



**Notes from meeting with USDA Rural Development DC official, Ms. Tammye Trevino,
Administrator for Rural Housing Services and Community Facilities, and Jim Nordlund,
USDA RD Alaska Director
June 8, 2013**

Participating Agencies:

Sitka Community Development Corporation – *Mim McConnell, Randy Hughey, Dorrie Farrell, Michael LaGuire*
Baranof Island Housing Authority – *Bart Meyer*
Easter Group – *Dorrie Farrell, Mim McConnell*
Sitka Economic Development Association – *Linda Wilson*
City of Sitka – *Mim McConnell, Jay Sweeney*
Sitka Tribe of Alaska – *Michael Baines, Woody Widmark, Ted Wright*
Paxton Manor/Swan Lake Terrance – *Brian Massey*
Local Food Network – *Linda Wilson, Kiki Lamade*
USFS – *Carol Goularte*
USDA RD – *Keith Perkins, Marsha Lysons*

The Strike Force Initiative is to build partnerships so Rural Development (RD) can help us with resources. It's not set-aside priority money – it's having equal or better access to programs.
<https://prod.nrcs.usda.gov/wps/portal/nrcs/detailfull/national/home/?cid=STELPRDB1047301>

CLT

CLTs are new to RD. RD can't separate land from building costs, per statute. This would need to be changed by Congress.

Programs

502 Program: no down payment, low interest loan; can be long term loans, such as 30 years. HUD determines AMI. This program the person qualifies if income is 115% of AMI.

RBG or RBO (?) Programs: could provide seed money, i.e. \$50,000

New Program (name?): providing client assistance: good for sustainability factor. SCDC would become certified through RD in helping clients by packaging their loans. We could charge \$1500 per application. Also includes providing credit counseling, etc.



Not sure which program this one is: There is \$10M for the next FY. \$35K is the top amount an agency can receive.

Community Facilities (CF) Program: This is a negative subsidy program – the program pays for itself. It's not costing Congress anything. It is a low interest loan program. It would work great for the community greenhouse program. Or the city could apply and use it for sidewalks, fire hydrants, buildings, things that are essential. It could also be used for the Homeless Shelter. Current interest rate is low: 3.25% (adjusted quarterly). The loan program has plenty of money with low interest: \$2B in next FY. Long term loans, i.e. 20 -30 yrs is fine.

515 Program: funds will be used to rehab housing for next 3-4 years. This is affected by rental assistance subsidy which has been decreasing. No new multi-housing units are being constructed until old units are rehabbed.

538 Program: 158% of AMI loan program. New. Used with low income tax credits. Another negative subsidy program.

502 Guarantee and Direct Programs: both fully funded (negative subsidy).

Mutual Self-Help Program: funds are used for administration costs and tools. RuralCAP is finishing up two projects in Alaska. It's like Habitat for Humanity – sweat equity. All homes are developed before anyone can move in. No funding available for this now.

Rural Community Development Initiative: could work for CLT. Keith will contact Randy Hughey about this. This is used to pay for technical work.

Another idea being done on a trial basis down south: RD asks city to put in infrastructure (upfront costs) in a RD project and this LID goes to the city. Works on small scale.



NEWS RELEASE

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Secretary Vilsack Launches USDA "StrikeForce" Initiative to Boost Rural Economic Growth and Opportunity

COLUMBIA, South Carolina, March 26, 2013—Agriculture Secretary Tom Vilsack today announced that the U.S. Department of Agriculture will launch its "StrikeForce" initiative in 10 additional states, including South Carolina. The primary goal of the StrikeForce initiative is to increase partnership with rural communities and leverage community resources in targeted, persistent poverty areas. Vilsack noted that through the StrikeForce initiative, USDA will do more to partner with local and state governments and community organizations on projects that promote economic development and job creation.

"During my travels across the country, I've heard mayors and other community leaders say they have a hard time competing for USDA loan and grant programs. They have a plan to develop a new business or create jobs in their regions, but they lack development capital and they view our application and review processes as a barrier," said Vilsack. "StrikeForce changes that. By increasing outreach and technical assistance to communities, we can serve as better partners and help better leverage resources."

The "StrikeForce" initiative started as a pilot project in 2010 in selected regions in three states: Arkansas, Georgia and Mississippi. In 2011 it was expanded to include Colorado, New Mexico and Nevada. In 2013, Secretary Vilsack announced new efforts to bring the StrikeForce for Rural Growth and Opportunity to Alabama, Alaska, Arizona, North Carolina, North Dakota, South Carolina, South Dakota, Texas, Utah and Virginia.

USDA identifies census tracts with over 20 percent poverty (according to American Community Survey data) to identify sub-county pockets of poverty. As areas of persistent poverty are identified, USDA staff work with state, local and community officials to increase awareness of USDA programs, and help build program participation. Vilsack noted that often USDA conducts special outreach activities in an area, and that since 2010, USDA has partnered with over 400 local community based organizations to promote local or regional development projects.

Secretary Vilsack also discussed how the StrikeForce initiative has already had an impact across the nation.

- In Arkansas, StrikeForce is tackling food insecurity and access to healthy food. USDA established a partnership with Heifer International through the East Arkansas Enterprise Community. This partnership is developing a sustainable food system in order to address existing food deserts in a nine-county area in the Mississippi Delta region.
- In Nevada, StrikeForce is improving access to farm programs in Indian Country. USDA has partnered with the Indian Nations Conservation Alliance, Nevada Department of Agriculture and local extension services to promote locally grown food on Tribal lands in Nevada.
- In Georgia, USDA is collaborating with Fort Valley State University to provide technical assistance to develop a cooperative business structure in the Georgia goat industry.
- In New Mexico, StrikeForce is helping more children get a healthy meal when school's out. USDA partnered with New Mexico Collaborative to End Hunger, Share Our

Strength and Dairy Max to fund its first mobile Summer Food Service Program bus, delivering meals to 45,000 children each summer weekday at 700 partner sites.

Vilsack also noted that Farm Service Agency direct lending in StrikeForce areas saw an increase last year, even as lending by the agency nationwide was down slightly.

"The StrikeForce Initiative is helping us direct additional resources to better serve producers in persistent poverty rural communities," said Vilsack. "We are focusing on these identified high poverty areas to help improve the quality of life of producers and their communities and to accelerate implementation of conservation practices on their land."

Participants in the StrikeForce include The Natural Resources Conservation Service, Rural Development, the Farm Service Agency, the Food and Nutrition Service and the USDA Office of Advocacy and Outreach.

Visit www.usda.gov/StrikeForce to learn more.

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United States Department of Agriculture

StrikeForce for Rural Growth and Opportunity



Rural Americans face many unique challenges and every day, the U.S. Department of Agriculture provides assistance to help rural communities prosper. Unfortunately, 90 percent of America’s persistent poverty counties are in rural America – and we can’t allow these areas to be left behind.

In 2010, USDA launched the StrikeForce for Rural Growth and Opportunity – an effort to leverage partnerships in poverty-stricken rural areas to ensure that every community has equal access to USDA programs. USDA piloted the StrikeForce initiative in 2010 in the states of Arkansas, Georgia and Mississippi. In 2011, StrikeForce expanded to the Southwest, adding Colorado, New Mexico and Nevada.

In 2013, Secretary Vilsack announced new efforts to bring the StrikeForce for Rural Growth and Opportunity to Alabama, Alaska, Arizona, North Carolina, North Dakota, South Carolina, South Dakota, Texas, Utah and Virginia.

Encouraging Growth, Creating Opportunity, Increasing Participation

USDA’s StrikeForce aims to increase investment in rural communities through intensive outreach and stronger partnership.

USDA partners with rural communities and regions on locally-supported projects. USDA takes steps, in partnership with the community, to provide technical assistance and explanation as needed to ensure that communities can fully access USDA programs.

Local Community Based Organizations are critical to this effort. Since 2010, USDA has partnered with over four hundred of these organizations – congregations, volunteer organizations, nonprofits and others.

Working In Partnership with Communities

- In Arkansas, StrikeForce is tackling food insecurity and access to healthy food. USDA established a partnership with Heifer International through the East Arkansas Enterprise Community. This partnership is developing a sustainable food system in order to address existing food deserts in a nine-county area.

- In New Mexico, USDA is increasing homeownership opportunities for families living in the Colonias communities of Luna, Hidalgo and Dona Ana Counties along the U.S./ Mexico border. USDA worked with Southwest Regional Housing and Community Development Corporation and Tierra del Sol Housing to increase the number of USDA home loans provided in these areas from 22 in 2011 to 58 in 2012 and already has 36 loans completed in 2013.
- In Nevada, StrikeForce is improving access to farm programs in Indian Country. USDA has partnered with the Indian Nations Conservation Alliance, Nevada Department of Agriculture and local extension services to promote locally grown food on Tribal lands in Nevada.
- In Georgia, USDA is collaborating with Fort Valley State University to provide technical assistance to develop a cooperative business structure in the Georgia goat industry.
- In New Mexico, StrikeForce is helping more children get a healthy meal when school’s out. USDA partnered with Share Our Strength and Dairy Max to fund its first mobile Summer Food Service Program bus. This bus, together

with other food service programs, helped to deliver 45,000 meals to children each summer weekday at 700 partner sites across the State.

Achieving Meaningful Results

- In 2012, the Farm Service Agency saw an increase in the total number of direct farm loan applications received in StrikeForce areas – even with nationwide applications down 10 percent during that time.
- In the Natural Resources Conservation Service, program applications by underserved producers last year increased an average of 82 percent in StrikeForce areas.
- Last year, the Rural Housing Community Facilities Program obligated a total of \$65 million in StrikeForce areas – a 112-percent increase over 2011.
- In 2012, USDA’s Food and Nutrition Service increased the number of children in StrikeForce states receiving free or reduced price school breakfasts by 7.4%. The agency increased the number of children receiving food assistance through the Summer Food Service Program in StrikeForce states from 10.5 million to 11.3 million.

Getting Involved

As USDA’s StrikeForce for Rural Growth and Opportunity expands in 2013, we foresee many new partnerships ahead. You can learn more about the USDA StrikeForce for Rural Growth and Opportunity at www.usda.gov/strikeforce. You can also contact your state StrikeForce coordinator:

USDA StrikeForce State Coordinators

Alabama:	Ben Malone	ben.malone@al.usda.gov	334-329-1676
Alaska:	Molly Voeller	molly.voeller@ak.usda.gov	907-761-7749
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