

USDA stimulus \$60M in Montana

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The U.S. Department of Agriculture is spending more than \$60 million on economic stimulus projects in Montana, according to recent reports.

The department recently disclosed dollar amounts and a locator map for Montana spending, which totaled \$61.5 million. Most of the money consisted of government-backed loans to be repaid by homeowners and farm operations. Nonrepayable project funding was minimal.

JP Pendleton of the Rural Development Agency said his office has been issuing home loans since April, but still has funding available. A department of USDA, Rural Development accounted for \$38.8 million of spending in Montana.

Rural Development offers direct home loans for low- and very-low-income households in rural areas and bases monthly mortgage payments on adjusted household income. The office will also guarantee loans through banks for middle-class homebuyers, enabling borrowers to skip a down payment and mortgage insurance.

Yellowstone County received roughly \$1.3 million in USDA funding, which includes money from the Farm Service and Rural Development agencies, the Forest Service, Food Nutrition and Natural Resources Conservation services.

Pendleton said his office has issued loans in all 56 Montana counties. Homes in larger cities, like Billings, aren't eligible, but homes in smaller communities like Lockwood or Laurel are.

In addition to the home loans, Rural Development bankrolled several smaller community projects and a \$1.6 million overhaul of the community water system in Loma, which was losing about 40 percent of its water through leaky pipes.

The Farm Service Agency issued roughly \$1 million in loans for beginning farmers and socially disadvantaged applicants. The money had to be used for things such as livestock, equipment, seed and fertilizer. The hope is that the money would be spent locally.

Another \$900,000 was available to established farms and ranches.

"It helped us shore up the year, really," said Dick Deschamps, Farm Service Agency administrative officer. "We had a lot of loan requests this year, and we didn't have adequate funding for all of them."

The Natural Resource and Conservation Service invested \$218,000 in the Buffalo Rapids Irrigation District between Miles City and Glendive. The money will be spent on things such as better sprinkler systems and converting water-absorbing ditches to pipe in order to decrease water losses.

The remaining USDA money was funneled through the Forest Service projects primarily in Northwestern Montana.

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