, safe and sanitary. Mr. Gore looked at all the improvements to his home and said, “I feel like I have a new home. I never believed any of this would be possible.”



Anxious to enjoy married life together after living separately for a year, James and Catherine Long used a Rural Development loan that allowed them to construct a much needed handicap accessible home.

James Long, a quadriplegic since a 1996 diving accident, was living in a one-bedroom, assisted living apartment in a high-crime area before and after his March 2003 wedding day. James had people walking into his apartment unannounced, and other tenants caused several kitchen fires. Though the apartment complex was nice, James considered it dangerous. Catherine and her two teenage children lived in another high-crime area. Their home was broken into on two occasions. When their one-year anniversary arrived, the Longs decided it was time to do something about their living arrangements.



The couple contacted a local realtor for help and was referred to Rural Development. Rural Development assisted the Longs with a 502 Direct Loan with no down payment. James and Catherine are now living in a home in a safe neighborhood.

James is especially appreciative of his new home. He said, "If not for USDA Rural Development, we would never have been able to afford our handicap accessible home. Our good friend Jimmy Frazier of Frazier Builders built our house to especially accommodate our special needs."

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*"If not for USDA Rural Development, we would never have been able to afford our handicap accessible home." - James Long*

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Dreaming of a better life for her and her children, Ms. Maria G. Cabrera moved from Mexico to Central, South Carolina. As a single parent, Ms. Cabrera struggled to provide the kind of life that she wanted for herself and her three children ranging in age from one to ten.

USDA Rural Development staff, Ms. Cabrera's interpreter, and Ms. Cabrera's realtor assisted Ms. Cabrera in obtaining her dream of providing and owning a home in which to raise her family.

Through the USDA Rural Development Housing Program, Ms. Cabrera was able to purchase a home instead of temporary housing. Ms. Cabrera tells her story in the following letter which was translated from Spanish:



My hardships have led to doing something I never thought possible: buying my own home.  
Here is my story.

I was divorced from my husband a few years ago after leaving an abusive situation. This left my children & I with no where to go. We have lived in temporary housing since then usually with friends & family so I could make ends meet. One day I met a lady who was collecting rent from my sister (who watches my children during the day while I sleep after working third shift.) Ms. Kuhner introduced me to the idea of buying a home. I quickly dismissed this as an impossibility. She kept encouraging me to open up a savings account & put money away for a down payment, which I did, still not believing it could really be.

When I finally saved up \$2,600, she introduced me to a Realtor who she said might be able to help me into my own house through a special government program called Rural Development Housing loans. I didn't see how this could be but contacted the Realtor who not only made me an appointment with USDA, but took me there personally.

There were many setbacks along the way. For instance, my social security card had to be re-issued and someone stole money out of my savings account. Also, USDA found on my credit report a charge from a hospital which was showed to be outstanding that I was unaware of. I thought to myself, "no more house for me - it just isn't meant to be". USDA allowed me to pay the debt and clear my credit report. Then it took 4 weeks to get the contractors out to get bids on fixing the house. It took another 4 weeks to get a survey done.

When USDA finally approved me for a loan, I was in shock & couldn't believe it to be true. We are now almost ready to close on my new home. Thank you USDA for giving me the opportunity to make it possible for my dream to come true allowing me to purchase a home. I am very confident & happy to see my children feeling secure in life. It gives me a purpose for working. Thank you so much.

Maria Cabrera

Maria G. Cabrera

11/03/04

Multi-Family Housing (MFH) programs administered by USDA Rural Development include Rural Rental Housing (RRH), Direct and Guaranteed Rural Rental Housing (GRRH) Loans, Rental Assistance, Farm Labor Housing (LH) Loans and Grants, and Housing Preservation Grants (HPG).

The **RRH** program provides approximately 13,000 units of decent, safe, and sanitary rental housing to more than 30,000 of South Carolina's low-to-moderate income population. The program provides subsidized credit to developers of affordable housing, subsidizes rents and furnishes funds to bring deteriorating housing up to building standards. This represents more than \$16.6 million of annual subsidies in reduced or adjusted rents. The private operation and management of these rental properties generate jobs, wages, local, state and federal taxes. The current portfolio is valued at more than \$350 million. Nearly \$1.5 million in MFH direct loans assisted 128 families in South Carolina this fiscal year and \$600,000 in leveraged funds from other sources were used in conjunction with these loans.

The Rural Development **GRRH** Program guarantees loans for the construction, acquisition, or rehabilitation of multi-family housing facilities in rural areas. The program is designed to increase the supply of affordable multi-family housing through partnerships with major private lending sources, state and local finance agencies, and bond issuers.

The Farm **LH** program provides the only national source for farm labor housing construction and/or repair funds. This program provides low interest loans and grants to developers of affordable rural rental housing for farm workers.

The **HPG** program provides grants to non-profit organizations, Native American tribes, and government agencies for renovating deteriorating homes occupied by low and very low-income families. Grantees typically receive blocks of money used to revitalize not only individual houses, but also neighborhoods. The program encourages projects that match funds with partners; so most grantees substantially leverage their

HPG funds with money from other sources to assist as many people as possible. Fifty-four families benefited from \$310,000 in HPG funds awarded in South Carolina this fiscal year. These funds were leveraged with \$700,000 from other sources.



*Camden Cove Apartments  
Camden, South Carolina*

Multi-Family Housing Programs offer Rural Rental Housing loans to provide affordable multi-family rental housing for very low, low and moderate income families, the elderly and persons with disabilities.



Rural Development is committed to the future of rural communities as evidenced by its loan and grant funding for water and environmental, electric, telecommunications, distance learning and telemedicine programs.

During the 2004 fiscal year, Rural Development provided nearly \$29 million in funds to serve 25,633 residences and 19,086 businesses in South Carolina with clean drinking water and adequate sewer facilities. South Carolina's Water and Environmental program has a portfolio of more than \$210 million for 143 water and wastewater borrowers with more than 450 loans. More than 300,000 rural residences and nearly 30,000 rural businesses receive water and sewer services as a result of Rural Development programs.

South Carolina received funding under the Rural Development Electric program for three Treasury Rate loans this year totaling more than \$102 million and two Federal Financing Bank loans in the amount of \$15,247,000. South Carolina has 22 Distribution borrowers and three Generation Transmission borrowers.

Rural Development provides funding for the South Carolina Rural Water Association (SCRWA) which provides monthly technical and management assistance to numerous water and sewer systems throughout the state. This assistance is individualized to the specific needs and requests of each system. Rural Development also funds the Rural Community Assistance Program by providing technical assistance on a monthly basis to numerous water and sewer borrowers and applicants throughout South Carolina.

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### Earth Day 2004

Georgetown County Water and Sewer District received \$4,702,700 in loan and grant funds as South Carolina Rural Development celebrated the 34th annual Earth Day. The funds will address an unsanitary sewer situation in the rural community of Choppee. The area has been designated as an imminent health hazard area. The median income for this area is only \$17,408, which places it below the state poverty level. This community also ranks very high, number five, on the DHEC list of communities needing sewer service. This is due to poorly constructed and malfunctioning septic tank systems that are releasing raw sewage into the local ground water. Based on this information, this project qualified for 75 percent grant consideration and the poverty rate interest.

Georgetown County Water and Sewer District certified to Rural Development that they did not have the ability to finance this project on their own. The level of grant funds needed to make this a feasible project took it out of the realm of commercial

lending. Rural Development funds will be used to construct approximately 12 miles of 8" gravity wastewater collection line; 27,000 linear feet of 2 1/2", 4" and 6" force main; and eight pump stations. In addition to Rural

Development funds, the District obtained a Community Development Block Grant (CDBG) from the State Department of Commerce in the amount of \$500,000. A portion (\$343,100) will be used for the construction costs and connecting low to moderate income level users to the system. The remaining amount of funds from the CDBG grant will be used for administrative expenses and to make needed rehabilitation to some of the low to moderate-income users' homes in order to connect to the system. The addition and improvements will address an imminent health hazard for this area. These funds will alleviate an

imminent health hazard and offer sanitary living to 273 residential users and 11 commercial users in the rural community of Choppee in Georgetown County.



### Water and Sewer Activities

| Congressional Districts | Loans               | Grants              | Residence Customers Benefited | Business Customers Benefited |
|-------------------------|---------------------|---------------------|-------------------------------|------------------------------|
| Brown                   | \$ 1,314,100        | \$ 2,845,000        | 273                           | 15                           |
| Wilson                  | 1,632,400           | 1,811,200           | 2,839                         | 695                          |
| Barrett                 | 10,524,200          | 2,570,000           | 6,199                         | 11,652                       |
| Spratt                  | 378,100             | 1,277,800           | 6,351                         | 2,610                        |
| Clyburn                 | 3,463,600           | 2,867,100           | 9,971                         | 4,114                        |
| <b>Total</b>            | <b>\$17,312,400</b> | <b>\$11,371,600</b> | <b>25,633</b>                 | <b>19,086</b>                |

### Broadband Program

The USDA Rural Broadband Access Loan and Loan Guarantee Program is designed to provide loans for funding, on a technology neutral basis, the costs of construction, improvement and acquisition of facilities and equipment to provide broadband services to eligible rural communities. The program's goal is to ensure that rural consumers enjoy the same quality and range of telecommunications services that are available in urban and suburban communities. Applicants for this program must compete on a national level. The program is funded through the Rural Development National Office.

South Carolina's Palmetto Rural Telephone Cooperative, Inc., received \$25,687,000 under the broadband loan program this funding year. The servicing area for this project is Colleton County.

Rural Development makes broadband loans and loan guarantees to legally organized entities providing, or proposing to provide, broadband services in eligible rural communities.

Broadband Service means any technology identified by the Administrator as having the capacity to transmit data to enable a subscriber to originate and receive high-quality voice, data, graphics, and video. For funding under 7 CFR 1738, projects must offer data transmission services, and may provide voice, graphics, and video. At the beginning of each fiscal year, Rural Development will publish, in the Federal Register, the transmission data rate criteria to be utilized for purposes of the identification of broadband service technologies during the fiscal year's funding period.

## Distance Learning and Telemedicine (DLT) Loan and Grant Program *South Carolina Schools and Communities Improve Educational Opportunities*

The Distance Learning and Telemedicine (DLT) Loan and Grant Program is helping meet the challenges in rural America for quality education and healthcare services. The program is funded to bring advanced telecommunication technologies to rural America creating economic and quality-of-life opportunities.

One South Carolina educational entity was awarded a total of \$500,000 in a Distance Learning grant this fiscal year to improve educational opportunities. The recipient, Orangeburg Consolidated School District Four, will use \$500,000 in Rural Development grant funds to bring distance learning technology to Collaborative Partners: Orangeburg Consolidated School District 4, Bamberg County School District 1, Barnwell County School District 19, Bamberg/Barnwell Adult Education, Salkehatchie Consortium, and Low Country Health Care Network.

A Tandberg Director Series Multimedia Classroom in a designated classroom at Edisto High, Carver-Edisto Middle, the STAR Center, Blackville-Hilda High, and Bamberg High School will offer the opportunity for educational improvements to students and residents in those areas. Professional development opportunities, as well as content through virtual field trips, will be

provided to the schools. Expanded educational and preventative health care educational opportunities for adult community members will also be provided through the use of interactive distance learning and computer lab accessibility.

With videoconferencing equipment and streaming video programming, educators will receive professional development. Community residents will receive health awareness programs, adult literacy and education programs, and workforce development programs targeted to their needs.

The use of these funds will have a significant impact on the areas served. This technology opens endless doors for the people in these rural areas enhancing their education and quality of life.



## Community Facilities Programs

Community Facilities (CF) programs provide essential services in rural areas and small towns. Public bodies, non-profit corporations, and federally recognized Native American tribes may use direct or guaranteed loans and grants available through these programs to construct or improve essential community facilities. These facilities include fire, rescue and other public safety services; health, elder and child care; cultural, education, transportation, energy transmission and municipal activities. CF loans and grants totaled over \$5 million in fiscal year 2004, and helped provide essential services to an estimated 105,088 people in various rural areas and small towns in South Carolina.

### Community Facilities Activities

| <b>Congressional Districts</b> | <b>Direct Loans</b>       | <b>Grants</b>           | <b>Residents Assisted</b> |
|--------------------------------|---------------------------|-------------------------|---------------------------|
| Wilson                         | \$1,837,500               |                         | 23,478                    |
| Barrett                        | 965,000                   | \$ 18,500               | 24,996                    |
| DeMint                         | 800,000                   |                         | 8,241                     |
| Spratt                         | 408,600                   | 113,750                 | 6,429                     |
| Clyburn                        | 770,000                   | 100,000                 | 41,944                    |
| <b><i>Totals</i></b>           | <b><i>\$4,781,100</i></b> | <b><i>\$232,250</i></b> | <b><i>105,088</i></b>     |

## Tyger River Fire Service Area

The Tyger River Fire Service Area Chief and the Chairman of the Board of Commissioners came to Rural Development with a request for financing of a new fire station. The Tyger River Fire Service Area was operating a substation in a building that they were leasing for \$1 per year from the Town of Lyman. This building had no facilities for full time personnel and the Town of Lyman needed the building for the City Maintenance Department.

A new fire station was built with the help of a \$656,250 loan by Rural Development's Community Facilities program. The funds were used to purchase the site where the station is located, building construction, and furnishings. The new fire station was constructed on the eastern side of the fire district which serves the most highly populated area of the fire district. Construction was completed in early 2004.

Tyger River serves an area of approximately 1,200 homes and 180 businesses. Because of the ability to house full time staff in this new facility, the



response time to all calls within this area has greatly improved. The new facility has a training classroom which is used by the fire department and is also used by residents of the area for public meetings and other community functions. The fire station has sleeping quarters for members of the fire department as well as for Emergency Responders. It also has accommodations for use as an emergency shelter should the need arise in the community. In addition to financing the new facility, Rural Development was able to assist the fire station by guaranteeing a loan in the amount of \$238,000 made by First Citizens Bank to purchase a ladder truck which is housed in the new facility.

This project is consistent with the President's First Responders initiative in helping to greatly improve the response time to emergency calls.





## Barnwell County Nursing Home and Assisted Living Facilities

Rural Barnwell County stretches across the southern portion of South Carolina's Midlands. Since 1964, Barnwell County has owned and operated an outstanding skilled nursing home facility. Together with the facility's obsolescence and the growing senior population, county residents agreed that it was time to make plans to construct a replacement skilled nursing home facility, increasing the number of beds. Also, it was agreed, by county residents, to develop a plan to construct an assisted living facility, with both of the facilities being located on the same site in Barnwell, SC.

Through the Community Facilities direct loan program, Rural Development provided funding in the amount of \$7,693,500 to develop and construct

both projects in two phases. Phase I, the skilled nursing home facility, is nearing completion, while Phase II, the assisted living facility, has a scheduled construction start date in 2005.

The newly constructed skilled nursing home consists of 44 private and semi-private rooms. After construction, the assisted living facility will consist of 32 private and semi-private rooms. In addition to the resident rooms, a complete range of needed space for rehabilitative services, skilled therapies, medical records space, activities areas, examining rooms, equipment and maintenance services, storage, laundry, a beauty shop, office space, several living rooms, a warming kitchen, dining rooms and dietary services are included in the two projects.



The Business & Cooperative Programs (B&CP) help businesses and cooperatives in the rural areas of South Carolina to develop and prosper in the global marketplace. To accomplish this, the Business Programs segment of USDA Rural Development works in partnership with the private sector and community-based organizations to provide financial assistance and business planning. B&CP financial resources are often leveraged with those of commercial, cooperative, or other private-sector lenders to meet business and credit needs in underserved areas. B&CP administers funds to provide loan guarantees, revolving loan funds, business development grants, and technical assistance grants.

During fiscal year 2004, B&CP provided more than \$5.56 million in loans and grants to South Carolina rural businesses. Of this amount, eight Rural Business Enterprise Grants (RBEG) were awarded for a total of \$1.49 million. These grants assisted 186 businesses, and created and saved 494 jobs. Uses for these grant funds covered a wide range of activities including technical assistance to improve small and emerging businesses in the form of business incubator projects, feasibility study for a light industrial office, business training for entrepreneurs, water supply evaluation for future business expansion, and providing consultation to small minority-owned businesses.

The B&CP Business & Industry (B&I) guaranteed loan program funded a loan for nearly \$2.5 million that will save more than 38 jobs by providing financing for rural farmers to operate and run a large cotton gin affecting rural business and residences.

The B&CP Intermediary Relending Program (IRP) funded loans totaling \$1.25 million that will create 60 jobs and saved 159 jobs, and a Rural Cooperative Development Grant (RCDG) was funded for \$146,656 to South Carolina State University for cooperative development, which assisted 36 businesses and 735 individuals.

During the year, B&CP also awarded a grant for \$49,000 for a project under a new program called the Value-Added Agricultural Product Market Development Grants (VAPG) that saved 275 jobs and assisted 35 businesses. Grants may be used for planning activities and working capital for marketing value-added agricultural products and for farm-based renewable energy.

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*“Supporting Jobs and  
Rural Business Creation”*

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## Marriott Hotel and Conference Center

The Business & Cooperative Program's (B&CP) Business & Industry (B&I) guaranteed loan program funded a \$20,000,000 loan to construct a Marriott Hotel and Conference Center for downtown Spartanburg, South Carolina.

The Random House College Dictionary defines Renaissance as a renewal of life, vigor, interest, etc.; rebirth; revival. This definition fittingly describes the Spartanburg downtown area. Just recently, in the past year or two, there has been construction of new buildings for office space, garages, a bus station, restaurants and shops in the downtown area. Why such a tremendous growth in such short time? What was the catalyst for this sudden growth? Well, it was due to one man's idea, Arthur Cleveland, along with investors and city officials that a 250-room Marriott Hotel with an attached 38,000 square feet conference center could pump millions of dollars in the City of Spartanburg. Mr. Cleveland has received an outpouring of community and city officials' support for this project. History shows that there were two unsuccessful attempts (in 1970 and 1987) for a project of this magnitude to take off in downtown Spartanburg. Mr. Cleveland had to overcome the odds, and he did with the assistance of USDA Rural Development Business and Industry Guarantee Loan Program. Rural Development approved

the Loan for \$20,000,000 with a 60% guarantee to construct the 250-room Marriott Hotel, which has created 244 jobs in the downtown area.

With the many obstacles and hurdles, and there were many, that Mr. Cleveland had to overcome, the groundbreaking ceremony was held on October 29, 2001, for the construction of the 250-room Marriott Hotel and the adjoining 38,000 square feet conference center. What a momentous feat this was for the City of Spartanburg. Yes, the one and only catalyst for this growth as described above is The Renaissance Park Marriott Hotel!

The Marriott Hotel and Conference Center had its grand opening on December 24, 2003.



## South Carolina Office of Rural Health

The South Carolina Office of Rural Health (SCORH) was awarded a \$900,000 Rural Business Enterprise Grant (RBEG) in 1997 to establish a Revolving Loan Fund to assist in the development and expansion of rural health care facilities in South Carolina. In FY 2003, the SCORH submitted an application to utilize the remaining grant funds of \$263,594 for a loan to the Low Country Healthcare Network. Rural Development reviewed, concurred with approval, and advanced funds to the SCORH for this project. Loan proceeds were used by the Low Country Healthcare Network to purchase a mobile MRI tractor-trailer unit to be used among four rural Lowcountry hospitals (Hampton Regional Medical Center, Allendale County Hospital, Bamberg County Hospital, and Barnwell County Hospital). This type project is the only one of its kind in the state where four rural hospitals work together towards providing a much-needed medical service to the rural communities that they serve. This project will directly create seven full-time jobs related to the mobile MRI unit and its services.

## Blue Ridge Medical Center

The Business and Cooperative Program (B&CP) has many programs to assist businesses in rural America. The IRP loan program is designed to alleviate poverty and increase economic activity and employment in rural communities, which is achieved through loans made by B&CP to intermediaries to establish a Revolving Loan Fund. The intermediaries relend these funds to ultimate recipients for business facilities and community development in rural areas.

With this program B&CP has funded two IRP loans at one percent in the amount of \$750,000 each to Appalachian Development Corporation (ADC) in Greenville, South Carolina. These funds have been used to target small growing businesses across the Upstate. When loan agencies will not fund 100 percent of the project, ADC can fund from 60 to 65 percent of the project at a fixed rate in the form of “gap funding,” which essentially is supplemental funding to primary loans.

The “gap funding” by ADC helped recipient Dr. Marion McMillan fill in the gap. Dr. Marion has an office in Seneca operating as the Blue Ridge Medical Center. Blue Ridge Medical specializes in Internal Medicine and Pain Management. The ADC is participating in the financing of the Surgery Center

with Bank of America as an SBA 504 project. This ADC funding will cover the cost of \$200,000 of equipment and working capital out of a \$1,887,400 project.



Dr. McMillan will contribute more to the project by paying for any cost increases in construction, any additional equipment, and any additional working capital needs. The surgery center will be an expansion of Blue Ridge Medical providing additional services that are not now offered. The project will also provide space for other physicians in the area that will be an alternative to the existing facilities at the hospital.

## Civil Rights - It's the Law

Rural Development is committed to fair and equal treatment to employees and customers. Each Rural Development employee is responsible for treating our program constituents, colleagues, and employees equally and fairly. Assuring equal opportunity in employment and program delivery is essential in administering Rural Development programs.

Rural Development is committed to demonstrating equal opportunity for all individuals.



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## Community Development Programs

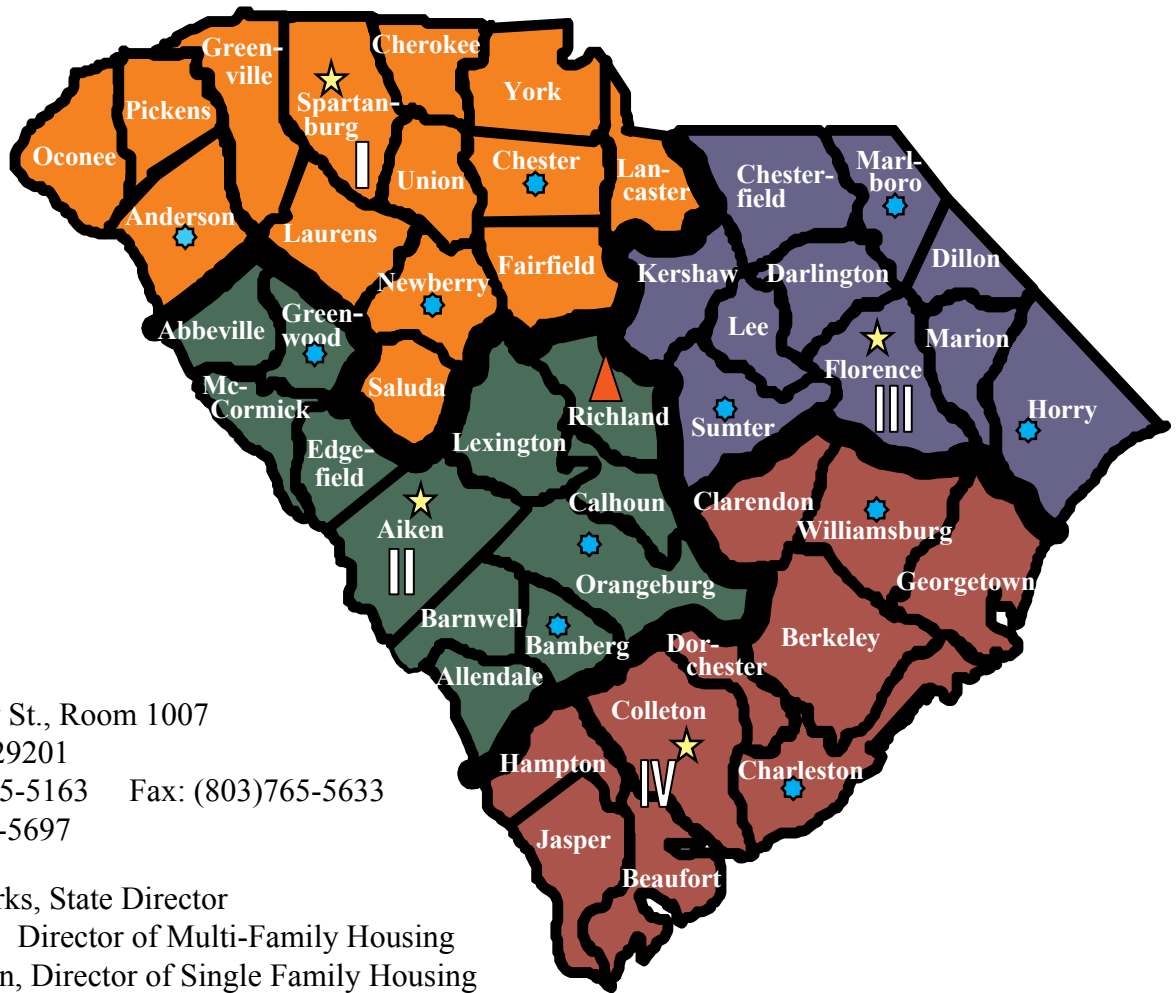
The Office of Community Development administers rural community development programs within the USDA Rural Development. Each program and initiative promotes self-sustaining, long-term economic and community development in rural areas. The programs demonstrate how every rural community can achieve self-sufficiency through innovative and comprehensive strategic plans developed and implemented at a grassroots level. The programs stress continued local involvement and decision making which is supported by partnerships among private, public and nonprofit entities.

★ *Local Offices*

Phone/Fax

|   |                                |
|---|--------------------------------|
| <b>AIKEN</b> ( <i>serves Aiken, Edgefield, Lexington counties</i> )<br>Aiken Co. Agriculture Bldg., 1555 E. Richland Ave., Rm. 100, Aiken, SC 29801           | (803)649-4221<br>(803)642-0732 |
| <b>ANDERSON</b> ( <i>serves Anderson, Pickens, Oconee counties</i> )<br>1521 N. Pearman Dairy Road, Anderson, SC 29625  | (864)224-2126<br>(864)224-8914 |
| <b>BAMBERG</b> ( <i>serves Bamberg, Barnwell, Allendale counties</i> )<br>3828 Main Highway, PO Box 503, Bamberg, SC 29003                                    | (803)245-4311<br>(803)245-0054 |
| <b>CHARLESTON</b> ( <i>serves Charleston, Berkeley, Dorchester counties</i> )<br>4045 Bridgeview Drive, North Charleston, SC 29405                            | (843)727-4160<br>(843)727-4541 |
| <b>CHESTER</b> ( <i>serves Lancaster, Chester, Fairfield, York counties</i> )<br>744 A Wilson Street, Chester, SC 29706                                       | (803)581-1906<br>(803)581-0852 |
| <b>COLLETON</b> ( <i>serves Colleton, Jasper, Hampton, Beaufort counties</i> )<br>531 Robertson Boulevard, Suite A, Walterboro, SC 29488                      | (843)549-1822<br>(843)549-6001 |
| <b>FLORENCE</b> ( <i>serves Florence, Darlington, Marion counties</i> )<br>215 Third Loop Road, Suite 100, Florence, SC 29505                                 | (843)669-9686<br>(843)669-2563 |
| <b>GREENWOOD</b> ( <i>serves Greenwood, Abbeville, McCormick counties</i> )<br>115 Enterprise Court, Suite A, Greenwood, SC 29649                             | (864)229-3004<br>(864)229-2845 |
| <b>HORRY</b> ( <i>serves Horry county</i> )<br>1949 Industrial Park Road, Room 104, Conway, SC 29526  | (843)365-8732<br>(843)365-6660 |
| <b>MARLBORO</b> ( <i>serves Marlboro, Dillon, Chesterfield counties</i> )<br>USDA Service Center, 210 Throop Street, Bennettsville, SC 29512                  | (843)479-4341<br>(843)479-8386 |
| <b>NEWBERRY</b> ( <i>serves Newberry, Laurens, Saluda counties</i> )<br>719 Kendall Road, PO Box 99, Newberry, SC 29108                                       | (803)276-1978<br>(803)276-7887 |
| <b>ORANGEBURG</b> ( <i>serves Orangeburg, Calhoun, Richland counties</i> )<br>1550 Henley Street, Room 100, Orangeburg, SC 29115                              | (803)534-2409<br>(803)536-5827 |
| <b>SPARTANBURG</b> ( <i>serves Spartanburg, Union, Cherokee, Greenville counties</i> )<br>105 Corporate Drive, Suite G, Spartanburg, SC 29303                 | (864)814-2471<br>(864)814-2904 |
| <b>SUMTER</b> ( <i>serves Sumter, Lee, Kershaw counties</i> )<br>1975 Castlerock Drive, Suite 2, Sumter, SC 29153   | (803)905-7650<br>(803)905-7652 |
| <b>WILLIAMSBURG</b> ( <i>serves Williamsburg, Clarendon, Georgetown counties</i> )<br>502 Martin Luther King, Jr. Blvd., PO Box 769, Kingstree, SC 29556-0769 | (843)354-9613<br>(843)354-5463 |

USDA Rural Development: [www.rurdev.usda.gov](http://www.rurdev.usda.gov)



**▲ State Office**

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Mike J. Hucks, Director of Community Programs  
R. Gregg White, Director of Business and Cooperative Programs  
Kenneth V. King, Director of Program Support  
Cathy J. Seawright, State Civil Rights Coordinator  
Marlous H. Black, Public Information Coordinator

**★ Area Offices**

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Vernita Dore, Area Director



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