



ANNUAL REPORT OREGON

FISCAL YEAR 2010

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USDA RURAL DEVELOPMENT IN OREGON



Photo: Leah Harb

A MESSAGE FROM THE OREGON STATE DIRECTOR

The harsh economy of recent years has had a tremendous impact on rural Oregon. It has threatened the sustainability of businesses, devastated the housing market, and reduced revenue streams vital to a small community's ability to invest in infrastructure, economic development and public facilities. USDA Rural Development has responded with an across-the-board increase in the delivery of programs that have not only saved and created jobs in rural areas, but have also encouraged and leveraged private sector investments in businesses, homeownership, affordable rental housing, community capacity and renewable energy. The table below shows how Rural Development's investments in Oregon have increased over the past four years.

USDA RURAL DEVELOPMENT, OREGON FUNDING: FY 2007 - FY 2010

	2007	2008	2009	2010
REGULAR PROGRAMS	\$221.7 MILLION	\$288.9 MILLION	\$251.7 MILLION	\$520.8 MILLION
RECOVERY ACT (<i>American Recovery & Reinvestment Act of 2009</i>)	---	---	\$306.4 MILLION	\$115.3 MILLION
TOTAL	\$221.7 MILLION	\$288.9 MILLION	\$558.1 MILLION	\$636.1 MILLION

It is important to remember that the vast majority of this funding is in the form of loan guarantees and direct loans from USDA. These are smart investments that offer a great value for taxpayers, who in turn benefit from the resulting economic development. Through the Single Family Home Loan Guarantee and the Business and Industry (B&I) Loan Guarantee in 2010, we guaranteed more than 2,500 loans and freed up hundreds of millions of dollars in commercial lending that banks were otherwise reluctant to underwrite given the economic climate. These guarantees underwent stringent evaluation processes and were awarded for sound proposals that continue to stabilize businesses and existing jobs; grow for-profit ventures with new employment; stimulate the housing market; and directly and indirectly create work in construction, financial services, the sales of materials and other sectors. During this time, Rural Development also invested in a number of critical infrastructure and community-scale projects. These efforts help rural areas support vital communities while retaining and attracting business and industry. Such projects include hospitals, emergency call centers, water and waste systems, and much more. A breakdown of our funding for these programs over the past four years is shown below.

USDA RURAL DEVELOPMENT, OREGON KEY PROGRAMS: FY 2007 - FY 2010

	2007	2008	2009	2010
HOME LOAN GUARANTEES	\$51 MILLION	\$109.7 MILLION	\$349.2 MILLION*	\$424.3 MILLION*
B&I GUARANTEES	\$57.1 MILLION	\$61.5 MILLION	\$35.3 MILLION*	\$63.1 MILLION*
COMMUNITY FACILITIES (<i>grants, direct loans & guarantees</i>)	\$6.9 MILLION	\$5.1 MILLION	\$21.5 MILLION*	\$2.1 MILLION
WATER & WASTE SYSTEMS (<i>grants & direct loans</i>)	\$22.5 MILLION	\$19.2 MILLION	\$52.2 MILLION*	\$43.6 MILLION*

** Includes Regular Programs and the Recovery Act*

I must emphasize here that our USDA Rural Development program delivery over the past two years represents an historic peak in funding due to the Recovery Act and other strategic investments that continue to offset the impacts of the recent recession on rural America. These monies were well spent and wisely invested. Moving forward, our team at Rural Development will continue to work in partnership with communities, Native American tribes, rural residents and local leaders across the state as we deliver our programs. At the time of this publication, our budgets for 2011 and 2012 are yet unknown, because the federal government is scaling back funding across the board to address the federal deficit. I can tell you, however, that we will continue to collaborate, finding ways to leverage available resources and address rural Oregon's highest-priority needs for economic development, affordable housing and construction of essential infrastructure and facilities.

Our work in each of these areas in Fiscal Year 2010 is outlined in more detail in the following report. As you review this material, be assured these programs and investments are helping rural Oregon remain one of the best places in the country to live, work, run a business and raise a family.

VICKI L. WALKER

State Director, USDA Rural Development, Oregon

	# funded	\$ obligated
HOUSING PROGRAMS		\$498,181,498
Single Family Housing (SFH)	3,056	\$466,312,266
SFH 502 Guaranteed Loans	2,498	\$396,389,466
ARRA SFH 502 Guaranteed Loans	180	\$27,944,506
SFH 502 Direct Loans	126	\$17,539,887
ARRA SFH 502 Direct Loans	154	\$23,815,250
SFH 504 Repair Loans	20	\$131,429
SFH 504 Repair Grants	39	\$224,288
Self-Help 523 Technical Assistance Grants	--	\$137,490
533 Housing Preservation Grants	39	\$129,950
Multi-Family Housing (MFH)	29	\$31,869,232
Rural Rental Housing 515 New Construction Loans	--	\$1,000,000
Rural Rental Housing 515 Subsequent Loans	--	\$938,626
Rural Rental Housing 515 Deferral Loans	--	\$3,312,432
Rural Rental Housing 515 Prepayment Equity Loan	--	\$354,607
Rural Rental Housing 515 Assumptions	--	\$4,563,655
Farm Labor Housing 514 Loans	--	\$2,986,723
Farm Labor Housing 516 Grants	--	\$2,278,055
Section 521 Rental Assistance	--	\$16,325,868
Voucher Program	29	\$109,266

	# funded	\$ obligated
COMMUNITY PROGRAMS		\$45,700,330
Water & Environmental Programs (WEP)	16	\$43,609,730
Water & Waste Disposal Guaranteed Loans	--	--
Water & Waste Disposal Direct Loans	5	\$15,321,000
ARRA Water & Waste Disposal Direct Loans	2	\$17,634,000
Water & Waste Disposal Grants	5	\$5,241,640
ARRA Water & Waste Disposal Grants	2	\$5,388,450
306C Water & Waste Disposal Grants	--	--
Emergency Community Water Assistance Grants (ECWAG)	--	--
Predevelopment Planning Grants	2	\$24,640
Community Facilities (CF)	9	\$2,090,600
CF Guaranteed Loans	--	--
CF Direct Loans	1	\$1,726,600
CF Direct Grants	4	\$205,000
CF Economic Impact Initiative Grants	4	\$159,000

	# funded	\$ obligated
BUSINESS & COOPERATIVES		\$69,889,233
Business & Industry (B&I)	30	\$63,059,617
B&I Guaranteed Loans	13	\$22,961,083
ARRA B&I Guaranteed Loans	17	\$40,098,534
Specialty Programs	56	\$3,142,893
Intermediary Relending Program (IRP) Loans	--	--
Rural Business Enterprise Grants (RBEG)	46	\$1,018,896
ARRA Rural Business Enterprise Grants (RBEG)	4	\$398,997
Rural Economic Development Loan (RED Loan)	2	\$1,100,000
Rural Economic Development Grant (RED Grant)	--	--
Rural Microentrepreneur Assistance Program (RMAP) Loans	2	\$500,000
RMAP Lender Grants	2	\$125,000
Energy Programs	41	\$1,722,695
Rural Energy for America (REAP) Guaranteed Loans	1	\$81,093
REAP Grants	44	\$1,621,523
9005 Advanced Biofuel Producer Payments	3	\$20,079
Cooperative Programs (Coop)	12	\$1,964,028
Rural Business Opportunity Grants (RBOG)	2	\$299,340
Value-Added Producer Grants (VAPG)	10	\$1,664,688

	# funded	\$ obligated
NATIONAL RURAL UTILITIES SERVICE		\$22,277,000*
Electric Loans	--	\$10,000,000
Telecommunication Loans	--	\$12,277,000

Total Oregon 2010 Regular Program and Recovery Act Funding *

\$636,048,061

* Does not include broadband loans and grants funded in 2010 through the American Recovery & Reinvestment Act. See below.



AMERICAN RECOVERY & REINVESTMENT ACT (ARRA)

In Fiscal Years 2009 and 2010, USDA Rural Development directed more than \$421 million in Recovery Act funding to assist 1,521 businesses and 52,533 residents across the State of Oregon. These critical investments continue to provide significant benefits through rural economic development, infrastructure upgrades, secure rural housing and job creation.

Recovery Act, Oregon: FY 2009 - FY 2010	Loan	Grant	Total
Broadband Loans & Grants	6,715,154	13,521,570	20,236,724
Business & Industry Guaranteed Loans	40,098,534	-	40,098,534
Community Facility Loans & Grants	85,000	50,000	135,000
Rural Business Enterprise Grants	-	1,021,799	1,021,799
Single Family Housing Direct Loans	33,744,285	-	33,744,285
Single Family Housing Guaranteed Loans	259,738,927	-	259,738,927
Water & Waste Disposal Loans & Grants	42,623,000	24,190,750	66,813,750
Totals:	\$383,004,901	\$38,784,119	\$421,789,020

Program Spotlights

RURAL HOUSING ASSISTANCE

FY 2010 OREGON INVESTMENTS:

\$498,181,498

Rural Development housing programs provide loan, loan guarantee and grant opportunities for low- and moderate-income residents to own homes and make them safe and sanitary. Financing is also available to help develop affordable rental housing for families, farm workers, the elderly and people with disabilities.

FY 2010 Highlights:

- **2,958 Oregon families** achieved the dream of homeownership through our loan programs.
- Rural Development Rental Assistance was available to help **3,576 low-income households** secure decent, safe and affordable rental housing at Rural Development-supported multi-family housing units across the state.
- **98 families, seniors and disabled residents** received funding for critical repairs to keep their homes safe and livable.
- Rural Development's housing program funding **leveraged another \$63.8 million** in public and private partner funding.
- Through the **Mutual Self Help Program**, **11 low-income families** were able to help construct their new homes in lieu of a down payment (*see below*).



"I will always be grateful for the experience and the opportunity USDA RD, with the Mutual Self Help Program, has made possible for me and my sweet grandchildren. It is a dream come true and a prayer answered."

—Regine Lovely, new homeowner

WATER, SANITARY & COMMUNITY FACILITIES

FY 2010 OREGON INVESTMENTS:

\$45,700,330

Our Community Programs offer grants, direct loans and guaranteed loans to develop or improve essential community facilities and services. Public bodies and nonprofit organizations have used this funding to construct, expand or improve facilities that provide clean water, health care, education, public safety and public services.

FY 2010 Highlights:

- The **Seal Rock Water District** received a \$1.5 million Water & Waste Disposal loan and a \$407,000 grant to replace inadequate facilities.
- **Lake District Hospital** began construction of a 35,000 sq/ft critical care addition with an \$8 million Community Facilities direct loan and a \$10.5 million loan guarantee.
- The **Klamath County Emergency Communication District** was awarded a \$1.7 million direct loan to construct a larger, upgraded call center facility (*see below*).



"We have been in need of a safe, adequate county-wide 9-1-1 communications center for many years and were unable to secure conventional funding. With the assistance of the USDA RD program, we have been fortunate to secure necessary funds."

—Jeanine Dille, Executive Director
Klamath 9-1-1 Communications District

BUSINESS & COOPERATIVE PROGRAMS

FY 2010 OREGON INVESTMENTS:

\$69,889,233

These programs provide financial backing and technical assistance to stimulate rural economies. Loan guarantees and grants are available to businesses, public bodies, nonprofits, farmers and cooperatives to finance projects that save or create jobs.

FY 2010 Highlights:

- Oregon ranked third in the nation for the number of Value Added Producer Grants awarded, with ten projects totalling \$1,664,688. One recipient, the **Oregon Cheese Guild**, used the funding to expand markets for local artisan, farmstead and specialty cheeses.
- Rural Development funded 38 Rural Energy for America Program (REAP) projects in Oregon, helping a number of rural businesses, agricultural producers and others develop and install **renewable energy systems**.
- With a \$173,246 Rural Business Enterprise Grant and leveraged funding, the **Oregon Native American Business and Entrepreneurial Network** developed a suite of tools and resources to foster development of successful business models in Indian Country (see below).



Solar roof installation funded through REAP in 2010



"The contacts I have made have and will be great to maintain as my business continues to grow."

—Dana Bumgarner, Native American business plan contest winner from Cayuse Country Flowers (photo left pictured with State Director Vicki Walker)

RURAL UTILITIES SERVICE

Rural Development's Rural Utilities Service (RUS) staff, working out of Washington, D.C., provide funding assistance for the development of vital utility services. These programs revitalize rural communities through infrastructure improvements and create sustainable opportunities for new jobs and increased economic activity.

RUS TELECOMMUNICATIONS PROGRAMS

Broadband Loan Program/Community Connect Grant Program: for construction, improvements and acquisition of broadband facilities in rural communities.

- Significant broadband funding was provided in 2009 and 2010 through the Recovery Act. See page one for a summary.

Distance Learning and Telemedicine Program: loans and grants to health care and education providers for advanced telecommunications technologies.

- Southern Oregon's **Community Health Center** and **Adapt, Inc.** were awarded grants of \$91,500 and \$123,857, respectively, to provide telemedicine services in remote areas lacking adequate health care.

USDA RUS Telecommunications Contacts:

Western Oregon: Steve Coyner
steve.coyner@wdc.usda.gov

Eastern Oregon: Joe Bradley
joe.bradley@wdc.usda.gov

RUS ELECTRIC PROGRAMS

These programs offer loans and loan guarantees for the construction of electric power generation, transmission and distribution facilities.

- In 2010, RUS made **\$10,000,000** in loans to enhance Oregon's rural electric infrastructure.

USDA RUS Electric Program Contact:

Oregon: Dan Bowers
dan.bowers@wdc.usda.gov



USDA RURAL DEVELOPMENT – OREGON SINGLE FAMILY HOUSING PROGRAMS

USDA Program	Funding FY 2010 Levels	Purpose What is the program's goal?	Program Type How does it work?	Eligible Applicants Who can apply?	Eligible Areas What is rural?	Authorized Purposes What can funds be used for?	Typical Amount of Assistance	Rates & Terms Rates are subject to change.	Key to Success	When to Apply
Single Family Home Ownership Direct Loans Section 502	Regular Funds: \$15 million ARRA: \$24 million Total: \$42 million	Help rural Americans purchase or construct safe, well-built, affordable homes	Direct loan from USDA; payment assistance available; insurance and real estate taxes included with monthly payments	Both families and individuals	Rural areas with populations of 25,000 or less	Buy, build, improve, repair or rehabilitate the applicant's permanent rural residence	Up to 100% of market value or cost, whichever is less; loan amortized for 33/38 years; applicant may be eligible for payment assistance (subsidy) on the loan	Loans written at current RD rate for 33 or 38 years; eligible applicants can qualify for payment assistance to reduce interest rate and monthly payment	Applicant(s) should attend Home Buyer Education Class before looking for a home	Year round
Single Family Home Ownership Guaranteed Loans Section 502	Regular Funds: \$397 million ARRA: \$28 million Total: \$425 million	Assist eligible applicants in buying their homes by guaranteeing loans made by private lenders	Loan from a conventional lender with a guarantee through USDA	Families and individuals can apply to their lender	Rural areas with populations of 25,000 or less	Purchase a new or existing home or refinance existing 502 direct loans	Area market value – no ceiling on loan amount	30-year, fixed rate; interest rate negotiated between lender and borrower; can finance 103.5% market value to cover closing costs, necessary repairs and 3.5% guarantee fee	Lender driven – must find a bank willing to make the loan; USDA only guarantees the loan.	Year round
Single Family Home Ownership Direct Repair Loans/ Grants Section 504	Loans: \$131,430 Grants: \$224,288	Help very low-income homeowners remove health and safety hazards or to repair their homes	Direct loan and/or grant	Loan Families and individuals who currently own their home Grant Applicants must be 62 or older	Rural areas with populations of 25,000 or less	Repair or replace roof, winterize, purchase or repair heating system, structural repairs, water and sewage connect fees, and similar uses	Loan: lifetime limit of \$20,000 Grant: lifetime limit of \$7,500 to homeowners over 62 years of age	Loan Terms to 20 years at 1% Grant Only available to very-low-income applicants 62 years or older who cannot afford to pay 1% loan	Write a good repair list and have contractors bid on the same repair list	Year round
Mutual Self-Help Housing Grants Section 523	\$137,490	Assist lower income families in building their own homes	Technical assistance grant for an entity to oversee home construction by homeowners	Nonprofits and public bodies	Rural areas with populations of 25,000 or less	Qualify and supervise small groups of families to build each other's homes	Per grant agreement	Grant	Grantees must work hand in hand with the Area Office to qualify and supervise applicants	Applications submitted quarterly to the National Office

More information on all of these programs is available online at www.rurdev.usda.gov/or/. Or, contact a local specialist directly:

Roseburg Area	Coos, Curry, Douglas, Jackson and Josephine Counties	Jennifer Bacigalupo	Area Specialist	541-673-0136 x102	Jennifer.Bacigalupo@or.usda.gov
Corvallis Area	Benton, Clackamas, Clatsop, Columbia, Lane, Linn, Lincoln, Marion, Multnomah, Polk, Tillamook, Washington and Yamhill Counties	Corey Johnson	Area Specialist	541-750-7112	Corey.Johnson@or.usda.gov
Redmond Area	Crook, Deschutes, Harney, Hood River, Jefferson, Klamath, Lake, Sherman and Wasco Counties	Sheila Raber	Area Specialist	541-750-7073	Sheila.Raber@or.usda.gov
Pendleton Area	Baker, Gilliam, Grant, Malheur, Morrow, Umatilla, Union, Wallowa and Wheeler Counties	Drew Davis	Area Specialist	541-923-4358 x102	Drew.Davis@or.usda.gov
Portland State Office	Statewide	Todd Woolery	Area Specialist	541-923-4358 x134	Todd.Woolery@or.usda.gov
		Linda Weiler	Area Specialist	541-278-8049 x125	Linda.Weiler@or.usda.gov
		Patty Good	Area Specialist	541-963-4178 x102	Patty.Good@or.usda.gov
		Statewide		503-414-3300 x1	



USDA RURAL DEVELOPMENT – OREGON MULTI-FAMILY HOUSING PROGRAMS

USDA Program	Funding FY 2010 Levels	Purpose What is the program's goal?	Program Type How does it work?	Eligible Applicants Who can apply?	Eligible Areas What is rural?	Authorized Purposes What can funds be used for?	Typical Amount of Assistance	Rates & Terms Rates are subject to change.	Key to Success	When to Apply
Rural Rental Housing Direct Loans Section 515	\$10.2 million	Provide safe, well-built, affordable rental housing for very low-, and low-income individuals and families	Beneficiaries are the very low-, low-, and moderate-income tenants who reside in the rental facilities; owners are the borrowers who operate the facilities	Individuals, nonprofits, public bodies, corporations, trust partnerships, LP's, and LLC's	Rural area with population of 25,000 or less	New construction or rehabilitation of rural rental housing	Up to 100% of total development cost (nonprofits); 97% (for-profits); 30-year term with up to 50-year amortization; loans to for-profit organizations with Low-Income Housing Tax Credits cannot exceed 95% of total development costs	Loan made at note rate; Interest Credit Agreement reduces this to an effective rate of 1% for the loan's life; term is 30 years and amortization is 50 years or remaining economic life of security, whichever is less	Application requirements can be complex, so consult with USDA well in advance of application deadline	Annual competition at state level for new construction; National competition for preservation
Rural Rental Housing Guaranteed Loans Section 538	Dependent upon need/ submission of applications	Develop affordable rural rental housing, acquisitions with rehab, and revitalization-repair transfer of existing direct section 515	USDA guarantees multi-family loans made by banks	Individuals, partnerships, limited liability companies, trusts, state and local agencies, and Indian tribes	Rural area with population of 25,000 or less	New construction or substantial rehabilitation of rural rental housing	Up to 90% loan to value for loans made to for-profit entities, and up to 97% loan to value for loans made to nonprofit entities; repayment terms are 25 to 40 year amortization	Negotiated by applicant and lender; fixed rates, typically near prime	Lender-driven; must have a bank willing to make the loan; applicants must demonstrate market and financial feasibility	After Notice of Funding Availability (NOFA) publication until all funds are expended
Housing Preservation Grants Section 533	\$129,950	Repair and rehabilitate housing owned or occupied by very low- and low-income rural families	Grant to non-profits to repair/rehabilitate/replace owner-occupied homes, and/or repair/rehab of rental units	Public bodies and nonprofit organizations; apply to Rural Development State Office	Rural areas with population of 25,000 or less	Operation of a program which finances repair & rehabilitation activities for single family and rental properties	Grant agreement	Grant	Applicants should be familiar with criteria of NOFA ranking and scoring	After NOFA publication
Farm Labor Housing Sections 514 & 516	\$5.3 million	Provide capital financing for the development of housing for domestic farm laborers	USDA makes a loan to an applicant for the development of farm labor housing	Individuals, public and private nonprofit organizations; broad-based nonprofit organization, limited partnership with nonprofit general partner (not eligible for grants); nonprofit organization of farm workers, or federally recognized Indian tribe	No population restriction	New construction or substantial rehabilitation of rental housing	Loan/grant can be up to 102% of total development cost; maximum grant portion is 90% of total development cost	514 Loan 1% for 33 years 516 Grant As long as there is a need for the housing; subject to restrictive use provisions	Application requirements can be complex, so consult with USDA well in advance of application deadline	Annual competition at the National level

More information on all of these programs is available online at www.rurdev.usda.gov/or/. Or, contact a local specialist directly:

Roseburg Area	Coos, Curry, Douglas, Jackson and Josephine Counties	Jay DeLapp	Area Specialist	541-776-4267 x113	Jay.DeLapp@or.usda.gov
Corvallis Area	Benton, Clackamas, Clatsop, Columbia, Lane, Linn, Lincoln, Marion, Multnomah, Polk, Tillamook, Washington and Yamhill Counties	Ester Salinas Colleen Peterson	Area Specialist Area Specialist	541-750-7156 541-750-7068	Ester.Salinas@or.usda.gov Colleen.M.Peterson@or.usda.gov
Redmond Area	Crook, Deschutes, Harney, Hood River, Jefferson, Klamath, Lake, Sherman and Wasco Counties	Barb Fenili Preston Hiatt	Area Specialist Area Technician	541-923-4358 x111 541-923-4358 x124	Barb.Fenili@or.usda.gov Preston.Hiatt@or.usda.gov
Pendleton Area	Baker, Gilliam, Grant, Malheur, Morrow, Umatilla, Union, Wallowa and Wheeler Counties	Linda Weiler	Area Specialist	541-278-8049 x125	Linda.Weiler@or.usda.gov
Portland State Office	Statewide			503-414-3300 x2	

USDA RURAL DEVELOPMENT – OREGON COMMUNITY FACILITY PROGRAMS



USDA Program	Funding FY 2010 Levels	Purpose What is the program's goal?	Program Type How does it work?	Eligible Applicants Who can apply?	Eligible Areas What is rural?	Authorized Purposes What can funds be used for?	Typical Amount of Assistance	Rates & Terms Rates are subject to change.	Key to Success	When to Apply
Community Facility Loan Guarantee	\$206.4 million nationwide (\$2.32 million Oregon allocation)	Improve, develop, or finance essential community facilities	USDA guarantees up to 90% of the loan for essential community facilities made by rural lenders; a 1% loan guarantee fee applies	Banks and other lenders who make loans to rural communities and nonprofit or faith- based organizations	Areas outside the urbanized edge of cities >20,000 in population; any rural community <20,000	Critical access hospitals and other health services, fire and rescue, public safety, recreational facilities and other essential community facilities benefiting rural residents	Usually \$250,000 to \$2 million, with potential for more when combined with a direct loan for large high priority projects	Negotiated by applicant and lender; fixed or variable rates, typically near prime rate, up to 40 years (no balloon) to repay	Lender-driven: there must be a bank willing to make the loan (USDA only guarantees it); may be combined with a direct loan	Year round
Community Facility Direct Loan Program	\$295 million nationwide (\$4.044 million Oregon allocation)	Improve, develop, or finance essential community facilities	USDA makes a direct loan to an eligible applicant	Public body (e.g., cities, towns, districts, authority, state), nonprofit, or Federally recognized Indian tribes	Population must be under 20,000	Health services, fire and rescue, public safety and other essential facilities benefiting rural residents	Usually \$250,000 to \$2 million, with potential for more when combined with a loan guarantee for high priority projects	Fixed at time of closing, usually about 4.5%; terms to 40 years	Priority given to critical access hospitals and other health services, public safety, child care and day care; may be combined w/ a loan guarantee or grant	Year round
Community Facility Grant	\$20.4 million nationwide (\$199,310 Oregon allocation)	Assist in thedevelopment of essential community facility projects in rural areas when necessary to facilitate repayment	USDA makes grants for up to 75% of a project cost; maximum grant not to exceed 50% of State allocation	Public bodies (e.g., cities, towns, districts, authorities, states), nonprofits, or Federally recognized Indian tribes	Cities, towns and rural areas under 20,000 population	Health services, fire, rescue, public safety, and other facilities deemed necessary for beneficial and orderly development of a rural community; includes renewable energy	Usually under \$50,000 but actual amount is determined by financial need	Grant	Priority is given to fire, rescue, public safety, health services and renewable energy; priority also given to very low Income rural areas	Year round
Economic Impact Initiative Grant (EII)	\$9.9 million nationwide (\$129,230 Oregon allocation)	Assist in thedevelopment of essential community facility projects in rural areas	USDA makes grants for up to 75% of project cost	Public bodies (e.g., cities, towns, districts, authorities, states), nonprofits, or Federally recognized Indian tribes	Cities, towns and rural areas under 20,000 population and with "not employed" rates >19.5%	Health services, fire, rescue, public safety, and other facilities deemed necessary for beneficial and orderly development of a rural community; includes renewable energy	Usually under \$50,000 but actual amount is determined by financial need	Grant	Priority is given to fire, rescue, public safety, health services and renewable energy; priority also for very low income, very rural areas	Year round
Rural Community Development Initiative (RCDI)	\$6.3 million (No separate Oregon allocation)	Develop capacity and ability to conduct housing, community facilities, or community and economic development projects	USDA makes grants to intermediaries for up to 50% of project costs: intermediaries provide financial and technical assistance to recipients	Private nonprofits, including faith-based and community organizations, and public intermediaries, including Federally recognized tribes	Cities, towns and rural areas under 50,000 population	Grants and matching funds are used to fund programs that provide new or expand existing programs to undertake projects in areas of housing, community facilities, or community and economic development	\$50,000 to \$300,000	Grant	Funding is limited; highest priority projects are areas with populations under 10,000 and with median household incomes below \$30,000	Once a year; announce d in the Federal Register



USDA RURAL DEVELOPMENT – OREGON WATER & ENVIRONMENTAL PROGRAMS

USDA Program	Funding FY 2010 Levels	Purpose What is the program's goal?	Program Type How does it work?	Eligible Applicants Who can apply?	Eligible Areas What is rural?	Authorized Purposes What can funds be used for?	Typical Amount of Assistance	Rates & Terms Rates are subject to change.	Key to Success	When to Apply
WWD Loan Water and Waste Disposal Loan and Loan Guarantee	\$857.4 million in direct loans \$75 million in loan guarantees (\$12,492 M/DL \$1,124 M/GL Oregon)	Finance water and waste disposal projects for financially needy communities in rural areas	Direct loan or loan guarantee for projects modest in size, design and cost	Public bodies (such as a municipality, county, district or authority); nonprofit organizations, Indian tribes	Incorporated and unincorporated areas with service area populations <10,000	Water, sewer, solid waste or storm wastewater disposal facilities; professional service fees; interest during construction; initial operating costs	Usually \$250,000 to \$3 million	Loan Guarantee - rate negotiated w/ lender; terms to 40 years; no balloon Direct Loan - 4.5%, but varies quarterly; terms to 40 years	Comply with NEPA and submit a complete preliminary engineering report and an environmental report early if RD is expected to be a lender in the project	Year round
WWD Grant Water and Waste Disposal Grant	\$431 million grant (\$4,221,000 Oregon allocation)	Finance water and waste projects with financially needy communities in rural areas	Grant to reduce the end user cost for services of a comparable system	Public bodies (such as a municipality, county, district or authority); nonprofit organizations, Indian tribes	Incorporated and unincorporated areas with service area populations <10,000; MHI may not exceed \$41,230	Water, sewer, solid waste or storm wastewater disposal facilities; professional service fees	Usually \$100,000 to \$1 million	Grant is typically no more than 30% of the total RD funding, but is evaluated case by case and subject to funds being available	Comply with NEPA and submit a complete preliminary engineering report and an environmental report early if RD is expected to be a lender in the project	Year round
ECWAG Emergency Community Water Assistance Grant	\$13 million (No separate Oregon allocation)	Assist rural areas that have a significant decline in water quality or quantity	Grant of up to 100% of project cost	Public bodies (such as a municipality, county, district or authority); nonprofit organizations, Indian tribes	Incorporated and unincorporated areas with service area populations <10,000	Water system improvements to alleviate source or distribution problems and restore safe drinking water	\$150,000 distribution; \$500,000 for source	Grant	Priority given to rural areas under 5,000 and MHI below \$37,100; submit preliminary engineering report and environmental report early; may be used in combination with other funds	Year round
Section 306 C Water and Waste Grant Native American	\$16 million (No separate Oregon allocation)	Provide water and waste disposal facilities to low income rural communities with significant health risks	Grant of up to 100% of project cost	Native American tribes and service areas	Rural area <10,000 in population with per capita income <\$15,110 and >5.875% unemployed	Construct, enlarge, or otherwise improve community water or sewer disposal systems where the design has a residential component	\$1 million maximum	Grant with 5% or more joint financing	Priority given to rural areas under 5,500 population with MHI less than \$28,161; leverage with other funds	Year round
PP Grant Predevelopment Planning Grant	(\$25,000 Oregon allocation)	Assist in developing applications for RD financial assistance	Planning grant of up to 75% of project cost	Public bodies, nonprofit organizations, Indian tribes	Small communities with MHI below \$32,984 and >50% non-Federal financing	Costs associated with developing a complete application for an RD loan or grant	\$10,000 - \$15,000	Grant	Priority given to rural areas with populations under 1,000	Year round

More information on the **Community Facility and Water and Environmental** programs is available online at www.rurdev.usda.gov/or/. Or, contact a specialist:

Roseburg Area	Coos, Curry, Douglas, Jackson and Josephine Counties	Bruce Curtin	Area Specialist	541-673-0136 x109	Bruce.Curtin@or.usda.gov
Corvallis Area (South)	Benton, Lane, Linn, Lincoln, Marion, Polk and Yamhill Counties	Rosanne Volker-Bronson	Area Specialist	541-750-7019	Rosanne.Volker@or.usda.gov
Corvallis Area (NW)	Clackamas, Clatsop, Columbia, Multnomah, Tillamook and Washington Counties	Rachel Shultz	Area Specialist	503-414-3330	Rachel.shultz@or.usda.gov
Redmond Area	Crook, Deschutes, Harney, Hood River, Jefferson, Klamath, Lake, Sherman and Wasco Counties	Pam Swires	Area Specialist	541-923-4358 x137	Pam.swires@or.usda.gov
Pendleton Area	Baker, Gilliam, Grant, Malheur, Morrow, Umatilla, Union, Wallowa and Wheeler Counties	Janet Suter	Area Specialist	541-278-8049 x132	Janet.Suter@or.usda.gov
Portland State Office	Statewide			503-414-3300 x3	



USDA RURAL DEVELOPMENT – OREGON BUSINESS & COOPERATIVE PROGRAMS

USDA Program	Funding FY 2011 Estimated	Purpose What is the program's goal?	Program Type How does it work?	Eligible Applicants Who can apply?	Eligible Areas What is rural?	Authorized Purposes What can funds be used for?	Typical Amount of Assistance	Rates & Terms Rates are subject to change.	Key to Success	When to Apply
B&I Guarantee Business & Industry Guaranteed Loan	\$1.2 billion (\$17.5 million Oregon allocation)	Provide an incentive for business lending that will save and create jobs (typically for larger businesses)	USDA guarantees business loans made by commercial lenders	Banks, credit unions and other commercial lenders who make loans to rural businesses	Areas outside the urbanized edge of cities of >50,000 population	The loans guaranteed can be used for real estate, equipment, working capital and refinancing for nonfarm businesses	80% loan guarantees for loans of \$200,000 to \$5 million; 70% on loans up to \$10 million	Negotiated by business and lender; fixed or variable rates, typically near prime (no balloons)	Lender-driven; must have a bank willing to make the loan (USDA only guarantees it); business with strong equity and collateral	Year round
IRP Intermediary Relending Program	\$22 million (No separate Oregon allocation)	Capitalize locally- run revolving loan programs for small businesses unable to qualify for bank financing	USDA loans money to a local revolving loan fund for relending to non-farm businesses	Nonprofit groups, tribes and public bodies who will make loans to rural businesses	Unincorporated areas and ≤25,000 population cities	The loan is used to set up a loan program that makes business loans for non- farm, rural businesses	\$300,000 to \$750,000 loans to re-lenders to make loans up to \$150,000 to businesses	1%, 30 years to re-lender to make loans to near-prime to rural businesses	Funding is limited, so these loans tend to go only to loan funds that will serve the neediest areas	Year round with a quarterly competition at the national level
RMAP Rural Microentrepreneur Assistance Program	\$21 million (No separate Oregon allocation)	Capitalize locally- run revolving microloan programs that offer both microloans and counseling for microbusinesses	USDA loans money to a local revolving loan fund for microlending, generally with companion grant support for business counseling	Nonprofit micro- enterprise development organizations, tribes and colleges	Areas outside the urbanized edge of cities of >50,000 population	To set up a microloan fund from which loans of \$50,000 or less are made; the companion grant provides business help to the microborrowers	<\$400,000 with annual companion grant equal to 25% of the microloan portfolio size	2%, 20 years to a micro-lender for microloans at lender- determined rates and terms of not more than 10 years	Microloan fund profits cannot be used to cover cost of operating the RLF, so an outside source of administrative funds is needed	Year round with competition at the national level
RBEG Rural Business Enterprise Grant	\$39 million (\$439,000 Oregon allocation)	Support economic development projects that will assist specific small and emerging private businesses	USDA makes grants to local economic development groups to assist private business development	Nonprofit economic development groups, tribes, & public bodies (cities/counties)	Areas outside the urbanized edge of cities of >50,000 population	To do a feasibility study, provide technical assistance to businesses, provide job training, set up a revolving loan fund, or develop infrastructure	<\$25,000	Grant	Limited funding; tends to go only to neediest areas; cannot be used for regional planning or business attraction	Once-a-year competition at state level
RBOG Rural Business Opportunity Grant	\$2 million (No separate Oregon allocation)	Support economic development planning	USDA makes grants to support general economic growth and planning	Nonprofit economic development groups, tribes and public bodies	Unincorporated areas and cities with <50,000 population	For regional planning, area economic strategy development, technical assistance for businesses and local leadership development	<\$50,000	Grant	Limited funding; grants tend to go only to projects helping the neediest areas	Once-a-year competition at national level
VAPG Value-Added Producer Grant	\$20 million (No separate Oregon allocation)	Support producers in ventures that will increase the return on their agricultural commodities	USDA provides matching grants for value-added ventures	Farmers, ranchers, foresters and fishers; coops; producer groups & joint ventures	No rural area requirement	Grants can be used for planning or working capital to operate value-added ventures; minimum 1:1 match required	≤\$100,000 (planning); ≤\$300,000 (working capital)	Grant	Application requirements are complex, so consult with USDA well in advance of application deadline	Once-a-year competition at national level
SSDPG Small Socially Disadvantaged Producer Grant	\$3.4 million (No separate Oregon allocation)	Foster business success of coops of small, minority agricultural producers	USDA makes grants for technical assistance projects	Coops with ≥75% women or small, minority producers	Areas outside the urbanized edge of cities of >50,000 population	For feasibility or market studies, product improvement, training or legal advice.	≤\$175,000	Grant	Preference for experience and projects that help the most farmers and smaller, poorer communities	Once-a-year competition at national level
RCDG Rural Coop Development Grant	\$7.9 million (No separate Oregon allocation)	Support centers to assist cooperatives	USDA makes grants to centers for rural cooperative development	Universities and nonprofit economic development groups	Areas outside the urbanized edge of cities of >50,000	To operate centers that assist rural cooperatives	\$250,000 to ≤\$300,000	Grant	Limited funding; grants tend to go to projects helping the neediest areas	Once-a-year competition at national level

BUSINESS & COOPERATIVE PROGRAMS (CONTINUED)

USDA Program	Funding	Purpose	Program Type	Eligible Applicants	Eligible Areas	Authorized Purposes	Typical Amount of Assistance	Rates & Terms	Key to Success	When to Apply
REAP Grants Renewable Energy & Efficiency Projects	\$36 million (\$539,000 Oregon allocation)	Financing for renewable energy systems or energy efficiency improvements	USDA makes grants to small, rural businesses and farmers	Rural small businesses (using SBA definition) and agricultural producers	Areas outside the urbanized edge of cities of >50,000 population	Renewable energy systems (wind, solar, biomass, biofuel, micro-hydro) or energy efficiency installations	\$500,000 for renewables; ≤\$250,000 for efficiency (25% of project cost or less)	Grant	Complex application, so consult with USDA well in advance of deadline; grants ≤ \$20,000 are strongly favored	Applications invited annually in the spring; award via national competition
REAP Loan Guarantees Rural Energy Guaranteed Loan	\$46 million (\$674,000 Oregon allocation)	Provide incentive for business lending for renewable energy or efficiency improvements	USDA guarantees business loans made by banks to small businesses and agricultural producers	Banks and other commercial lenders who make loans to rural businesses	Areas outside the urbanized edge of cities of >50,000 population	The loans guaranteed can be used for the purchase and installation of renewable energy systems or efficiency improvements	60 to 85% loan guarantees on \$5,000 to \$25MM loans	Negotiated by business and lender; fixed or variable rates, usu. near prime (no balloons)	Lender-driven; must have a bank loan that USDA guarantees; may be combined with a REAP grant	Year round
REAP Grants Feasibility Studies	\$3.0 million (No separate Oregon allocation)	Pays part of the cost of a feasibility study for a renewable energy project	USDA makes grants to small rural businesses and farmers	Rural small businesses (using SBA definition) and agricultural producers	Same as REAP grants (above)	Grants to help cover the cost of obtaining a feasibility study from an independent consultant	≤\$50,000	Grant	Competitive national awards	Once-a-year competition at national level
REAP Grants Energy Audit or Renewable Energy Assistance	\$2.4 million (No separate Oregon allocation)	Offsets cost of providing energy project technical assistance to farmers and small rural businesses	Grants to programs providing rural businesses with energy audits or other energy technical help	State or local governments, tribes, colleges, or electric coops and publicly owned utilities	Same as REAP grants (above)	Grants to defray part of the cost of conducting detailed energy studies for rural businesses (business is expected to pay 25% of cost)	≤\$100,000	Grant	Very competitive; experienced multi-county or statewide programs favored; cost per audit of ≤\$2,000	Once-a-year competition at national level
\$9005 Advanced Biofuel Payment	\$85 million (No separate Oregon allocation)	Provide an incentive payment to producers of advanced biofuels	USDA makes a payment based on the production level of the producer	Rural producers of non-constarch ethanol or biodiesel	Producers outside urban edge of cities >50,000	Incentive payment may be used by the producer as desired	Funds are shared among all enrolled producers per BTU	Incentive payment	Enroll in the program during the annual sign-up period	Once-a-year sign-up at the State Office level.
RED Loan Rural Economic Development Loan	\$33 million (No separate Oregon allocation)	Promote specific business or community development projects improving the local economy	USDA makes loans to certain utilities that are in turn rebalanced for local community or business projects	Electric and telephone utilities financed by USDA's Rural Utilities Service	Areas outside the urbanized edge of cities of >50,000 population	The RED Loan is rebalanced by the coop to a non-farm business for real estate and equipment	\$740,000 loan maximum	Loan is 0%, 10 years; rebalanced at 0%, 10 years	Requires a community-oriented utility coop willing to borrow and relend on the project's behalf	Year round with a quarterly competition at national level
RED Grant Rural Economic Development Grant	\$10 million (No separate Oregon allocation)	Promote specific community development projects to improve the rural economy	Grants to certain utilities to capitalize a revolving loan fund for community projects	Electric and telephone utilities financed by USDA's Rural Utilities Service	Areas outside the urbanized edge of cities of >50,000 population	Grant is used to set up a revolving loan fund; at first, loans must be for community, education or health care projects	\$300,000 grant maximum	Grant	Requires a community-oriented utility coop willing to oversee a loan fund; requires 20% match	Year round with a quarterly competition at national level

More information on all of these programs is available online at www.RuralOregon.biz. Or, contact a specialist directly:

All Programs	Statewide	Jeff Deiss	Program Director	503-414-3367	Jeff.Deiss@or.usda.gov
Energy Programs	Statewide	Don Hollis	Energy Coordinator	541-278-8049 x129	Don.Hollis@or.usda.gov
B&I, VAPG	Statewide	Dan Streng	Program Specialist	503-414-3368	Dan.Streng@or.usda.gov
IRP, Revolving Loans	Statewide	Paul Cormier	Program Specialist	503-414-3365	Paul.Cormier@or.usda.gov
VAPG, Coops, RCDG	Statewide	Martin Zone	Program Specialist	503-414-3361	Martin.Zone@or.usda.gov
RBEG, RBOG	Statewide	Julie Stedman	Program Specialist	503-414-3366	Julie.Stedman@or.usda.gov
Roseburg Area	Coos, Curry, Douglas, Jackson & Josephine Counties	Deanna Quimby	Area Specialist	541-673-0136 x120	Deanna.Quimby@or.usda.gov
Corvallis Area	Benton, Clackamas, Clatsop, Columbia, Lane, Linn, Lincoln, Marion, Multnomah, Polk, Tillamook, Washington & Yamhill Counties	Tom Simonson	Area Specialist	541-750-7051	Tom.Simonson@or.usda.gov
Redmond Area	Crook, Deschutes, Harney, Hood River, Jefferson, Klamath, Lake, Sherman & Wasco	Curt Dixon	Area Specialist	541-923-4358 x125	Curt.Dixon@or.usda.gov
Pendleton Area	Baker, Gilliam, Grant, Malheur, Morrow, Umatilla, Union, Wallowa and Wheeler	LaDonn McElligott	Area Specialist	541-963-4178 x103	LaDonn.McElligott@or.usda.gov

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