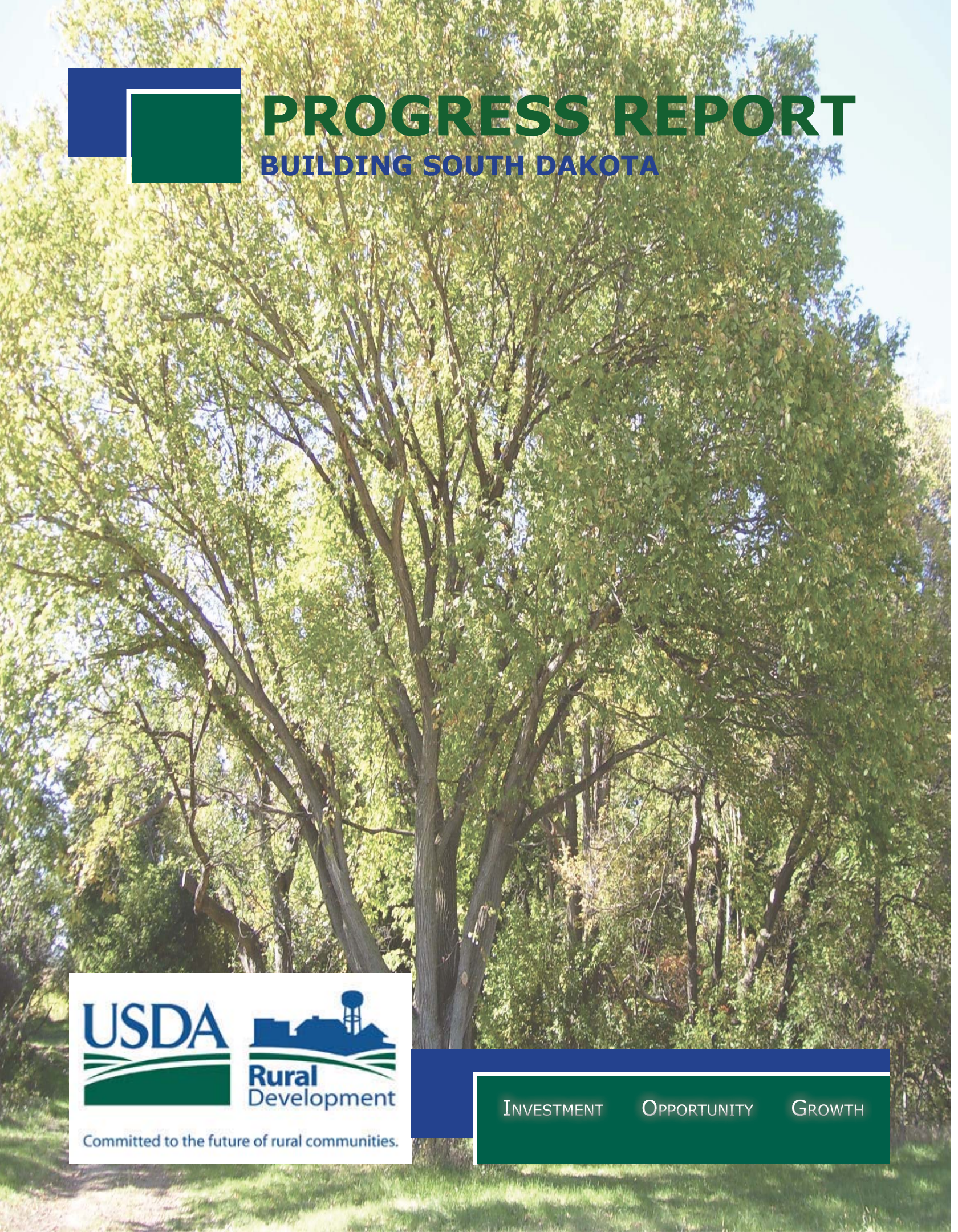




PROGRESS REPORT

BUILDING SOUTH DAKOTA



USDA



Rural
Development

Committed to the future of rural communities.

INVESTMENT

OPPORTUNITY

GROWTH

SOUTH DAKOTA USDA

Creating jobs, helping families, growing businesses, and building crucial infrastructure and community facilities - that is how USDA Rural Development improves the quality of life and expands economic opportunities in South Dakota.

Viable businesses and cooperatives are created and improved through the USDA Rural Development - Business Programs. Renewable energy is a top priority in rural South Dakota and USDA national and state initiatives are focused on sustainable and viable bio-fuel and renewable systems. Business Programs work through partnerships with public and private community-based organizations and financial institutions to provide financial assistance, business planning, and technical assistance to rural businesses and cooperatives.

Housing Programs help low or moderate income rural residents buy or repair their homes. USDA Rural Development also finances construction of apartments and

other multi-family housing units in rural communities that lack sufficient, affordable rental housing and provides rental subsidies to residents of these properties, many of who are elderly.

Community Facilities, such as libraries, police stations, day care centers, and court houses are constructed through direct and guaranteed loans as well as grants. USDA Rural Development helps rural communities build or expand vital infrastructure.

High speed internet access to rural America, affordable reliable electric power, safe, clean drinking water, and environmentally sound wastewater disposal is provided through USDA Rural Development programs.

USDA Rural Development is committed to the future and sustainability of rural communities.



"...FARMERS WHO GET UP BEFORE DAWN;
SHOPKEEPERS WHO HANG THE 'OPEN' SIGN EVERY MORNING;
ENTREPRENEURS WHO GET THAT IDEA AND
TURN THAT IDEA INTO A REALITY.
AND THAT'S A DREAM THAT'S SHARED BY EVERY AMERICAN --
A CHANCE TO MAKE A GOOD LIVING, TO RAISE A HEALTHY,
SECURE FAMILY, AND THEN TO LEAVE OUR CHILDREN
WITH EVEN MORE OPPORTUNITY THAN WE HAD."

- Barack Obama, President of the United States of America -- April 27, 2010 -

RURAL DEVELOPMENT



"USDA Rural Development funding made an enormous difference in the lives of rural Americans in FY 2010. From helping tens of thousands of families repair or purchase a home, to large-scale investments to develop broadband infrastructure across dozens of counties, USDA Rural Development employees were helping build better lives for the American people. I am confident that the investments we have made will have a lasting, sustainable impact, and provide jobs and economic activity to keep rural America vibrant and prosperous in the future."

Thomas Vilsack
Secretary of Agriculture

"The Obama Administration recognizes how important rural America is to the continued economic health and vitality of the United States. Rural communities are home to more than 50 million people. Rural America supplies much of our nation's food and water, and safeguards our environmental heritage. Its role in establishing our nation's energy independence is growing every day. Reversing the youth outmigration dynamic and revitalizing rural America for the next century is USDA Rural Development's mission. Our goal of ensuring that rural areas are creating wealth, self-sustaining, repopulating, and thriving economically is especially critical in the aftermath of the economic downturn.

Over the past year, Rural Development has worked at President Obama and Secretary Vilsack's direction to build a framework of a new rural economy, built on a set of pillars which combine the successful strategies of today and the compelling opportunities of tomorrow, including energy.

USDA Rural Development – through our array of financial assistance programs, but especially through our talented and dedicated employees serving in local offices across the country – truly makes a difference in quality of the lives of rural Americans, and in the communities in which they live."

Dallas Tonsager
Under Secretary
USDA Rural Development



"2010! What a year it was! In South Dakota, USDA Rural Development invested \$397.9 million in projects – of which \$85.9 million were American Reinvestment and Recovery Act (Economic Stimulus). Nearly seventy-five of our South Dakota rural communities and the lives of their residents have been improved through USDA Rural Development's many programs. Over 1,200 families were able to purchase homes - for many their first home! Home ownership and affordable rental housing, clean drinking water and sanitary sewer systems, hospitals, fire stations, reliable electricity, and fast broadband internet, as well as the creation of jobs through new or expanding businesses – USDA Rural Development remains committed to help communities meet their needs.

As South Dakota continues to build on the success of agriculture, energy independence, and business growth, we look forward to partnering with you to ensure that South Dakota continues to thrive. I am proud of the many accomplishments of our Rural Development team and am looking forward to a prosperous 2011 and beyond."

Elsie M. Meeks
State Director
USDA Rural Development



FISCAL YEAR FUND

Rural Development - Seven Strategies for Economic Development

Building 21st Century rural communities requires adoption of strategies that look not only within a community for defining its strengths and opportunities, but to regions where one community can compliment and draw upon the resources of another.

- **Strategic Partners:** The ole adage that there is strength in numbers especially holds true when you build strong and strategic alliances.
- **Capital Markets:** Stimulating local economies requires the infusion of new investment opportunities.
- **Regional Food Systems:** Building markets for local and regionally grown agricultural products makes great economic sense.
- **Regional Collaboration:** Smaller, more remote rural communities don't have to try to be stand-alone economic engines operating in isolation, each looking only from within for sustainability.
- **Community Building:** Creating great places to live, raise families, provide recreational opportunities, and infrastructure for high paying jobs is very important to our efforts at USDA.
- **Alternative Energy:** America development and use of alternative energies is good for our country and good for our environment.
- **Broadband and Continuous Business Creation:** Expanding access to high-speed broadband is one of our greatest challenges and our highest priority.

Rural Housing Programs

Program Type	Amount
Guaranteed Rural Housing Loans	\$117,721,610
Guaranteed Rural Housing Loans (ARRA)*	\$14,746,516
Rural Rental Housing	\$3,497,264
Rental Assistance	\$10,189,368
Direct Rural Housing (502, 504, HPG)	\$10,714,738
Direct Rural Housing [502, 504, HPG (ARRA)]	\$10,115,097
Self-Help Technical Assistance Grants & TSA Grants	\$353,977
Sub-Total:	\$167,338,570

FINANCING BY PROGRAM

Community Programs

Program Type	Amount
Community Facility Direct Loans	\$35,906,086
Community Facility Direct Loans (ARRA)*	\$16,598,890
Community Facility Guaranteed Loans	\$2,150,000
Community Facility Grants	\$213,500
Community Facility Grants (ARRA)*	\$913,700
Community Facility Tribal College Grants	\$589,300
Rural Community Development Initiative	\$728,412
Community Facility Economic Impact Initiative	\$372,000
Water and Waste Direct Loans	\$14,303,000
Water and Waste Direct Loans (ARRA)*	\$10,775,000
Water and Waste Grants	\$16,479,000
Water and Waste Grants (ARRA)*	\$4,692,000
Sub-Total:	\$103,720,888

Rural Business/Cooperative Programs

Program Type	Amount
Business and Industry Guaranteed Loans	\$1,150,760
Business and Industry Guaranteed Loans (ARRA)*	\$3,457,400
Rural Business Enterprise Grants	\$311,000
Rural Business Enterprise Grants (ARRA)*	\$99,000
Rural Business Enterprise Grants Native American Set Aside	\$816,968
Rural Business Opportunity Grants Native American Set Aside	\$50,000
Rural Cooperative Development Grants	\$225,000
Small Minority Producer Grant	\$175,000
Value Added Development Grant	\$156,953
Rural Economic Development Loans	\$740,000
Rural Economic Development Grants	\$300,000
Rural Microentrepreneur Assistance Program Loans	\$1,370,000
Rural Microentrepreneur Assistance Program Grants	\$297,500
Rural Energy for America Program Grants	\$1,868,333
Rural Energy for America Program Combo Loans	\$1,629,277
Intermediary Re-lending Program	\$4,500,000
Broadband Infrastructure Program	\$64,901,766
Electric Program	\$44,820,000
Sub-Total:	\$126,868,957

Total USDA Rural Development Investments in South Dakota:

\$397,928,415

*ARRA - American Recovery and Reinvestment Act

FISCAL YEAR FUND

Working in partnership with state, local, tribal governments, and other federal agencies; as well as South Dakota obligated over \$397 million in loans, grants, and technical assistance in Fiscal Year 2023.



Business & Cooperative

- \$17 million obligated
- 76 total loans and/or grants covering ten programs
- 489 jobs created
- 495 jobs saved



Utilities & Broadband

- \$109.7 million obligated
- Example: Cheyenne River Sioux Tribe Telephone Authority received \$37.9 million from USDA's Telecommunication Infrastructure Loan Program to complete a total fiber to the premises (FTTP) build out, which will bring broadband to homes and businesses in their service area.



Multi -Family Housing

- \$3.4 million obligated
- 3 Multi-Family properties (110 units)
- \$10.1 million obligated in rental assistance subsidies to low-income tenants



Single Family Housing

- \$153.6 million obligated
- 193 direct loans
- 96 home repair loans and grants
- 1,167 home loan guarantees

FUNDING BY PROGRAM

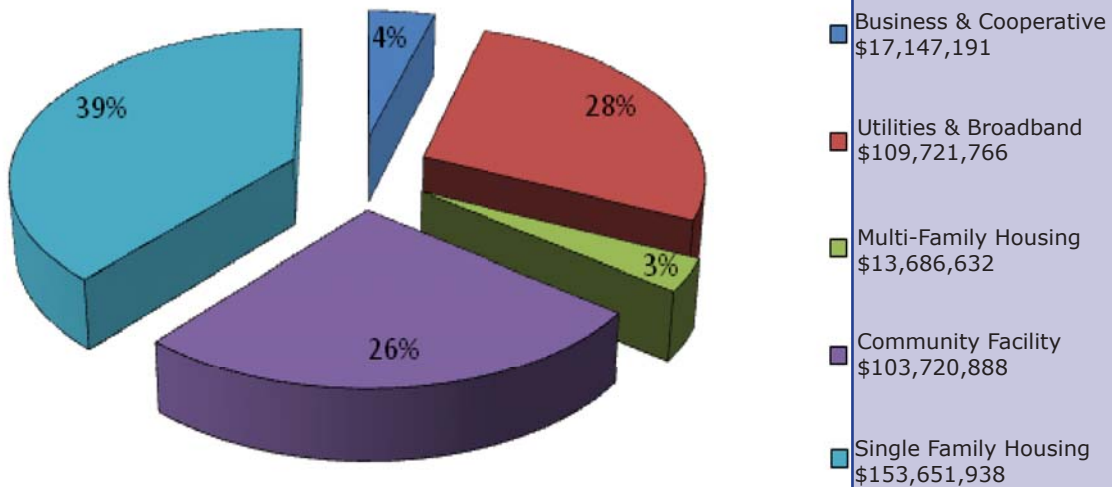
well as, rural businesses, cooperatives, and non-profit agencies, USDA Rural Development in Year 2010.



Community Facility

- \$54.6 million community facility loans obligated
- \$2.8 million community facility grants obligated
- 35 CF projects
- \$25 million water & environmental loans obligated
- \$21.1 million water & environmental grants obligated
- 7,126 water users

Fiscal Year 2010 Funding by Program



AMERICAN RECOVERY & RE

The American Recovery and Reinvestment Act of 2009 (ARRA) provided additional Budget Authority to USDA Rural Development to provide loans, loan guarantees, and grants to build high speed broadband infrastructure, construct or improve rural water and waste disposal systems, finance homes for rural families, build critical community facilities, such as rural hospitals, community centers and public safety facilities, and to fund new business ventures. Following are highlights by program of ARRA funding in South Dakota:



Business & Cooperative

- \$3.4 million obligated
- Example: Miner County Development Corporation - building South Dakota's 'Green Economy' through business & industry financing: communities, students, technical institute, and renewable energy industry to use multi-purpose facility to create cutting-edge green energy training programs.



Water & Environmental

- \$40 million in loans obligated
- \$17 million in grants obligated



Single Family Housing

- \$11.6 million direct loans obligated
- \$96 million guaranteed loans
- 104 direct loans
- 857 home loan guarantees

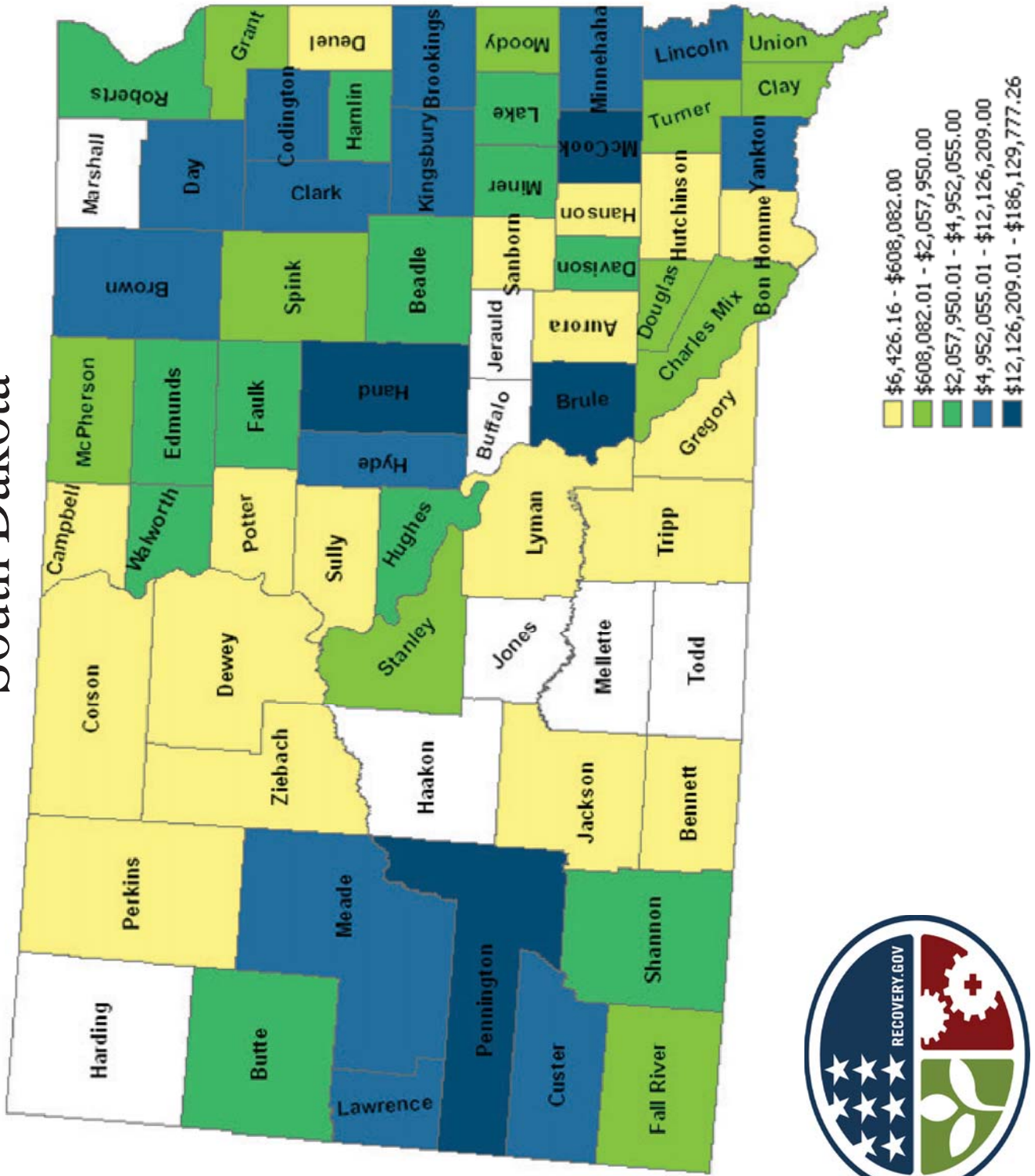


Community Facility

- \$17.7 million loans obligated
- \$1.36 million grants obligated
- 21 projects

REINVESTMENT ACT OF 2009

South Dakota



AMERICAN RECOVERY & RE

County	Total Grant Awards	Total Loan Awards	Total Awards	County	Total Grant Awards	Total Loan Awards	Total Awards
Aurora		\$60,500	\$60,500	Hutchinson	\$16,380	\$323,435	\$339,815
Beadle	\$49,000	\$3,810,547	\$3,859,547	Hyde	\$2,614,956	\$2,721,577	\$5,336,533
Bennett		\$61,200	\$61,200	Jackson		\$92,616	\$92,616
Bon Homme		\$372,772	\$372,772	Kingsbury	\$315,000	\$5,446,544	\$5,761,544
Brookings		\$5,790,992	\$5,790,992	Lake		\$2,498,859	\$2,498,859
Brown		\$8,877,221	\$8,877,221	Lawrence	\$192,150	\$7,268,557	\$7,460,707
Brule	\$7,940,610	\$5,590,229	\$13,530,839	Lincoln		\$11,560,975	\$11,560,975
Butte		\$2,248,785	\$2,248,785	Lyman	\$195,750		\$195,750
Campbell		\$130,010	\$130,010	McCook	\$8,643,163	\$4,176,705	\$12,819,868
Charles Mix	\$190,000	\$846,248	\$1,036,248	McPherson	\$453,000	\$659,700	\$1,112,700
Clark	\$3,097,000	\$5,997,177	\$9,094,177	Meade		\$9,462,426	\$9,462,426
Clay		\$1,199,224	\$1,199,224	Miner	\$61,000	\$3,401,935	\$3,462,935
Codington		\$8,139,026	\$8,139,026	Minnehaha		\$7,594,753	\$7,594,753
Corson	\$30,000		\$30,000	Moody	\$150,000	\$423,248	\$673,248
Custer		\$6,273,530	\$6,273,530	Pennington	\$91,660	\$15,175,148	\$15,266,808
Davison		\$4,269,873	\$4,269,873	Perkins		\$244,896	\$244,896
Day	\$2,650,000	\$4,009,338	\$6,659,338	Potter	\$216,000	\$360,800	\$576,800
Deuel	\$99,900	\$382,041	\$481,941	Roberts	\$2,130,000	\$1,724,900	\$3,854,900
Dewey	\$333,750	\$66,250	\$400,000	Sanborn		\$148,990	\$148,990
Douglas	\$692,000	\$1,307,000	\$1,999,000	Shannon	\$376,550	\$4,197,340	\$4,573,890
Edmunds	\$2,110,000	\$2,479,681	\$4,589,681	Spink	\$619,735	\$872,989	\$1,492,724
Fall River		\$767,647	\$767,647	Stanley		\$1,140,583	\$1,140,583
Faulk	\$983,000	\$2,281,800	\$3,264,800	Sully		\$27,540	\$27,540
Grant	\$18,288	\$917,637	\$935,925	Tripp		\$79,897	\$79,897
Gregory		\$206,279	\$206,279	Turner		\$971,936	\$971,936
Hamlin	\$1,419,000	\$2,724,480	\$4,143,480	Union		\$898,804	\$898,804
Hand	\$351,000	\$16,379,786	\$16,730,786	Walworth	\$846,000	\$1,627,845	\$2,473,845
Hanson		\$72,114	\$72,114	Yankton		\$6,501,056	\$6,501,056
Hughes		\$3,141,261	\$3,141,261	Ziebach	\$132,750	\$61,224	\$193,974

We built vital community facilities

We revitalized critical rural infrastructure

We provided affordable housing

We provided jobs and access to capital

REINVESTMENT ACT OF 2009

Program Type	Fiscal Year 2009	Fiscal Year 2010	Amount
Rural Housing Direct Loans	\$1,566,168	\$10,115,097	\$11,681,265
Rural Housing Guaranteed Loans	\$81,341,318	\$14,746,516	\$96,087,834
Business & Industry Guaranteed Loans	\$0*	\$3,457,400	\$3,457,400
Rural Business Enterprise Grants	\$425,583	\$99,000	\$524,583
Community Facility Direct Loan	\$1,143,250	\$16,598,890	\$17,742,140
Community Facility Grant	\$447,880	\$913,700	\$1,361,580
Water & Environmental Program Direct Loans	\$29,377,000	\$10,775,000	\$40,152,000
Water & Environmental Program Grants	\$12,455,000	\$4,692,000	\$17,147,000
Broadband Infrastructure Program Loans	\$0	\$9,047,287	\$9,047,287
Broadband Infrastructure Program Grants	\$0	\$17,984,479	\$17,984,479
Total:	\$126,756,199	\$88,429,369	\$215,185,568

*ARRA - American Recovery and Reinvestment Act funds not offered in this program in 2009.

NATIVE AMERICAN FUNDING

USDA Rural Development delivers a variety of program benefits to Native Americans and their communities. In Fiscal Year 2010, over \$55.6 million was obligated to various Native American projects in South Dakota as seen in the following highlights:

Oglala Sioux (Lakota) Housing Authority (OLSHA) in Pine Ridge received a \$3.6 million ARRA Community Facility Direct loan to construct a new administration building with an attached paved parking area. The OSLHA serves 28,787 people on the Pine Ridge Reservation, manages more than 1,500 low-income rental units, and 500 homeownership units.

Sisseton Wahpeton Oyate in Agency Village received a \$31.2 million Community Facility Direct loan from USDA Rural Development's regular allocation to construct a new administration building. This project is the largest community facility loan made in the history of South Dakota USDA Rural Development. The proposal is to replace 26 individual office sites into one single service center location. The building will actually pay for itself because of the energy efficiencies that will be created in the design. In addition, the Sisseton Wahpeton Oyate also received a \$165,000 ARRA Broadband Infrastructure Program grant to provide the Sisseton Wahpeton Oyate - Lake Traverse Reservation with a comprehensive broadband plan for the region encompassing the SWO geographic area of South Dakota and a portion of North Dakota.

WORKING FOR RURAL



At left: Todd and Sheilagh Collins, owner of Joe Dirt Excavation in Belle Fourche, recipient of one of the loans made through West River Foundation's IRP.



At right: Melanie LeClaire stands in front of the house she shares with John Little Wounded. The home is located in the Fox Ridge Housing II Development Site one mile east of Eagle Butte.



At top: Northern Hills Alliance for Children had a celebration on the purchase and renovation of an existing building for a child care facility in Deadwood.

At right: Platte Volunteer Fire Department staff, Rural Development Area Director Trace Davids, and Specialist Sherrie Lewis celebrate the delivery of the new 2010 Fire Truck.

At far right: Molly's Manor located in Platte installed a geothermal system to improve energy efficiency in her business operation.

EAGLE BUTTE

BELLE FOURCHE

DEADWOOD

SOUTH

Committed to the future
of rural communities.



South Dakota

RURAL COMMUNITIES



IPSWICH

At left: The "raising of the ball" on Ipswich's water tower.

At right: Rural Development State Director Elsie Meeks speaks during the ground breaking event of the new administration building for the Sisseton Wahpeton Oyate. The new facility will replace 26 individual office sites into one single service center location.

SISSETON



DAKOTA

HOWARD

At right: Randy Parry, Rural Learning Center President discussed the design of the Maroney Rural Learning Center to be built in Howard.



PLATTE

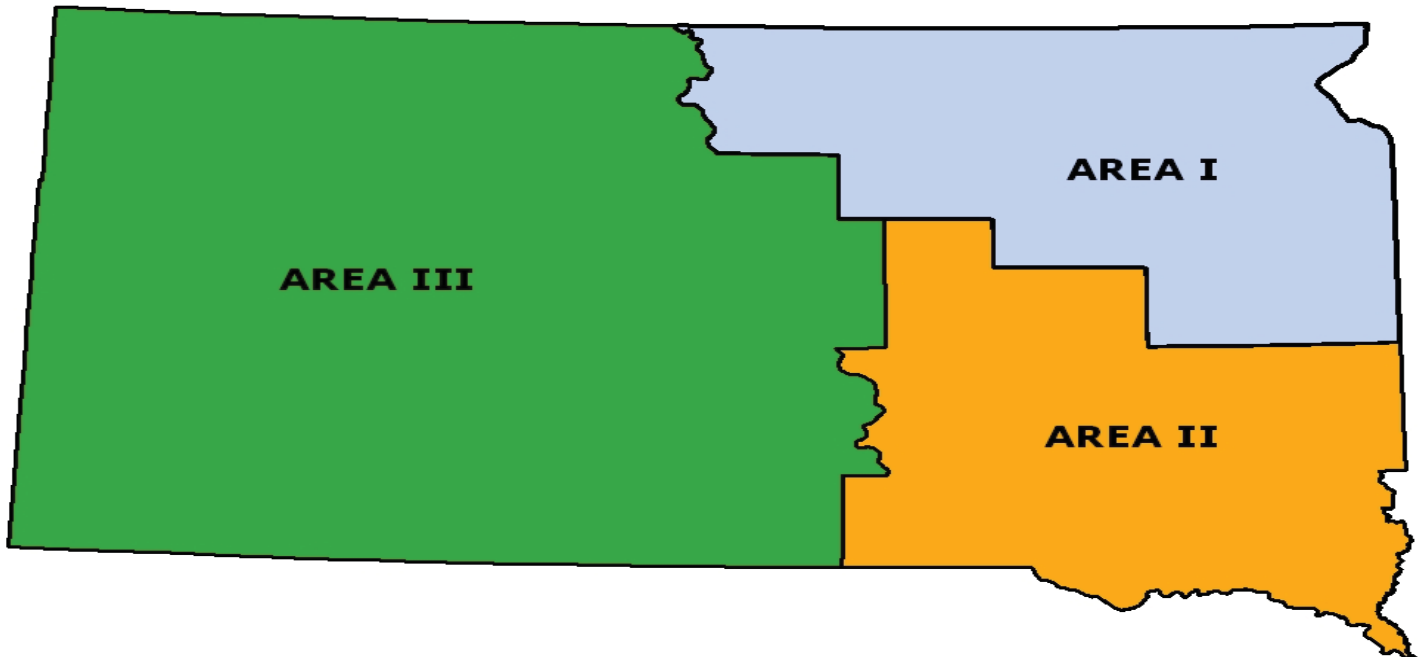


WAGNER

At right: Wagner Community Memorial Hospital added a new inpatient wing addition and hospital remodel with assistance from Rural Development.



USDA RURAL DEVELOPMENT



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Jim Hafner Civil Rights Manager	Rhonda Evenson Human Resources Manager	Pam Reilly Multi-Family Housing Specialist
Christine Sorensen Rural Development Coordinator	Cheryl Severtson Human Resources Assistant	Kathy Chase Single-Family Housing Specialist
<u>Community Program Staff</u> Doug Roehl Community Program Director	Linda Salter Ochsner Contract Specialist Hally Witte, Purchasing Agent	Cindy Sheridan Single Family Housing Specialist
Pat Hemen Community Program Specialist	<u>Business & Cooperative Program Staff</u> Dana Kleinsasser Business & Cooperative Program Director Ken Lynch, Rural Business Specialist	Greg Johnson Construction Analyst
Carolyn Bloodgood Business & Community Program Technician	<u>Rural Utilities Service - Electric</u> Michelle Colson, General Field Representative Tim Bohan, General Field Representative Mark Doyle, General Field Representative	Paula Niehus, Housing Technician Vickie Hampton, Housing Technician
Jon Schmidt Civil Engineer	<u>Rural Utilities Service - Telecom</u> Tom Jensen - General Field Representative Wayne Ahlgren, General Field Representative	Hettianne Cekalla, Housing Technician Prentice Weaver, Appraiser

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Bruce Jones Area Director	Trace Davids Area Director		Tim Potts Area Director
<u>Aberdeen</u> Janell Telin, Manager	<u>Sioux Falls</u> Kevin Strickler, Manager	<u>Mitchell</u> Tim Murray, Manager	<u>Rapid City</u> Pamela Smith, Manager
Craig Johnson, Specialist	Dave Franssens, Specialist	Gary Wedel, Specialist	Susan England, Specialist
Roxanne Woodring Specialist	Diane Sieperda Specialist	Linda Weber Specialist	In memory of Jim Jirsa, Specialist
Kristi Van Winkle Technician	Jamie Christiansen-Lehman Specialist	Shannon Kleinsasser Specialist	Ruth O'Neill Specialist
Maribeth Strand, Technician	Dianne Pries, Technician	Lorelle Deuter, Technician	Gayle Besch, Technician
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Darlene Bresson, Specialist	Stacy Anderson, Technician	April Norton, Technician	Melisa Byrne, Technician
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JoAnn Comes, Technician	Jolene Pravecek, Technician		Kathy Hausmann, Technician
Barbara Wing, Technician	Tamara Hakl, Technician		Peggy Ryan, Technician

The USDA logo features the letters "USDA" in a bold, blue, sans-serif font. Below the letters are three horizontal green lines of varying lengths, creating a stylized wave or field effect.

Rural
Development

Committed to the future of rural communities.

INVESTMENT

OPPORTUNITY

GROWTH

Web site: www.rurdev.usda.gov/sd

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