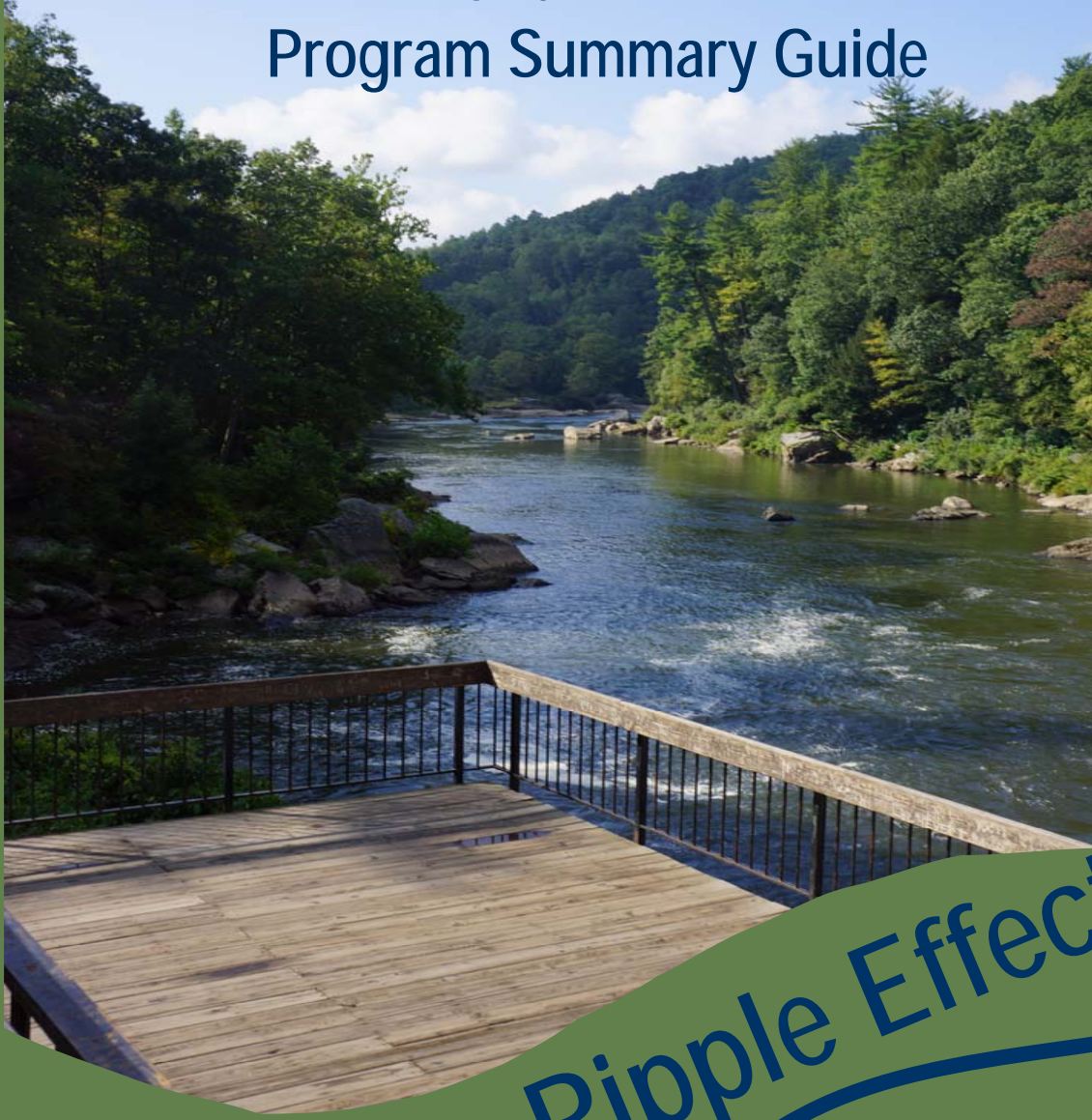


# 2012 Annual Report

## and Program Summary Guide



Committed to the future of rural communities.

*Pennsylvania*

The Ripple Effect

# Committed to the future of rural communities.



Barack Obama  
*President of the United States*



Tom Vilsack  
*Secretary of Agriculture*



Dallas Tonsager  
*Under Secretary for  
Rural Development*



Thomas P. Williams  
*Pennsylvania State Director  
Rural Development*



[www.rurdev.usda.gov/pa](http://www.rurdev.usda.gov/pa)

*The U.S. Department of Agriculture (USDA) prohibits discrimination in all 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, genetic information, political beliefs, 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, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice), or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.*

## Fiscal Year 2012 Investments in Pennsylvania

Business Programs	Community/Utility Programs	Housing Programs	Total
<i>\$31,450,209</i>	<i>\$134,329,089</i>	<i>\$696,508,606</i>	<i>\$862,287,904</i>

I am pleased to present the Fiscal Year 2012 Annual Report and Program Summary highlighting the accomplishments of USDA Rural Development throughout Pennsylvania. Rural Development operates three distinct programs - Business Programs, Community/Utility Programs, Single-Family and Multi-Family Housing Programs. Through investments in infrastructure, homeownership, and job creation, Rural Development programs help rural Americans achieve the American dream.

Across rural Pennsylvania, people are taking a hard look at what it takes to bring about improvements to infrastructure, quality of life and, of course, economic vitality. What can be done to promote economic growth and create jobs in rural areas? Sometimes, the far-reaching economic benefits of federal assistance are not always apparent. It is important, however, that we recognize the ripple effect of government and community resources—how we're helping create an environment for the success of private businesses and communities. That is especially true here in Pennsylvania.

Although they may go unnoticed, USDA Rural Development programs are providing support that may otherwise be unavailable but absolutely necessary for communities to grow and thrive. Rural Development funding may be a critical component in your new hospital project, clinic construction, or sewer system improvement plan. It may be a contributing factor in your community's library construction project or in a small energy conservation project undertaken by a local farmer or your grocer. It may have funded the ambulance used by the rescue squad to rush your neighbor to a medical facility. Our programs often supply the missing funding needed to promote private investment, infrastructure build-out, affordable housing, and economic development in rural America. We also support businesses—helping with the capital funding they need to start, expand and hire new employees.

Rural Development funding has a ripple effect, creating vibrant, economically sustainable communities for residents, leaders, businesses and institutions. We're proud to invest in our small towns, to help create jobs, support economic growth and build thriving rural communities where folks want to live, work, and raise their families.



Pennsylvania State Director



# USDA Rural Development Business Programs

USDA Rural Development strives to expand and create jobs, businesses, and new economic opportunities in rural Pennsylvania.

USDA Rural Development Business Programs help create jobs and stimulate rural economies by providing financial backing for rural businesses. Loans, grants, and loan guarantees are available to any legally-organized entity, including cooperatives, partnerships, profit or non-profit entities, Indian tribes or federally-recognized tribal groups, and municipalities. Additionally, a wide range of technical assistance is provided to cooperatives and people interested in forming new cooperatives. Our programs have funds available to complete energy audits and feasibility studies, complete energy efficiency improvements, or install renewable energy systems. Rural Development has programs that help convert older heating sources to cleaner technologies, produce advanced biofuels, install flexible fuel pumps, install solar panels, build biorefineries, and much more. USDA Rural Development is at the forefront of renewable energy financing, with options including grants and guaranteed loans.



## Business Programs 2012 Pennsylvania Investments

Business and Industry Guaranteed Loan	5	\$28,528,815
Rural Business Enterprise Grant	10	\$692,000
Value-Added Producer Grants	10	\$610,629
Intermediary Relending Program	2	\$800,000
Renewable Energy/Energy Efficiency	18	\$818,765
<b>Total</b>	<b>45 projects</b>	<b>\$31,450,209</b>

Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
<b>Business and Industry Loan Guarantees</b>	Create jobs and stimulate rural economies by providing financial backing for rural businesses.	Business applies through federal or state-chartered banks, credit unions or savings & loan associations.	Most legal business purposes except production agriculture. Uses include acquisition, start-up and expansion of businesses that create rural employment.	All areas except cities of more than 50,000 and their immediately adjacent urban or urbanizing areas.	Loan guarantee	Lender and borrower negotiate terms. Interest rate tied to published rate that may change no more often than quarterly
<b>Rural Business Opportunity Grants</b>	Promote sustainable economic development.	Public bodies, non-profit corporations, and cooperatives, apply to Rural Development.	Pay costs of providing economic planning for rural communities, technical assistance for rural businesses, or training for rural entrepreneurs or economic development officials.	All areas except cities of more than 50,000 and their immediately adjacent urban or urbanizing areas.	Grant	Maximum amount of \$50,000
<b>Rural Business Enterprise Grants</b>	Finance and facilitate the development of small and emerging private businesses.	Public bodies; nonprofit corporations apply to Rural Development.	Buy and develop land, construct buildings, plants, equipment, access streets and roads, parking areas, utility and service extensions and rural distance learning networks. Recipients can make loans to third parties.	All areas except cities of more than 50,000 and their immediately adjacent urban or urbanizing areas.	Grant	When grant funds are used for revolving loan fund (RLF) the intermediary makes loans to businesses with terms consistent with security offered.
<b>Intermediary Re-lending Program Loans</b>	Finance business facilities and community development projects in rural areas.	Public bodies, nonprofit corporations, tribes and cooperatives apply to Rural Development.	Community development projects, establishment or expansion of businesses, creation or saving of rural jobs.	Rural areas and places with populations of less than 25,000.	Direct loan	The intermediary makes loans to businesses from its revolving loan fund on terms consistent with security offered. Intermediary pays 1% for 30 years.
<b>Rural Economic Development Loans and Grants</b>	Finance economic development and job creation in rural areas.	RUS financed electric and telephone cooperatives apply to Rural Development.	Business startup or expansion projects that create rural jobs.	Rural areas with populations of 50,000 or less	Direct loan	The intermediary, electric or telephone cooperatives make loans or grants to profit or non-profit business and public bodies for rural economic development and/or job creation projects. Loans are 0% for 10 years.
<b>Renewable Energy &amp; Efficiency Grants</b>	Matching grant program for renewable energy systems or energy efficiency improvements.	Small businesses, farmers and ranchers	Pay up to 25% of project costs including wind, solar, biomass, geothermal, or other renewable energy sources. Also can be used to make energy efficiency improvements.	All areas except cities of more than 50,000 and their immediately adjacent urban or urbanizing areas.	Grant	Availability of grant funds is announced annually in the Federal Register. Contact the state office for more information.
<b>Value-Added Producer Grants</b>	Matching grant program for value-added ventures.	Agricultural producers and producer organizations.	Used to conduct feasibility analyses, develop business and marketing plans and conduct other types of studies to help establish a viable value-added business venture. Can also be used to establish working capital accounts	Not applicable	Grant	Feasibility studies, business plans, and possibly other studies will be required before grant funds can be used as working capital.

Direct Loans and Grants - Apply to Rural Development; Loan Guarantees - Apply to Intermediary (approved banks, credit unions, etc)

# USDA Rural Development Community Programs

Many rural communities across the state struggle to provide clean drinking water, safe sanitation, and adequate water services to residents.

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, Rural Development is striving to ensure that such facilities are readily available to all rural communities. Community Programs utilizes three flexible financial tools to achieve this goal: the Community Facilities Guaranteed Loan Program, the Community Facilities Direct Loan Program, and the Community Facilities Grant Program.

Utility Programs provide assistance, such as building, repairing, or improving rural water and wastewater systems, and provide technical assistance and training to solid waste facilities. Programs also exist for telecommunications equipment for classrooms and healthcare facilities and electric loans to help modernize rural communities.



Community Programs 2012 Pennsylvania Investments		
Community Facilities Loans and Grants	30	\$57,707,280
Water and Waste Loans and Grants	11	\$36,363,300
Electric	1	\$40,000,000
Telecom	2	\$258,509
<b>Total</b>	<b>44 projects</b>	<b>\$134,329,089</b>





Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Water and Waste Disposal Loans and Grants	Providing infrastructure for rural areas.	Public entities, tribes and non-profit corporations apply to RD.	Construct, repair, modify, expand or improve water supply and distribution systems, waste collection and treatment systems and other related costs.	Rural areas and places with up to 10,000 population.	Direct loan and grant. Guarantees available	Interest rates are set quarterly based on an index of current market yields for municipal obligations. Repayment maximum 40 years. Grant funds may be available.
Water and Waste Predevelopment Planning Grants	Pay costs associated with developing a water or sewer application for funding.	Public entities, tribes and non-profit corporations apply to RD. The applicant must demonstrate that they do not have the funds available to pay for the preliminary costs.	Pay for items needed for an application such as a Preliminary Engineering Report, Environmental Report, etc. No payment for costs incurred before grant award.	Rural areas and places with up to 10,000 population. MHI below 80% of the State Non – Metro MHI.	Grant	Grant cannot exceed 75% of the planning costs or \$15,000 whichever is less.
Solid Waste Management Grants	Provide technical assistance and/or training to help communities reduce the solid waste stream.	Non-profit organizations and public bodies contact RD State Office.	Provide technical assistance and training to reduce pollution of water resources and improve management of solid waste facilities, reduction of solid waste streams.	Rural areas and places with up to 10,000 population.	Grant	Projects funded based on selection at National Level.
Community Facilities Program	Provide essential community facilities for rural communities.	Public bodies and non-profit groups. Guaranteed apply to intermediary, direct and grant apply to Rural Development.	Build facilities, buy essential equipment. Fire and rescue, telecommunications for schools, libraries, hospitals. Not for recreation activities	Rural areas and communities of 20,000 or less population.	Direct loan, loan guarantee and grant	Up to 40 years amortization or life of security.
Electric and Telecommunication	Provide financial aid through direct and guaranteed loans.	Non-profit and cooperative associations, public bodies and other utilities.	Generation, bulk transmission facilities and distribution of electric power. Enhance 911 emergency service, digital switching equipment, fiber optic cable.	Rural areas	Direct loan or loan guarantee.	Interest rates are established in accordance with 7CFR 17145.
Distance Learning and Telemedicine	Development and deployment of advanced telecommunication services throughout rural America.	An incorporated entity, including a municipal corporation which operates, or will operate an educational institution, including a regional educational laboratory, library, hospital, medical center, medical clinic or any rural community facility. Rural schools, libraries, health care clinics and other organizations that operate educational or health care facilities. Application submitted to the RD National Office, Washington, DC.	Equipment for classrooms: cameras, video monitors computers and LAN; and for physician consultation, radiology, x-ray scanners and digital microscopes.	Rural areas	Direct loan and/or grant.	Matching funds are required.
Broadband	Facilitate deployment of new and innovative technologies to provide two-way data transmission of 200 kbps or more.	Legally organized entities providing or proposing to provide broadband service in eligible rural communities. Other criteria apply.	Construction, improvement and acquisition of facilities and equipment to provide broadband service	Rural communities with populations up to 20,000	Grant, direct loan or loan guarantee	Minimum direct or guaranteed loan is \$100,000.

# USDA Rural Development Housing Programs

Homeownership builds economic strength in families, economic stability for communities and encourages personal responsibility.

Rural Development Single Family Housing Programs provide homeownership opportunities to low and moderate-income rural Americans through several loan, grant, and loan guarantee programs. The programs also make funding available to individuals to finance vital improvements necessary to make their homes safe and sanitary.

Rural Development 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. This is primarily a direct mortgage program, but funds may also be used to buy and improve land and to provide necessary facilities such as water and waste disposal systems. Additionally, subsidy rental assistance is available to eligible families.



## Housing Programs 2012 Pennsylvania Investments

Single Family Housing Direct Loans	153	\$21,825,472
Single Family Housing Guaranteed Loans	4775	\$651,798,316
Housing Repair/Self-Help Loans and Grants	292	\$1,568,895
Housing Preservation Grants	2	\$114,085
Rental Assistance	-	\$20,901,840
<b>Total</b>	<b>5,222 projects</b>	<b>\$696,208,608</b>



Program	Objective	Applicant	Uses	Population	Loan/Grant	Terms/Conditions
Single Family Home Ownership Loans	To provide safe, well-built, affordable homes for rural Americans.	Families and individuals apply to Rural Development.	Buy, build, improve, repair or rehabilitate rural homes as the applicant's permanent residence.	Rural areas and communities of 20,000 or less population.	Direct loan	Up to 100% of market value or cost, whichever is less. Loan amortized for 33 years. Applicant may be eligible for payment assistance (subsidy) on the loan.
Single Family Home Repair Loans and Grants	To help very-low income applicants remove health and safety hazards, make essential repairs or make accessible for residents with disabilities.	Families and individuals that currently own their home apply to Rural Development.	Loan and grant purposes include: winterizing, purchase or repair of heating system, structural repair, water/sewage connect fees, and similar uses.	Rural areas and communities of 20,000 or less population.	Direct loan and grant	Terms to 20 years at 1%. Assistance to individual may not exceed \$20,000. Grants available to applicants 62 years or older with limited income. Maximum grant is \$7,500
Mutual Self-Help Housing Loans/Grants	Individuals build homes as a group with construction guidance of a non-profit organization.	Families and individuals apply to participating non-profit agency. Grant funding available to non-profits for administration.	Loan applications are processed on an individual basis for each participating family. Loan is provided for site, material and skilled labor.	Rural areas and communities of 20,000 or less population.	Direct loan	The individual families receive a direct loan. The non-profit housing organization receives grant to hire a supervisor and pay other administrative expenses
Single Family Home Ownership Guaranteed Loans	Assist eligible applicants in buying homes by guaranteeing loans from private lenders.	Families and individuals apply to a private lender.	Loans may be made to purchase new or existing homes.	Rural areas and communities of 20,000 or less population.	Loan guarantee	30 year, fixed rate interest negotiated between lender and borrower Loans to 100 percent of market + fee.
Rental Housing for Families and Elderly Direct Loans and Loan Guarantees	Safe, well-built and affordable rental housing for rural Americans.	Individuals, profit and non-profit organizations. For guarantees, apply to intermediary; for direct apply to RD.	New construction or substantial rehabilitation of rental housing.	Rural areas and communities of 20,000 or less population.	Direct loan or loan guarantee	Up to 100% of market value (non-profits); 97% (for profit) 30 year term with up to 50 years amortization.
Housing Preservation Grants	Repair and rehabilitate housing owned or occupied by low-income rural people.	Public bodies and non-profit corporations apply to Rural Development.	Operate a program that finances the repair and rehabilitation activities for single family and small rental properties.	Rural areas and communities of 20,000 or less population.	Grant	Terms and conditions as determined by grant recipient.
Farm Labor Housing	Safe, well-built affordable housing for farm workers.	Individuals, profit and non-profit organizations apply to Rural Development.	New construction or substantial rehabilitation of farm labor housing.	No limit.	Direct loan and grant	Up to 100% of market value Up to 33 years at 1% interest

**Crawford Area Office**

14699 N. Main St., Extension  
Meadville, PA 16335-9441  
814-336-6155, Ext. 4

Serving the following counties: Erie, Crawford, Warren, Mercer,  
Venango, Forest, Clarion, Jefferson

**Clinton Area Office**

216 Spring Run Rd., Room 103  
Mill Hall, PA 17751-9543  
570-726-3196, Ext. 4

Serving the following counties: McKean, Potter, Elk, Cameron, Clinton,  
Clearfield, Centre

**Lycoming Area Office**

542 County Farm Rd., Ste. 205  
Montoursville, PA 17754-9209  
570-433-3006, Ext. 4

Serving the following counties: Tioga, Lycoming, Sullivan, Columbia,  
Montour, Northumberland, Union, Snyder

**Wyoming Area Office**

21 Hollowcrest Road  
Tunkhannock, PA 18657-6632  
570-836-5111, Ext. 4

Serving the following counties: Bradford, Susquehanna, Wyoming,  
Wayne, Lackawanna, Luzerne

**Lehigh Area Office**

2211 Mack Blvd.  
Allentown, PA 18103-5623  
610-791-9810, Ext. 4

Serving the following counties: Pike, Monroe, Carbon, Schuylkill, Berks,  
Lehigh, Northampton, Bucks, Montgomery, Philadelphia

**Cumberland Area Office**

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

Serving the following counties: Mifflin, Juniata, Perry, Huntingdon,  
Cumberland, Franklin, Fulton, Bedford, Fulton

**Westmoreland Area Office**

226 Donohoe Rd., Suite 201  
Greensburg, PA 15601-7470  
724-853-5555, Ext. 4

Serving the following counties: Westmoreland, Cambria, Blair,  
Somerset, Fayette

**Lebanon Area Office**

2120 Cornwall Rd., Suite 7  
Lebanon, PA 17042-9790  
717-272-3908, Ext. 6

Serving the following counties: Dauphin, Lebanon, Lancaster, Chester,  
Delaware, York, Adams

**Butler Area Office**

625 Evans City Rd., Suite 101  
Butler, PA 16001-8704  
724-482-4800, Ext. 4

Serving the following counties: Butler, Armstrong, Indiana, Beaver,  
Allegheny, Washington, Greene

## USDA Rural Development Pennsylvania Offices



[www.rurdev.usda.gov/pa](http://www.rurdev.usda.gov/pa)

**Committed to the future of rural communities.**

**PENNSYLVANIA STATE OFFICE**  
One Credit Union Place, Suite 330  
Harrisburg, PA 17110-2996

Thomas P. Williams, State Director  
Trudy Moore, Assistant to the State Director  
Claire Bavaria, Administrative Programs Director  
J. Gregory Greco, Business Programs Director  
Michael Ward, Community Programs Director  
Jack Kauffman, Housing Programs Director  
Susanne Gantz, Water and Environmental Program Director  
Dawn Bonsell, Public Information Coordinator



The ripple effect of Rural Development funding...  
helping create an environment for the success of  
communities and businesses in  
rural Pennsylvania.



Committed to the future of rural communities.