



USDA

RURAL DEVELOPMENT

WISCONSIN ANNUAL REPORT

Winning The Future



Committed to the future of rural communities.



THOMAS J. VILSACK

“Through Rural Development programs USDA continues to work alongside farmers, ranchers, homeowners, businesses, nonprofits, cooperatives, Tribes and local governments to effectively enhance the country’s economic climate. These partnerships allow us to leverage private and public funding to promote local and regional business development, infrastructure build-out and access to affordable credit in rural areas. During the last fiscal year, the cumulative results of these efforts have helped save or create thousands of jobs in rural America and beyond.”

SECRETARY OF AGRICULTURE



DALLAS TONSAGER

“In addition to generating jobs today, Rural Development investments are creating ongoing economic opportunities in rural America that will pay benefits for years to come. Our programs help modernize essential water systems, build clinics and hospitals, support renewable energy systems, energy conservation, and ensure affordable housing for credit-worthy limited income rural residents. Our efforts boost the reliability of the electric grid, improve educational opportunities, ensure clean water, and provide affordable, reliable Internet service to rural homes and businesses. These are all building blocks needed to grow businesses, add housing, attract employers, and develop a skilled workforce. As in urban areas, this kind of civic infrastructure provides the capacity necessary for private sector jobs to flourish in rural areas.

UNDER SECRETARY FOR RURAL DEVELOPMENT

VISION: A rural America that is a healthy, safe, and prosperous place in which to live and work.

MISSION: To increase economic opportunity and improve the quality of life for all rural Americans.

Winning The Future



STAN GRUSZYNSKI



STATE DIRECTOR

RURAL FRIENDS,

Our mission is to improve the quality of life and create economic opportunity for rural communities.

To that end, Wisconsin Rural Development employees are here to serve you. Their dedication to the mission of USDA Rural Development is reflected in Wisconsin's standing as a national leader in program delivery and servicing.

The demographics of rural America are changing. The 2010 census shows that less than 16 percent of the American population is considered "rural" with the remaining 84 percent highly dependent on the resources and productivity of rural Americans for their well-being.

President Obama has remained steadfast in his determination to meet the challenges facing our nation by providing the funding for infrastructure necessary to support and sustain those producing the food, fiber, energy and minerals that we all depend on. The impact of his commitment can be seen and read on the pages of this report.

I encourage your review, and I welcome any suggestions and ideas you may have in support of our mission and the delivery of USDA Rural Development programs to rural Wisconsin.

On behalf of all Wisconsin Rural Development employees, I thank you for the opportunity to serve and look forward to a successful and productive 2012 program year.

Sincerely,

A handwritten signature in white ink that reads "Stan Gruszynski". The signature is written in a cursive, flowing style.

Stan Gruszynski



Committed to the future of rural communities.

USDA RURAL DEVELOPMENT SEVEN STRATEGIES

ALTERNATIVE ENERGY: America's development and use of alternative energy is good for the country and good for our environment.

COMMUNITY BUILDING: At USDA Rural Development, we understand that building great communities requires local leaders with vision, drive, and the resources to succeed.

STRATEGIC PARTNERS: USDA Rural Development works closely with many partners to help rural residents and businesses.

CAPITAL MARKETS: To expand the availability of capital to rural entrepreneurs and businesses, USDA Rural Development's Business and Industry (B&I) Loan Guarantee Program infuses capital into rural businesses to create and save jobs.

REGIONAL FOOD SYSTEMS: Creating regional food systems with local businesses and producers is a great way to build local and regionally grown agricultural products.

REGIONAL COLLABORATION: Smaller, remote rural communities don't have to stand alone for economic growth opportunities. Our mission at USDA Rural Development is to help build competitive and sustainable 21st century rural communities.

BROADBAND: Bringing broadband to rural America is an economic gateway for people, business owners, and key institutions such as libraries, hospitals, public safety buildings and community centers.

\$558 MILLION INVESTMENT IN RURAL WISCONSIN

2011 was an exceptional year for USDA Rural Development. We've invested more than \$551 million into rural Wisconsin communities.

\$25 MILLION

Wisconsin had a stellar year in the Business and Industry Guaranteed Loan Program, funding more than \$25 million.

\$367.5 MILLION

Wisconsin had another outstanding year in the Single Family Housing Program, helping 2,968 families realize the dream of homeownership.

1000 JOBS

USDA Rural Development Programs helped to create or retain over 1060 jobs for Wisconsin residents.

VALUE-ADDED PRODUCE GRANTS

Ranked #1 in the nation for the fourth year in a row in both funds received and number of projects funded. Wisconsin received \$7,186,512 in funds for 27 producers around the state.

ALTERNATIVE ENERGY

America's farmers have been on the forefront of the renewable fuels movement. President Obama and USDA are strong proponents for increasing the national supply of home-grown American renewable fuels as an alternative to foreign sources of oil.

To help build competitive and sustainable 21st Century rural communities, USDA Rural Development supports new renewable energy markets.

The Rural Energy for America Program (REAP) energy-efficiency projects typically involves installing or upgrading equipment to significantly reduce energy use for agriculture producers and rural small businesses. These include projects that produce energy from wind, solar, biomass, geothermal, hydropower, and hydrogen-based sources. The projects can produce any form of energy including heat, electricity, or fuel such as a dairy farm and food waste anaerobic digester creating biogas for on-farm or commercial use.

HELLER FARM

One such farm in Jackson County has utilized REAP funding to install their anaerobic digester. The Heller Farm in Alma Center, Wis., received a USDA Rural Development guaranteed loan for \$1,321,187 and a grant for \$500,000. The digester will produce 3,324,420 kWh per year; and provide a cost savings of approximately \$159,000 annually by using the byproduct for bedding. Other benefits of the anaerobic digester include odor control and land nutrient management.



COMMUNITY BUILDING

Building and maintaining America's vast rural electric, telephone, and broadband infrastructure is an important financing responsibility of USDA Rural Development as well. The grants, loans and loan guarantees not only bring light to rural homes and businesses, it minimizes the digital divide and allows businesses and communities to compete economically in a global marketplace, and brings advanced educational and health care services to more remote rural areas.

CITY OF ABBOTSFORD

The City of Abbotsford, in central Wisconsin, has historically had challenges with adequate water supply due to the geology of the area. In 2007, a large industrial customer announced they would be expanding and required an additional 350,000 gallons of water per day – an increase from 100,000 gallons per day. Such an increase would have a negative effect on the water level at all of the City wells. Some proposed improvements included purchasing water from surrounding communities and supplementing the existing groundwater supply wells with treated surface water. Ultimately, the chosen alternative was to find a reliable source of groundwater, which included 12 relatively low-capacity wells spread over multiple parcels, one treatment plant, connection water main, and a metering system.

USDA Rural Development funded the project with a \$9 million loan and a \$1.5 million grant, which resulted in keeping 680 jobs in the area with the additional industrial growth.



STRATEGIC PARTNERS

The adage that there is strength in numbers holds especially true when you build strong and strategic alliances. USDA Rural Development partners with sister agencies, lenders, nonprofit organizations, economic development corporations, University of Wisconsin Extension and several other organizations collaborative to improve rural communities and economies throughout Wisconsin.

One of our biggest partnerships is with rural residents themselves. Whether it's helping communities refurbish their aging libraries, or working with local first responders to secure the vehicles and equipment needed to keep residents safe and secure, USDA Rural Development is an active member of the community.

CAPITAL MARKETS

At USDA, we are keenly aware of today's business environment and how sensitive lenders are to risk mitigation. And we are dedicated to addressing these issues and to getting capital flowing again. To accomplish this we've been meeting with lenders, establishing new relationships and building on old ones.

One of the best ways to achieve these important goals is to expand the availability of capital to rural entrepreneurs and businesses. USDA Rural Development's Business and Industry (B&I) Loan Guarantee Program infuses capital into rural businesses to create and save jobs. This loan program supports small and emerging private businesses. Private individuals, businesses, cooperative organizations, corporations, partnerships, nonprofit organizations, federally recognized Indian tribes, and public bodies may apply for funding.

Other USDA Rural Development programs designed to create capital and expand economic activity are the Intermediary Relending Program (IRP) and the Rural Economic Development Loan Program. These programs support local micro lending through locally-run business revolving loan programs. Their purpose is to alleviate poverty and increase economic activity and employment in rural communities.

REGIONAL FOOD SYSTEMS

Our goal is to build a link between local production and local consumption. If you grow a product, add value through processing and packaging and then sell those products locally, you keep more of the revenue from all of those market opportunities in the local economy.

USDA Rural Development has over a dozen business, cooperative and community facility loan and grant programs to assist communities and support local food initiatives.

For example, our Value Added Producer Grants provide opportunities to agricultural producers for projects that use existing products in non-traditional ways. Our Business & Industry Guaranteed Loan program can support production, distribution and consumption of locally grown foods.



WISCONSIN INNOVATION KITCHEN

The Wisconsin Innovation Kitchen in Mineral Point employs 41 people who process food into commercial products for area farmers in southwest Wisconsin. Other businesses also utilize the kitchen to process recipes into food products that are sold in retail outlets. Such community collaboration is the model for rural economic development and local foods initiatives in the region and surrounding states. USDA Rural Development provided over \$100,000 in a loan/grant combination that was used to purchase kitchen equipment for the facility.

REGIONAL COLLABORATION

Our mission at USDA Rural Development is to help build competitive and sustainable 21st Century rural communities.

One way to do this is to assist rural communities to gain greater economic strength and longevity through collaboration with neighboring communities and regional economic hubs. By building off each other's strengths, rural communities have greater opportunity to grow their access to new credit and capital funding.

At USDA Rural Development, our new Office of Community and Economic Development (CED) administers rural community and regional development programs. Our goal is to work with interested communities to provide the leadership, education and training, technical support and incentives they need to build their regional economy.

Every rural community or region can achieve self-sufficiency through innovative and comprehensive strategic plans developed and implemented at a grass roots level. The programs stress continued local involvement and decision making, which is supported by partnerships among private, public and nonprofit entities.

BROADBAND

Access to high-speed broadband levels the economic playing field for rural communities – strengthening competition and increasing access to markets. Equally important is broadband's ability to improve the quality of life for local residents through improved access to educational resources and state-of-the-art healthcare.

These investments are more critical than ever in rural communities. They are helping create jobs and wealth, driving economic growth, advancing education, fostering innovation, and ensuring that first responders have the tools they need.

SINGLE FAMILY HOUSING: \$367,506,475

- Guaranteed Housing Loan Program = \$338,902,058 (2786 households)
- Direct Home Loan Program = \$27,544,586 (182 households)
This activity helped 2,968 families realize the dream of homeownership.
- Home Repair Program = \$1,059,831 (199 households)

MULTI-FAMILY HOUSING: \$23,929,953 7073 UNITS

- Preservation Revolving Loan Fund/Transfer of Ownership = \$937,000 (72 units)
- Farm Labor Housing = \$466,400 (2 Units)
- Rental Assistance = \$16,650,588 (6678 units)
- Vouchers = \$299,648 (95 vouchers)
- MFH Preservation Revitalization Program = \$5,422,215 (224 units)
- Housing Preservation Grants = \$154,102 (2 units)

WATER AND ENVIRONMENTAL PROGRAMS: \$37,097,100

- Loans = \$30,378,600
- Grants = \$6,568,500
- Household Well Water System Grant = \$150,000

COMMUNITY FACILITIES PROGRAMS: \$6,438,956

- Loans = \$5,800,100
- Grants = \$265,200
- Tribal College Grants = \$215,000
- Economic Initiative Grants = \$158,656

BUSINESS PROGRAMS: \$37,364,098

Over 1060 jobs saved or created

- Business and Industry Guaranteed Loan Program = \$25,089,000 (7 Loans)
- Rural Business Enterprise Grants (RBEG) = \$1,174,721
- Rural Business Opportunity Grant = \$112,000
- Rural Cooperative Development Grant = \$450,000
- Intermediary Revolving Loan = \$200,000
- Rural Energy for America Program = \$2,952,328 (42 projects)
 - Loans = \$1,321,187
 - Grants = \$1,631,141
- Value Added Producer Grants = \$7,186,512 Ranked #1 in the Nation
- Small Socially Disadvantaged Producer Grant = \$199,537

ELECTRIC LOANS: \$11,200,000

- Jackson Electric Coop = \$4,200,000
- Dunn Energy Cooperative = \$7,000,000

TELECOMMUNICATION LOANS AND GRANTS: \$74,746,000

(Combined total for Distance Learning, Telemedicine funding.)

- Distance Learning/Telecommunications Grants = \$798,000
 - 3 Projects:
 - Aspirus Health Foundation, Inc. = \$53,000
 - Cooperative Educational Services Agency 8 = \$500,000
 - Cooperative Educational Services Agency 7 = \$245,000
- Telecommunications = \$73,948,000
 - 4 projects:
 - \$16,716,000 - Baldwin Telecom
 - \$19,781,000 - Marquette-Adams Telephone Cooperative
 - \$13,308,000 - Union Telephone Company
 - \$24,143,000 - Vernon Telephone Cooperative (Community Connect)

INVESTING IN THE FUTURE

2011 Financial Report

State Total: \$558,282,582

SINGLE FAMILY HOUSING

■ Guaranteed Rural Housing Loan Program	\$338,902,058
■ Direct Home Loan Program	\$27,544,586
■ Home Repair Program	\$1,059,831

MULTI-FAMILY HOUSING

■ Farm Labor Housing	\$466,400
■ Rental Assistance	\$16,650,588
■ Vouchers	\$299,648
■ MFH Preservation Revitalization Program	\$5,422,215
■ Housing Preservation Grants	\$154,102
■ PRLF/Transfer of Ownership	\$937,000

WATER & ENVIRONMENTAL PROGRAMS

■ Loans \$30,378,600	■ Grants \$6,718,500
----------------------	----------------------

COMMUNITY FACILITIES

■ Loans \$5,800,100	■ Grants \$638,856
---------------------	--------------------

BUSINESS PROGRAMS

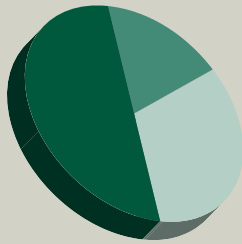
■ Business & Industry Guaranteed Loan Program	\$25,089,000
■ Rural Business Enterprise Grants	\$1,174,721
■ Rural Business Opportunity Grant	\$112,000
■ Rural Cooperative Development Grant	\$450,000
■ Intermediary Revolving Loan	\$200,000
■ Rural Energy for America Program	\$2,952,328
■ Value Added Producer Grants	\$7,186,512
■ Small Socially Disadvantaged Producer Grant	\$199,537

ELECTRIC LOANS

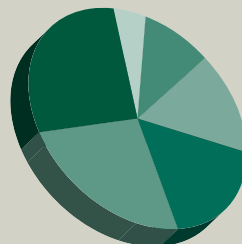
■ Jackson Electric Cooperative	\$4,200,000
■ Dunn Energy Cooperative	\$7,000,000

TELECOMMUNICATION LOANS & GRANTS

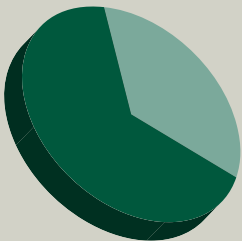
■ Telecom Loans (4 Loans)	\$73,948,000
■ Distance Learning/Telecommunications Grants	\$798,000



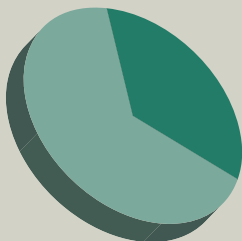
SINGLE FAMILY HOUSING



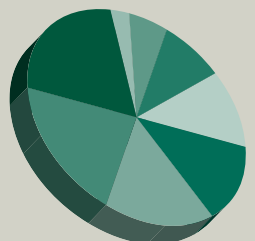
MULTI-FAMILY HOUSING



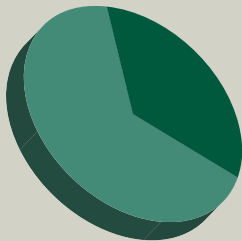
WATER & ENVIRONMENTAL



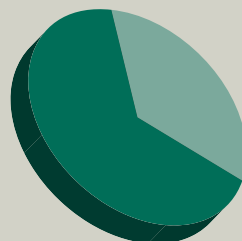
COMMUNITY FACILITIES



BUSINESS PROGRAMS



ELECTRIC LOANS



TELECOMMUNICATION LOANS & GRANTS

USDA RURAL DEVELOPMENT PROGRAMS

COMMUNITY FACILITIES PROGRAMS

Essential community infrastructure is key to ensuring that rural areas enjoy the same basic quality of life services enjoyed by those in urban areas. The Community Facilities Programs offers grants, direct loans and loan guarantees to develop or improve essential community services and facilities in rural areas. Public bodies and non-profit organizations can use the funds to construct, expand or improve facilities that provide health care, education, public safety, and public services, including hospitals, clinics, senior care facilities, child care, fire and rescue stations, police stations, community centers, public buildings, vocational and medical rehabilitation centers, schools, cultural facilities, and public transportation. These facilities not only improve the basic quality of life, but also increase the competitiveness of rural communities in attracting and retaining businesses.

RURAL BUSINESS & COOPERATIVE PROGRAMS

Our Rural Business & Cooperative Programs help to create and improve viable businesses and cooperatives in rural areas throughout Wisconsin. Rural Business & Cooperative Programs provide financial backing and technical assistance to stimulate business creation, expansion and/or relocation. Loan guarantees and grants are available to businesses, public bodies, non-profit organizations, farmers and cooperatives to finance business-related activities that save or create jobs. The program works through partnerships with public and private community-based organizations and financial institutions to provide financial assistance, business planning, and technical assistance to rural businesses. We also assist in the conducting of research into rural economic issues, including those affecting rural cooperatives. Working with private lenders throughout the state we are able to increase investment capital, helping communities and local organizations to build a strong business infrastructure to nurture economic growth.

To help keep farming in the rural way of life, we offer two inventive grant programs. The Value-Added Producer Grant and the Rural Energy for America Programs are helping to stimulate the farm economy and support farming innovation. Value-Added Producer Grants may be used for planning activities, for working capital to market value-added agricultural products, and for farm-based renewable energy. Rural Energy for America Program funding provides loan guarantees and grants to agricultural producers and rural small businesses for the purchase and installation of renewable energy systems or for energy efficiency improvements. These creative initiatives have helped strengthen the viability of small and mid-sized farms allowing agricultural producers to grow businesses around production practices that benefit the rural landscape in which they live.

RURAL HOUSING PROGRAMS

Well built, affordable housing is essential to the vitality of rural communities. Our Rural Housing Programs give families and individuals the opportunity to buy, build, repair, or rent safe and affordable homes located in rural areas under 20,000 in population. Eligibility for these loans, loan guarantees and grants is based on family income and varies according to the average median income for each county. Financing is also available for the construction of apartments and other multi-family housing units in rural communities that lack sufficient, affordable rental housing, and provides subsidies serving low-income individuals, the elderly, and people with disabilities.

RURAL UTILITY PROGRAMS

Planning, developing, and maintaining a community's infrastructure is essential for service to current residents and for future economic growth. In order for rural areas to succeed, citizens must have affordable access to safe drinking water, waste disposal systems, electricity, and telecommunication services. The Rural Utility Programs range from broadband access, electrical improvements and telecommunication needs, to our "Water and Waste" programs that help rural communities ensure the availability of safe drinking water and dependable waste disposal. Public entities and non-profit organizations can receive loans, loan guarantees, grants and technical assistance to build, repair, and improve these various public systems, which are essential to the quality of life and economic well-being of residents in rural areas and municipalities with a population of 10,000 or less.

COMMITTED TO THE FUTURE OF RURAL COMMUNITIES

To learn more about how USDA Rural Development can help you and your community, contact your local USDA Rural Development office or visit www.rurdev.usda.gov/wi.



WISCONSIN STATE OFFICE

4949 Kirschling Court
Stevens Point, WI 54481
Phone: (715) 345-7600
Fax: (715) 345-7669
TDD: (605) 352-1147

STAN GRUSZYNSKI
State Director

LORI WELLS
Administrative Programs Director

JEFF HUDSON
Business and Cooperatives
Programs Director

BRIAN DEANER
Community Programs Director

DAVE SCHWOBE
Housing Programs Director



DODGEVILLE AREA OFFICE

1 138 S Iowa Street, Suite 2
Dodgeville, WI 53533
Phone: 608-935-2791
E-mail: RD.Dodgeville@wi.usda.gov

SHAWANO AREA OFFICE

2 603B Lakeland Road
Shawano, WI 54166
Phone: 715-524-8522
E-mail: RD.Shawano@wi.usda.gov

FOND DU LAC AREA OFFICE

3 W6529 Forest Avenue, Suite 200
Fond du Lac, WI 54937
Phone: 920-907-2976
E-mail: RD.FondduLac@wi.usda.gov

MENOMONIE AREA OFFICE

4 390 Red Cedar Street, Suite G
Menomonie, WI 54751
Phone: 715-232-2614
E-mail: RD.Menomomie@wi.usda.gov

STEVENS POINT AREA OFFICE

5 1462 Strong's Avenue
Stevens Point, WI 54481
Phone: 715-346-1313
E-mail: RD.StevensPoint@wi.usda.gov

SPOONER AREA OFFICE

6 800 N Front Street, Room 102
Spooner, WI 54801
Phone: 715-635-8228
E-mail: RD.Spooner@wi.usda.gov



Committed to the future of rural communities.

“The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual’s income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA’s TARGET Center at (202) 720-2600 (voice and TDD).”

To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.