



United States
Department of
Agriculture

Rural Development



USDA Rural Development 2018 Performance Report

Together, America Prospers





*Acting Assistant to the Secretary
for Rural Development*
Joel C. Baxley

Together, America Prospers

Dear Rural Partner:

At USDA Rural Development, our mission under the leadership of Secretary of Agriculture Sonny Perdue is to be a catalyst for action to bring opportunity to life. With over 40 programs and a team of dedicated staff in rural communities across the country, we are uniquely positioned to be a strong partner in rural prosperity.

To fulfill this mission, we are focused on boosting economic development to bring prosperity back to rural America. While no two rural communities are the same, targeted financial assistance from USDA Rural Development plays a critical role in creating an environment in which rural prosperity can thrive from east to west, north to south. We believe that access to modern infrastructure is a necessity, not an amenity, for any community to thrive. No matter what ZIP Code you live or do business in, infrastructure is a foundation for quality of life and economic opportunity. And, when we address many of the infrastructure needs in rural America—needs like access to high-speed internet and quality healthcare—many of the other challenges become much more manageable.

From rural broadband to the transportation infrastructure needed to move the many things made, mined, and grown in rural America to market, there is an enormous need for infrastructure development in rural America. This year, we built 14,500 miles of electric transmission and distribution lines to benefit more than 7 million rural customers; we partnered with cooperatives and communities to deliver rural broadband service to 45,000 homes and businesses; and we invested nearly \$3 billion to provide new or improved water and wastewater services to nearly 3 million rural Americans.

USDA has a long history of working alongside a wide range of interests in the public, private, and nonprofit sectors to increase economic opportunity in rural communities. Working through our 47 State Rural Development directors, we want to continue to be a partner in improving quality of life and creating wealth in rural places.

Over the past year, we have worked with the Small Business Administration to increase access to capital in rural America. We have partnered with the U.S. Department of Health and Human Services, Governors, and local elected officials to help rural leaders respond to the opioid crisis. Further, working through our State Rural Development directors, we have partnered with other Federal and State leaders, local government interests, and industry to discuss model practices and explore prospects to maximize the opportunity for natural gas development in rural communities.

From e-Connectivity for precision agriculture to workforce development, the challenges and opportunities in rural America are complex and constantly evolving. We are transforming Rural Development to become more efficient, more effective, and more focused on the needs of our customers.

We are removing red tape that creates barriers to rural prosperity. This year, we launched a major rulemaking to streamline four of our guaranteed lending programs into one common process, helping businesses and community leaders access the capital they need to compete and grow. We are also building capacity at the local level through a new Rural Economic Development Initiative that will provide technical assistance for asset-based planning. And, finally, we are enabling data-driven decision making with the creation of a data analytics and evidence team in the Rural Development mission area.

USDA Rural Development is building prosperity in small towns and rural places across our country. We believe in the promise of rural America and look forward to working with you to seize the many opportunities that lie ahead.

Sincerely,

A handwritten signature in black ink that reads "Joel C. Baxley". The signature is fluid and cursive.

Joel C. Baxley

Acting Assistant to the Secretary for Rural Development

[To learn more, view our full 2018 funding results.](#)

2018

USDA Rural Development Performance Highlights



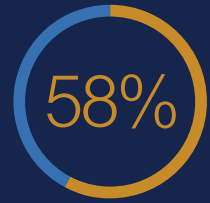
AMERICANS LIVE IN
DISTRESSED AREAS



LIVE IN DISTRESSED
RURAL COMMUNITIES



HIGHER MORTALITY RATE
IN DISTRESSED COMMUNITIES



OF PEOPLE IN DISTRESSED
COMMUNITIES WITH A
HIGH SCHOOL DEGREE ONLY

Our Programs Address Real Challenges

\$3.4B

INVESTED IN
DISTRESSED COMMUNITIES

\$270M

INCREASED FUNDING TO DISTRESSED
COMMUNITIES FROM 2017

\$39M

INVESTED IN RURAL DISTANCE
LEARNING & TELEMEDICINE



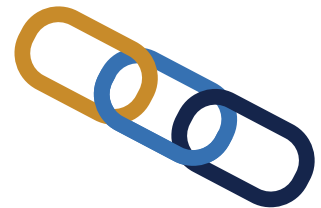
Rural America's Partner To Drive Growth and Innovation



Improving quality of life
for rural Americans with
financing, tools, and resources



**Streamlining four
guaranteed lending programs**
into one common process



Creating partnerships with the
Small Business Administration and
other Federal agencies to increase
access to capital in rural America

Building Strong Reliable Infrastructure

This is crucial to maintain America's competitive edge and to help raise up all Americans



AMERICA IS RANKED

14th

INTERNATIONALLY
IN INFRASTRUCTURE



INVESTING TO REACH

19.2M

RURAL HOUSEHOLDS WITHOUT RELIABLE
HIGH-SPEED E-CONNECTIVITY



IN 2018

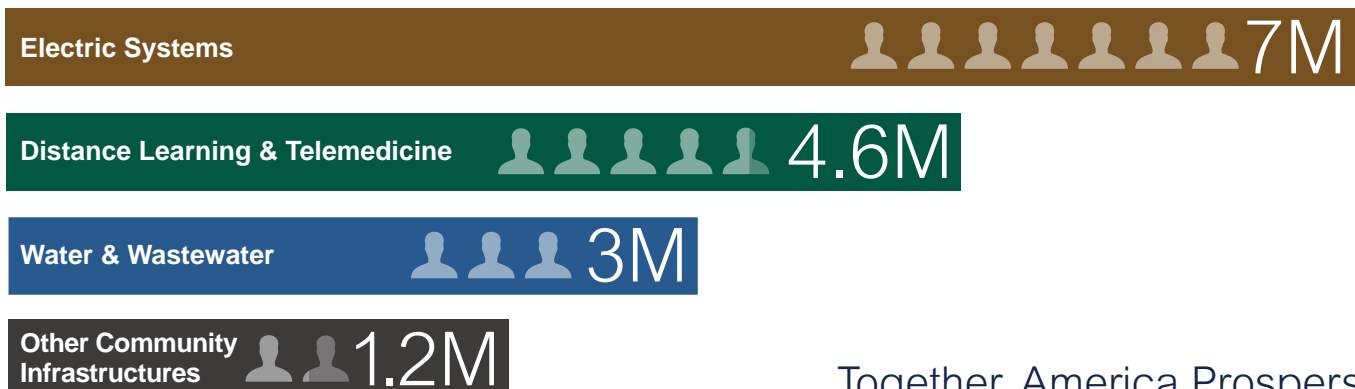
45K+

RURAL HOMES AND BUSINESSES
RECEIVED HIGH-SPEED E-CONNECTIVITY



Investing in Community Infrastructure

Helping Millions of Rural Americans Receive Essential Upgrades



Together, America Prospers

New Pipeline Improves Water Supply in Drought-Stricken California

A project to provide desperately needed improvements to water infrastructure in California's heavily agricultural Sacramento Valley received the largest Community Facilities direct loan in the history of the program in September 2018. USDA Rural Development obligated \$450 million to the Sites Project Authority to build a pipeline connecting two important irrigation canals carrying snowmelt and runoff water from nearby mountains to water users in the Valley.

The Maxwell Water Intertie will link the Glenn Colusa Irrigation District (GCID) Main Canal and the Tehama-Colusa (TC) Canal, making it possible to transfer water between them to where it is needed most at a given time. As many as 19 million people and more than 531,671 acres of agricultural land will be served by the project. The result will be a more stable water supply, with resulting economic benefits to the entire area.

The project is part of a much larger effort to address the critical problems of growing demand for water from

area farmers and other customers in the face of reduced supplies due to droughts and the need to provide sufficient water to preserve populations of native fish. Known as the Sites Project, it will construct dams and other infrastructure to form a reservoir holding almost 163 billion gallons of fresh water for use during times of shortage. The entire project is expected to relieve the demand on existing reservoirs, increasing the reliability of existing supplies and increasing storage capacity by 15 percent.

Secretary of Agriculture Sonny Perdue joined R.D. James, Assistant Secretary of the Army for Civil Works, to announce the pipeline project on November 27, 2018, saying, "Modern and reliable water infrastructure is the backbone to prosperity in the Sacramento Valley and across our Nation. Under the leadership of President Donald Trump, USDA is committed to being an ally to innovative leaders taking action to rebuild rural infrastructure in California and beyond, which is why we are investing in projects like the Maxwell Water Intertie."



USDA Partnership Helps Provide Transitional Housing and Job Training for Americans Recovering From Substance Abuse



Peer Supervisor George Chisum, who's been clean from addiction for 26 years, leads a group session in the intensive outpatient program at the Connections Withdrawal Management Center in Harrington, Delaware. Connections takes a chronic-care approach to treating substance use disorder and provides medication-assisted treatment, intensive outpatient therapy, and other services. A recent USDA Community Facilities loan helped Connections expand its facility and serve more clients. When renovations are complete, it will add primary medical care and dental services for residents of southern Delaware, where health care resources are scarce.

USDA Rural Development is helping people recovering from opioid addiction in Kentucky by providing them with temporary places to live and vocational rehabilitation. In support of the Trump Administration's initiative combating the rural opioid epidemic, USDA is cooperating with a nonprofit to convert federally owned single-family homes into transitional housing for those in recovery and providing support for job training.

Recovering from opioid dependency often requires living in a group home to help prepare for independent living. USDA Rural Development partnered with Isaiah House, a faith-based residential and outpatient treatment nonprofit, making it possible for the organization to buy and renovate two USDA-owned homes in Kentucky's Hart and Rockcastle counties.

The homes will be used as transitional housing for individuals and their families. The agreement was made under a new initiative in which the Department sells vacant, foreclosed homes at a discount to provide housing, treatment, job training, and other key services for people in drug treatment and recovery. Learning how to be productive again is a vital part of recovery, so participants in the treatment program help rehabilitate the properties.

USDA also provided a \$150,000 grant and a low-interest loan under its Community Facilities program to the nonprofit, allowing it to buy a metal fabrication business next door to its treatment center in Chaplin, Kentucky. The enterprise will provide job training to people in recovery, give them work experience, and help prepare them for successful lives in their communities. Graduates of the long-term recovery program oversee Isaiah House's job skills training program and are guaranteed full-time employment.

E-Connectivity Boosts Learning, Job Opportunities in Rural North Dakota

USDA Rural Development support for broadband communications projects is improving the lives of rural residents across the Nation and boosting economic growth and opportunity. Nowhere are the benefits of state-of-the-art e-Connectivity more apparent than in areas far from population centers.

The people of Barnes and Morton Counties in rural south-central North Dakota are learning firsthand how Rural Development broadband assistance can help make rural life easier and more prosperous. Using funding from the Community Connect program, BEK Communications Cooperative has laid hundreds of miles of fiber-optic cable, bringing topnotch communications to isolated customers in one of the most poorly served regions of the State.

In Morton County, a 2018 Rural Development grant of \$2,828,547 is being used to expand high-speed service to rural households and businesses. A new community center, paid for by the co-op, will take advantage of the new service, offering customers the use of computers and Wi-Fi free of charge.

The grant has enabled high-speed service to Sweet Briar School, a two-room elementary school with 22 students of varying ages, allowing it to conform to a Government Mandate for all State schools to provide 1-gigabit-per-second internet service to their students. “I don’t think our little rural school is at a lack for technology; the limiting factor was connectivity,” says principal and teacher Sherilyn Johnson. “We’ve had a variety of connections, but they were always a little spotty and we had a limit for data. We’d always have to be monitoring what our usage was. Overage was costly, and we always had to be more careful toward the end of the month. With fiber optics, those concerns are gone.”

The school has been in operation since 1911, and Johnson says that some families have sent four generations of students to it. Says Johnson, “It’s a close-knit community, and the school provides a really wholesome atmosphere.” The new fiber optic service “puts us on a par with larger school districts,” she declares. “It really is wonderful.”

In a sparsely settled part of Barnes County, mother of four Tina Borg is especially grateful for her new high-speed communications service, which has made her life much easier. She uses the internet to help home-school her children, providing advanced online courses to help them qualify for college credits. She used to have to find the time to drive into town to obtain teaching aids and materials for her autistic son. Now she has access to them without leaving her home.

High-speed e-Connectivity brings rural areas better opportunities in employment, commerce, healthcare, and education, improving everyone’s quality of life, according to Rural Development North Dakota State Director Clare Carlson. “In today’s world, broadband is as important as water and sewer and electricity,” he says. “Really, it allows you to have access to the rest of the world on an equal footing.”



Photo courtesy Bismarck Tribune

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