

to the Enterprise Hometown Improvement Group to contract for a comprehensive feasibility study and real estate appraisal to determine if commercial development of the historic Enterprise Mercantile and Milling Company Building is advisable.

Rural Business Opportunity Grant Program (RBOG): 3grants=\$135,000. This funding provides for technical assistance, training and planning activities that improve economic conditions in rural areas. RBS designed this program to promote sustainable economic development in rural communities. During FY 2002, grants were awarded to the Burns-Piaute Tribe, \$35,000; Baker City, \$50,000; and the Klamath Tribes, \$50,000.

Office of Community Development

The Josephine County Enterprise Community

The enterprise community was designated in 1994. It consists of the northern part of Josephine County under the jurisdiction of the Sunny Wolf Community Response Team and the southern part of the county under the jurisdiction of the Illinois Valley Community Response Team. This year more than \$588,000 in rural housing funds were allocated to the enterprise community.

Community Outreach

We take great pride in the time and energy invested by our staff in local, regional and statewide organizations involved in rural development. Our staff members continue to work with a statewide needs and issue partnership that determines project funding based on the priorities set by individual counties.

USDA Rural Development
101 SW Main, Suite 1410
Portland, OR 97204
503-414-3300
866-923-5626 (toll free)
<http://www.rurdev.usda.gov>

In addition to our state office in Portland, we have six service centers conveniently located throughout Oregon.

Salem USDA Service Center	(503) 399-5741 ext. 4
Eugene USDA Service Center	(541) 465-6443 ext. 4
Roseburg USDA Service Center	(541) 673-0136 ext. 4
Medford USDA Service Center	(541) 776-4270 ext. 4
Redmond USDA Service Center	(541) 923-4358 ext. 4
Pendleton USFDA Service Center	(541) 278-8049 ext. 4

2002 USDA Rural Development investments in rural Oregon include:

Single Family Housing	
■Section 502 transfer/assumptions	\$ 3,467,639
■Section 502 Direct Loan Program	\$ 18,521,631
■loan payment interest assistance	\$ 7,207,528
■Section 502 Guaranteed loan Program	\$ 37,635,026
■Section 504 Housing Rehabilitation Program	
loans	\$ 319,017
grants	\$ 436,121
■Non-Program Credit Sales	\$ 257,827
■Self-Help Technical Assistance Grant	\$ 321,610
■Josephine County Enterprise Community housing	\$ 160,722
Total Single Family Housing Programs	\$68,327,121
Multifamily Housing	
■Rental Housing Rehabilitation Loans	\$ 65,000
■Rental Housing transfers/assumptions/rehab	\$ 1,303,467
■Farm Labor Housing Rehab Loans and Grants	\$ 3,561,590
■Farm Labor Housing Loans & Grants	\$ 7,197,145
■Housing Preservation Grants	\$ 87,708
■Rental Assistance Payments	\$ 10,033,126
Total Multifamily Housing Programs	\$ 22,248,036
Rural Utilities Service	
■Water and Waste Direct Loan Program	\$ 12,345,020
■Water and Waste Direct Grant Program	\$ 11,839,404
■Community Facilities Direct Loans	\$ 5,738,680
■Community Facilities Guaranteed Loans	\$ 2,835,000
■Community Facilities Grant Program	\$ 538,680
Total RUS Programs	\$ 33,296,784
Rural Business-Cooperative Service	
■B&I Guaranteed Loan Program	\$ 11,794,700
■Intermediary Relending Program	\$ 1,200,000
■Rural Business Enterprise Grant Program	\$ 1,398,500
■Rural Business Opportunity Grant Program	\$ 135,000
Total RBS Programs	\$14,528,200
Grand Total USDA Rural Development	\$138,400,141



Fiscal Year 2002
USDA-Rural Development
Oregon Annual Report

“I commit USDA Rural Development to administer all our programs and policies fairly...”
Thomas C. Dorr
Under Secretary for Rural Development

Message from State Director Lynn Schoessler

Fiscal Year 2002 was another productive year for USDA Rural Development in Oregon. During the year, we invested more than \$138 million in rural Oregon. Our investment, both in the amount of money and hours spent by field staff, continues to meet one of the greatest challenges facing rural Oregon: how to preserve the qualities of rural life while simultaneously supporting a sustainable economic strategy.

Developing sustainable communities in rural Oregon has been and continues to be one of our greatest challenges. Oregon’s USDA Rural Development employees continued to take the lead in developing new ways to provide much needed services to rural customers. We are finding new ways to bring fresh ideas and resources to local communities and creating an environment that allows local communities to make a difference in the lives of their residents.

In fiscal year 2002, Rural Development placed more than \$91 million in housing grants, loans and loan guarantees in Oregon. The funds financed farm labor housing, affordable home ownership, multi-family housing preservation, repair of homes owned by the elderly, and subsidy for rental housing tenants.

Through our community programs administered by our Rural Utilities Service (RUS) staff, we distributed more than \$33 million in loans and grants to construct wastewater treatment plants and install water distribution systems. The Community Facilities programs administered by RUS in Oregon have financed construction of rural fire fighting facilities, emergency service buildings and other community buildings.

Our business programs worked to retain and create 543 jobs, while investing more than \$14,000,000 in loans and grants. Our business staff, which spends countless hours facilitating strategic plans and providing resource information, helped communities, businesses and non-profits chart new and prosperous directions.

LYNN SCHOESSLER
State Director

Rural Housing Program \$90,575,1571

The housing program of USDA Rural Development provides a range of opportunities for home ownership and home ownership improvement loans for individual and rural residents.

Home Ownership: Through the direct loan program and the guaranteed loan program, USDA Rural Development has been able to make the dream of homeownership in rural Oregon a reality. During Fiscal Year 2002, the Rural Housing Service staff assisted the dream of home ownership in rural Oregon by processing 599 loans, loan guarantees or grants. Our direct and guaranteed housing programs invested more than \$61,119,596 in rural Oregon. This is in

addition to \$7,207,528 in payment assistance to existing low-income borrowers.

Home Repairs: For very low income homeowners—especially senior citizens—who need essential repairs, access modification, or weatherization, we offer 1 percent loans up to \$20,000, and can offer grants to elderly households based on need. This past year we helped 128 households and provided a total of \$755,139 in loans and grants to Oregonians in need. One participant in the program was an elderly woman in Central Oregon. She was eligible for a \$7,500 grant and \$5,680 loan package. The financial package provided indoor plumbing, hot water and a septic system.

Self-Help Technical Assistance: Through our innovative self-help housing program, homes become more affordable because low and very low income families perform 65 percent of the labor needed to construct their homes. The family’s investments or “sweat equity” reduces the total amount borrowed. Grants are awarded to nonprofit and local government organizations that provide technical assistance. During Fiscal Year 2002, \$321,610 in technical assistance grants was awarded to the Yamhill Community Development Corporation and Community Action Team, Inc. of St. Helens.

Rental Assistance Program: The Multi-Family Housing Program provides support to those rural communities and customers with the greatest need in rural Oregon. Through the Rental Assistance Program, nearly \$22,673,091 is dispersed annually to project owners, on behalf of the tenants.

Multifamily Housing: A portfolio of more than 6,237 units throughout Oregon received project-based rental assistance subsidies so that 3,830 families do not pay more than 30 percent of their income for housing costs. We are making every effort to expand this base of affordable units through our Section 515 Loan Program.

Farm Labor Housing: In FY 2002, USDA RD in Oregon was able to fund three farm labor housing projects (74 units) with \$7,197,145 in loans and grants. At the same time, we helped to rehabilitate 254 units of farm labor housing at four projects in rural Oregon.

Rural Utilities Service \$33,296,784

Rural Development, through the Rural Utilities Service, provides funding to communities and non-profit organizations for essential community services such as childcare, education, fire and rescue, transportation, and water and sewer systems. In Oregon, we also provide technical assistance to communities in solid waste management and operation of waste and wastewater systems.

Community Facilities Loans, Grants and Loan Guarantees: \$9.11 million was awarded to 16 communities and nonprofit organizations. The Rural Utilities staff administers the community facilities program in Oregon, although

it is funded through the Rural Housing Service. The funds helped finance a wide variety of community facilities including an assisted living center, a safe house for abused women, medical clinics, a library, emergency medical equipment, fire trucks and ambulances, and community buildings. We are proud to have assisted the Illinois Valley Safe House Alliance in the construction of a six-bedroom safe house facility with office space, counseling area, a common kitchen, living room and laundry room.

Water and Wastewater loan and grant programs: \$24.18 million in loans and grants were awarded to 17 communities to build, improve or expand public water and sewer facilities. This included up to date and safe community water systems for the cities of Wheeler, Moro, Adair Village and the Pine Grove Water District. Communities receiving new or expanded wastewater treatment facilities included the cities of Shady Grove, Irrigon, Waldport, Harrisburg, Sisters and Sumpter. We also worked with the Burns Paiute Tribe and the Confederate Tribes of the Umatilla Indian Reservation. As a result of our efforts more than 22,000 rural Oregonians received the benefits of safe drinking water, sanitary wastewater treatment facilities and solid waste facilities.

Business Programs \$14,528,200

Guaranteed Loans: Our business and Industry Loan program helped banks finance high quality businesses that will create and retain quality jobs in rural Oregon. In FY 2002, we guaranteed \$11,794,700 in loans. Participating lenders included Siuslaw Valley Bank and Columbia River Bank.

Intermediary Relending Program (IRP): 3 loans=\$1,200,000. The three IRP loans concluded during FY 2002 were supplemental loans of \$500,000 to the Greater Eastern Oregon Development Corporation, \$500,000 to the Lane Council of Governments, and \$200,000 to the Curry Economic Development Corporation. Overall the IRP program in Oregon currently stands at \$34,168,865 in IRP loans to 14 nonprofit agencies throughout rural Oregon. The IRP total has leveraged \$72,275,417 in additional funding and created or retained 3,252 jobs at an average cost of \$9,690 per job.

Rural Business Enterprise Grant Program (RBEG): 10 grants=\$1,398,500. Rural Development, through the Rural Business and Cooperative Service program, awarded \$1,398,500 in grant assistance. The grants included \$152,500 to the Burns Paiute Tribe and \$150,000 to the Confederated Tribes of the Umatilla Indian Reservation. We were pleased to again support Oregon Public Broadcasting with \$400,000 in grants to continue its series on rural Oregon. The RBEG program also awarded grants to Southern Oregon Women’s Access to Credit, Confederated Tribes of the Warm Springs Indian Reservation, Greater Eastern Oregon Development Corporation, Sunny Wolf Community Response Team, the Port of Gold Beach, and Southern Oregon Regional Economic Development Inc. A \$99,000 RBEG grant was awarded