

# PROGRESS REPORT 2013



Photo courtesy of the  
Sisseton Wahpeton Sioux Tribe

## INVESTING IN A STRONGER RURAL ECONOMY



USDA RURAL DEVELOPMENT  
SOUTH DAKOTA

## Committed to the Future of Rural Communities



**Elsie M. Meeks**  
**State Director**

### **Message from the State Director**

From sequestrations cuts to continuing resolutions, it is always an unpredictable journey at USDA. Yet, in spite of the ups and downs, I am still immensely proud to be at the helm of such a great agency in the best state (my opinion) in the union. We have some of the best, most dedicated staff at USDA in South Dakota (again, my opinion, but I am qualified to say so). I am also thankful to Secretary Vilsack and President Obama for fighting for the needs of our rural communities.

And while I am giving accolades – our partners in South Dakota are amazing! With dwindling staff due to federal budget cuts, we have to rely on our community partners more and more. One of the initiatives that best demonstrates partnerships is the South Dakota Native Homeownership Coalition (SDNHOC) that was launched this year! South Dakota has been designated

as a Strike Force state by the Secretary of Agriculture. This means we are to focus our efforts on better serving our Native communities. Although, some tribes have been successful in utilizing most of our programs, not all have been – especially, in the area of single family housing. To begin to address this, many entities across South Dakota, including, the Governor’s Office, SD Housing Development Authority, SD Office of Tribal Relations, banks, federal agencies, housing and community development organizations and tribal organizations formed SDNHOC to begin to break down barriers and build opportunities so that all of our residents in South Dakota have the chance to become homeowners. How cool is that!?

Once I start “bragging” I can’t stop. We work with so many small, wonderful communities throughout South Dakota. There are so many committed people in these communities that put forth great effort to develop and operate rural water and wastewater rural systems and in order to deliver safe-drinking water and waste treatment. One water district out of necessity is trenching 87 miles of pipe for approximately 350 users of whom many currently are forced to haul water to their homes to maintain an adequate water supply. And, these water systems, in turn, are helped by organizations like the South Dakota Rural Water Association. Then, of course, there are the community leaders that work to maintain home-town businesses and medical facilities in order to keep their small, rural communities thriving. I have not yet mentioned our bank partners in South Dakota that serve as the primary lenders to businesses and home-buyers. Many of them utilize Rural Development Guarantees in order to provide better financing for their customers.

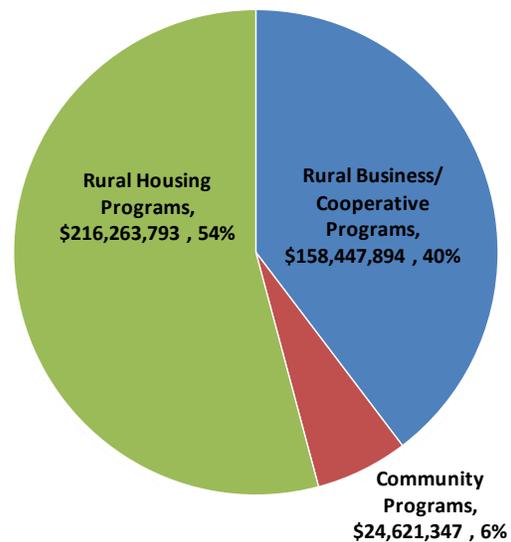
It is true that USDA Rural Development has great programs that serve almost every need in our rural communities, but is also true that we would not be able to get the funding out if it weren’t for our partners.

So, here’s to you South Dakota! Rural Development staff, community and business leaders, bankers, South Dakota State staff and officials – Thank You!!

# 2013 PROGRESS REPORT

## USDA Rural Development Funding Activity - South Dakota

In 2013, USDA Rural Development Invested \$399,333,034 in Rural South Dakota



### *USDA Rural Development Making an Impact in Rural South Dakota Communities*

Assisted **27** businesses and created or saved more than **456** jobs in rural South Dakota

Provided financial assistance to **21** rural South Dakota communities by providing nearly **\$6.8** million in financing

More than **1,527** South Dakotans utilized USDA's Guaranteed Rural Housing Loan Program to purchase a home

Partnered with **32** small businesses and agricultural producers in South Dakota to install renewable energy or energy efficiency systems

**2,623** rural South Dakotans benefitted from enhanced water and sewer system infrastructure

Invested nearly **\$17.7** million in critically needed community services for rural South Dakotans

# BUSINESS & COOPERATIVE PROGRAMS

## Investing in Rural Businesses



Lakota Foods Plant - Part of the Lower Brule Farm Corporation  
Lower Brule, SD

USDA Value-Added Agricultural Product Market Development Grant (VAAPMDG) Recipient



Helping community leaders identify ways to improve economic opportunities in rural America is a leading emphasis at USDA Rural Development.

Through a variety of job-creation programs the agency partners with private and community-based organizations to create and preserve quality jobs in rural communities and move America forward.

USDA Rural Development’s Business and Industry (B&I) guaranteed loan program helps back the business of rural America by providing protection and incentives to lenders. In turn, businesses benefiting from a loan guarantee have a better chance of receiving the financing and terms they need so they can thrive.

USDA Rural Development has a long-standing initiative that assists rural electric and telephone cooperatives and community-development organizations in their efforts to improve the rural economy.

The agency also assists small businesses and producers through its Rural Energy for America Program (REAP) that provides financial assistance when energy-efficiency improvements are made to reduce energy costs or when renewable energy systems such as wind turbines, geothermal and solar are installed.



BUSINESS PROGRAMS	2013
Advanced Biofuel Payment	\$21,097
Business and Industry Loan Guarantee (B&I)	\$24,340,178
Renewable Energy and Energy Efficiency Program (REAP)	\$1,099,380
Rural Business Enterprise Grants (RBEG)	\$478,398
Rural Economic Development Loans and Grants (REDLG)	\$1,401,000
Intermediary Relending Program	\$750,000
Rural Business Opportunity Grant	\$222,481
Rural Cooperative Development Grant	\$200,000
Small Minority Producer Grant	\$200,000
Value Added Development Grants	\$300,000
Rural Microentrepreneur Assistance Program	\$75,360
Rural Utilities Service Loans to Electric/ Telephone Cooperatives	\$129,360,000
<b>TOTAL</b>	<b>\$158,447,894</b>

Pictured at top right - The Value Added Agriculture Development Center received a Rural Business Enterprise Grant (RBEG) in the amount of \$99,950 to assist small and emerging private businesses in Shannon County. This project is located in the StrikeForce region and a persistent poverty county. The StrikeForce initiative is to increase partnerships with rural communities and leverage community resources in targeted, persistent poverty communities.

# COMMUNITY PROGRAMS

## Investing in Rural Communities



Hand County Memorial Hospital  
Miller, SD

Hospital addition and renovation was completed in June 2013. The project was made possible thanks to a \$3.5 million Community Facility loan through the American Recovery and Reinvestment Act (ARRA) from USDA.



The U.S. Department of Agriculture Rural Development's Community Programs offers direct and guaranteed loans and grants to finance and facilitate the development of more than 80 different types of essential community facilities including water and sewer projects.

These include hospitals, nursing homes, health clinics, child care centers, police, fire or rescue facilities, equipment or vehicles; libraries; and municipal or county buildings.

Applicants must have the legal authority to borrow and repay loans, to pledge security for loans, and construct, operate, and maintain the facilities. They must also be financially sound and able to organize and manage the facility effectively.

Contact Rural Development for information about programs and advice on how to assemble information to determine engineering feasibility, economic soundness, cost estimates, organization financing, and management matters. We can also help with your application.



Bear Butte Valley Water, Inc., a recently established non-profit corporation, is building a new rural water system with the assistance of a USDA Rural Development water and environmental loan of \$2,917,000 and a grant of \$2,000,000.

Our mission is to increase economic opportunity and improve the quality of life for all rural South Dakota residents.

COMMUNITY PROGRAMS	2013
Community Facilities Loans, Grants and Guarantees	\$6,388,240
Economic Impact Initiative	\$74,460
Community Facilities Tribal College Grants	\$376,647
Water and Environmental Loans, Grants and Guarantees	\$17,782,000
<b>TOTAL</b>	<b>\$24,621,347</b>

# HOUSING PROGRAMS

## Investing in Rural Housing



Crow Creek Sioux Tribe, USDA Rural Development, and GROW South Dakota signed a Memorandum of Understanding that will streamline the process towards increased homeownership on the Crow Creek Indian Reservation.

“What we do today can make a difference for tomorrow. By working together, we support the betterment of our Tribe as we know housing is much needed on our reservation,” said Chairman Brandon Sazue, Sr.



While the past few years have been a financial challenge for many Americans, the goal of achieving the American Dream of homeownership remains strong.

USDA Rural Development has two low-interest, no-down-payment loan programs to help eligible families living in rural communities and areas purchase new or existing homes. Loans, and some grants, are also available to help families make needed repairs to their homes.

Eligible homes must be located in a rural area and/or community of generally less than 20,000. In most cases, a family of four with an adjusted annual income of up to \$74,750 may qualify for the agency’s guaranteed home loan program. If that same family of four’s adjusted annual income is less than \$46,800 they may also qualify for a direct loan from the agency. For income eligibility, please contact one of the local USDA Rural Development offices identified on the last page of this report.

USDA Rural Development also provides financing for 344 apartment complexes in rural South Dakota. These complexes provide rural residents with access to more than 6,134 apartments. Rent in the apartments is based on income, and rental assistance may be available depending on the income of the tenant.



Through a partnership between USDA Rural Development, GROW South Dakota, Homes Are Possible, Inc., and the HUD voucher program delivered through Mobridge Housing and Redevelopment, Eileen Crowfeather became a new homeowner.

“As the realization that I could afford my own home settled in, I began to feel secure,” said new homeowner Eileen Crowfeather. “Actually, I feel great! This definitely has been a release of worry. I feel much calmer; owning my own home is fantastic and I can fix it up as I please.”

HOUSING PROGRAMS	2013
Direct Single Family Housing Loans	\$7,050,268
Guaranteed Single Family Housing Loans	\$195,359,066
Single Family Housing Rehabilitation Loans and Grants	\$267,427
Housing Preservation Grant	\$50,000
Rental Assistance	\$13,220,568
Multi-Family Voucher Assistance Program	\$316,464
<b>TOTAL</b>	<b>\$216,263,793</b>

## Success Stories

### USDA Native Homeownership Coalition

A diverse group of stakeholders formed the Native Homeownership Coalition in June 2013.

The Coalition is a partnership of Federal and State agencies, Housing Development Authorities and non-profit entities that share the common goal of improving Native homeownership in South Dakota. South Dakota USDA Rural Development State Director Elsie Meeks stated "We strive to advocate and strengthen families and Native communities through homeownership; it isn't often that the Native and non-native housing organizations get to learn from each other."

Colleen Steele, Executive Director of Mazaska Owecaso Otipi Financial, shared the importance of the Coalition offering, "The Coalition lets housing authorities and resource providers connect with each other and see what other tribes are doing. It makes me realize what could be possible for our tribe. "



### Partnership Brings Homeownership to Rural Areas Through Strong Alliance



Rural Development joined Inter-Lakes Community Action Partnership (ICAP) to celebrate their accomplishments in expanding homeownership opportunities through USDA's Mutual Self-Help Housing Program. ICAP was awarded \$438,806 in technical assistance to support their continued participation in the program.

In conjunction with Homeownership Month held in June of 2013, three homes were toured in Brookings. This development site completed 14 self-help homes with an expansion of seven additional units to be completed in 2014.

"USDA Rural Development has a long history of providing assistance to improve homeownership opportunities in rural South Dakota," said Meeks. This is a tremendous program which provides affordable housing opportunities. With the assistance of our partners, including ICAP, USDA's Mutual Self-Help Housing program builds homes, neighborhoods, and communities."

# 2013 PROGRESS REPORT

## USDA Provides Essential Capital to Businesses that Enables Rural Communities to Thrive



In 1978, the Northeast South Dakota Economic Corporation (NESDEC, also known as GROW South Dakota) was created to assist northeast South Dakota in business ownership, business development and job creation in low income and rural communities. To achieve these goals a revolving loan fund was established to provide an affordable financing option for new, and existing, small business owners. As demand grew, additional capital was needed to facilitate the expansion of the revolving loan fund.

USDA's Intermediary Relending Program (IRP), Rural Business Enterprise Grants (RBEG), Rural Business Opportunity Grants (RBOG) and the Rural Microentrepreneur Assistance Program (RMAP) have been valuable partners in funding the continued expansion and shared success of the revolving loan fund. The funds from USDA have enabled rural communities in South Dakota access to low-interest loans that may not

otherwise have been available.

In 2013, NESDEC closed 72 loans advancing a one-year record of \$4.5 million. The same year NESDEC celebrated its 35<sup>th</sup> anniversary. In 35 years, 1,756 loans were made to 1,075 different businesses totaling \$52.7 million loaned and \$244.6 million leveraged. In the process, NESDEC helped create or retain 9,367 jobs.

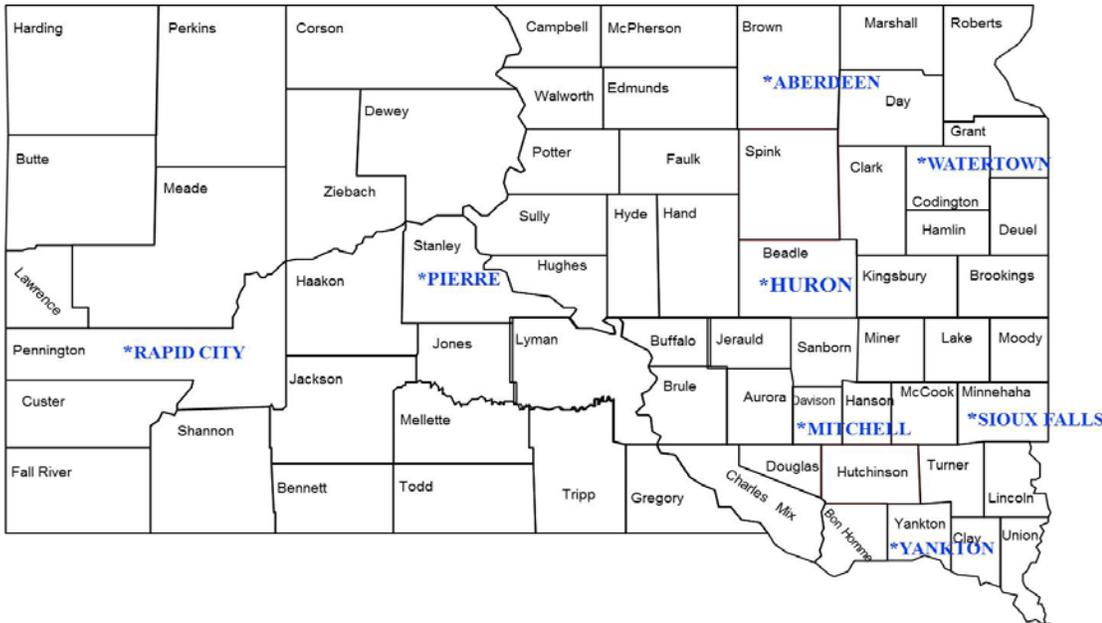
USDA's partnership with GROW South Dakota has provided essential capital to businesses that enables rural communities in northeast South Dakota to thrive.

## USDA Helps to Expand Major Paleontological Site's Educational Impact on Community and Visitors

The Mammoth Site located in Hot Springs, SD is the recipient of a USDA Community Facility loan of \$862,100 that will be leveraged with a HUD grant of \$137,969 and local/regional contributions of \$369,703 for a new learning center /theater. The new 5,800 square foot addition will feature a new entryway, gathering area, storage and two 53 - seat theaters. The theaters will allow visitors to experience an introductory video. It also will allow for lectures by scientists , available to local clientele, visitors, and school groups.



# CONTACT USDA RURAL DEVELOPMENT IN SOUTH DAKOTA



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