Making Your Project Financing Work for You In Tough Economic Times

Scott Mueller, Director of Community Resources

Funding for local projects this year is very competitive and those that have sustainable projects in the loop have a much better success rate of receiving funding than those that are still in the planning stages. Project funding is very competitive and those projects which are coordinated with federal and state agencies are more likely to receive badly needed funding assistance, typically a loan and grant, with this year’s grant allocations expected to be much lower than desired.

For small rural communities, it is important to look at your local infrastructure needs and consider ways to look towards the future growth of your community and local economy. Basic local infrastructure can mean many things depending on where you reside, but good examples are water, sewer, roads, telecommunications, and your town or public owned facilities.

Now is the time to develop a working infrastructure plan, even if it is nothing but a list of priorities that are important to work on for the next five years. Start talking about it. Communities that have an identified strategy or plan to share with federal, state, and other entities will better be able to describe their needs at the local level while paving the way to discussions on project funding and project implementation. This leads to project funding success.

Part of any community infrastructure plan should include a significant effort put towards insure the maintenance and financial stability of systems. Local asset management remains to be one of the most important and tangible activities a community can engage in towards sustaining its facilities and ever increasing costs. It goes without saying that federal and state agencies look to support systems that show the local capacity to manage their own upkeep and financial matters and the capacity to receive funding. As well it goes without saying; they do not want to provide funding for the same improvements over and over.

So when you are active in planning for your projects, remember to include work on asset management, rate setting, and capital improvement. With the current financial landscape at the national level, now more than ever, it is important to think about the sustainability of your systems and taking care of them.

RCAP Solutions, Inc. is here to assist you with this activity and would welcome a call to work with you through any part of this process. Project readiness and a sound plan will certainly be beneficial activities towards increasing your facilities proper management, sustainability, and if necessary preparedness to get funding for your project.
Otto Westenfield – Executive Office
Otto Westenfield has been appointed to the position of Chief Financial Officer of RCAP Solutions, Inc. Otty, as he prefers to be called, brings an excellent combination of experience and skills that will complement our complex financial model, as well as a strong managerial and strategic acumen. He has 25+ year’s direct experience in a financial leadership position primarily within the health insurance and high tech industries and holds his BA in Finance & Economics from Augsburg College; his MBA/MSF from Boston College, Carroll Graduate School of Management and is completing his MSA from the University of Maryland. Otty will be taking the Massachusetts CPA Exam this Spring.

Courtenay Loiselle – Client Services
Courtenay Loiselle has been hired as the Director of Rental Assistance for Client Resources. She oversees the Section 8/ Housing Choice Voucher Program which includes supervision of the Program Representatives and Housing Quality Assurance Teams. Courtenay has over six years experience in housing programs with her last four being in Boston, MA. She has held roles such as Supported Housing Program Manager and Leased Housing Program Manager to name a couple. Courtenay holds a B.S. Business Administration from Boston University with an Entrepreneurship Concentration. She has also studied abroad in London, England and Shenzhen, China.

Wilberto Soto – Real Estate Services
Wilberto Soto has joined the Property Management Team of RCAP Solutions, Inc. and is the new Property Manager in Worcester, MA. Will is responsible for providing day-to-day management of New Horizons Apartments and the scattered sites. This includes client intake, problem resolution, income certification and monitoring of the physical plant conditions. Will brings with him over six years of experience in the property management field. He holds several property management credentials, such as Certified Manager of Housing (CMH), Certified Occupancy Specialist (COS), and Tax-Credit Specialist.

Come Visit Us:
Upcoming Tradeshows are a good way to keep up-to-date on emerging technologies, ways of managing your business, and renewing your relationships with RCAP Solutions.

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RCAP Solutions Training Opportunities

Homeownership Workshop - A FREE Informational Workshop
Join RCAP Solutions and learn from professionals in the business: Maximize the benefits of being a homeowner; Protecting your biggest investment; Seasonal recommended maintenance and replacements; Developing a spending plan to safeguard your financial obligations; When and how to refinance your home; What is depreciation and more!
Contact: Pam Mosher, Housing Assistance Specialist-HCEC at 508.792.4704 or pmosher@rcapsolutions.org for information about this and related trainings

System Training in Asset Management
RCAP Solutions can assist with asset management questions, implementation and the use of CUPSS or alternative software.
Contact: Art Astarita at 207-766-3065 or aastarita@rcapsolutions.org.

System Training in Safety and Security
RCAP Solutions has been making presentations on this topic for a number of years throughout Pennsylvania and New Jersey.
Contact: Tom Essig at 717-766-0969 or tessig@rcapsolutions.org.

Board Trainings
A variety of technical, managerial, and financial topics for Board Trainings are available by contacting your local RCAP Solutions State Lead for more information

Professional Workshops and Conferences

4/28/2011
User Fee Systems for Water and Wastewater, Minnowbrook Blue Mountain Lake, NY
RCAP Solutions’ staff presentation on options for user fee systems for small community officials included as part of the Syracuse Environmental Finance Center’s Local Government Conference.

3rd Annual Maine Partners in Emergency Preparedness Conference Augusta, ME (Civic Center)
Conference will feature more than 60 individual workshops offered over the two days. Includes the offerings of the annual Hazardous Materials Conference, an expanded HazMat Team Challenge and a wide range of workshops and information sessions.

National Drinking Water Week
Check your state association or AWWA affiliate. Look for events in your state honoring this important resource.

5/10/2011
NY Rural Water Association Training Conference, Saratoga Springs, New York
RCAP Solutions’ staff presentation on Income Surveys to facilitate project funding.

Upcoming and newly announced trainings can also be found at http://www.rcapsolutions.org/trainings.htm.

Profile in Leadership

Gordon R. Edmonds, Director

Gordon has been involved in banking for over 35 years. The past 10 years working at Leominster Credit Union, the last 4 of which he has served in his current position as President & CEO. Founded in 1954, Leominster Credit Union is a member-owned, not-for-profit financial cooperative. For over fifty years, they have provided a full range of deposit, lending, and other financial services to Central Massachusetts residents. In addition to their traditional banking activities, Leominster Credit Union prides itself on its commitment to lend support to organizations and activities in the community.

Gordon is beginning his sixth year of service on the Board of Directors, and also serves on the Finance and Audit committee. He also brings some of his own extensive lending background to assist RCAP Solutions Financial Services with their lending process. Gordon sees a natural fit between his own organization and his work with RCAP Solutions. “Both organizations are concerned with issues surrounding affordable housing. We see people all the time who are dealing with housing issues and how that impacts the community.”

Although the scope of services and successes that RCAP Solutions provides may not be always fully understood by Gordon, he is very proud to be associated with the organization. “RCAP Solutions is a very high level organization. They excel at being professional and work to achieve the mission.”
Part 2 of Educating Ourselves: Compliance with the Safe Drinking Water Act
Sukhwinder Singh, Director of Education and Training

Protecting public health is the most fundamental purpose of public water systems. Approximately 94 percent of the nation’s 156,000 public water systems serve fewer than 3,300 persons. These small systems face unique financial and operational challenges in providing drinking water that meets EPA standards. Small systems have limited staff, often with multiple duties. The boards that establish policy for these small systems are frequently composed of volunteers desirous of training and resources, but limited by geography and available time to train. This article highlights basic information on the Safe Drinking Water Act for small system board members and identifies available tools.

RCAP technical assistance providers and trainers understand the complex regulatory environment that small, rural systems operate in and recognize how resiliently the leaders and managers of these small public water systems respond to supply services essential to growth and safety of rural communities. We also recognize that the costs for meeting existing and new regulations are spread over a much smaller customer base than for urban areas—thus adding to the challenge. Nevertheless, as a board member or local leader, the primary concern for your small system should be compliance with state and federal regulations in order to protect public health. Your certified operator is on the frontlines of making sure that your treatment facility operates in accordance with state and federal regulations and that all required tests, reports, public notification and record-keeping procedures are followed. As a board member, it is your duty to support the operator as he carries out these functions.

Overview of SDWA
Congress passed the Safe Drinking Water Act (SDWA) to protect public health by regulating the nation’s public drinking water supply in 1974, after a nationwide study of community water systems revealed widespread water quality problems and health risks associated with inadequate operations and management of these systems. The 1974 law established the current federal-state arrangement in which states and tribes may be delegated primary enforcement and implementation authority (primacy) for the drinking water program by the EPA, which is the federal agency responsible for administering the law. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and its sources: rivers, lakes, reservoirs, springs, and ground water wells. The 1996 amendments enhanced the existing law by recognizing source water protection, operator training, funding for water system improvements, and public information as important components of safe drinking water. The act is administered through programs that regulate contaminants in public water supplies, provide funding for infrastructure projects, protect sources of drinking water, and promote the capacity of water systems to comply with SDWA regulations.

Highlights of the Safe Drinking Water Act
• Authorizes EPA to set enforceable health standards for contaminants in drinking water. www.epa.gov/lawsregs/laws/sdwa.html.
• Does not regulate private wells which serve fewer than 25 individuals.
• Requires annual water quality reports to community system customers and public notification of violations.
• Requires emergency response planning.

Continued on page 5
Encouraging Recycling in Rural New Hampshire Communities
Sarah Nichols, New Hampshire Solid Waste Management Specialist

In October 2010, RCAP Solutions, with funding from USDA Rural Development, began conducting outreach and scheduling informational meetings in rural New Hampshire communities with the intention of increasing recycling and reducing their solid waste disposal costs. The NH Department of Environmental Services (DES) estimates that over $100 million was spent on solid waste disposal last year. DES actively supports RCAP’s efforts to educate and facilitate increased recycling.

Among the first towns to schedule a presentation was Gilmanton (pop. 3,500), located in Belknap County. Gilmanton has an active recycling committee that was eager to welcome RCAP in November, 2010 to present information on how other towns have been successful at increasing recycling. Half of Gilmanton’s annual solid waste budget is used to collect, transport and dispose of municipal solid waste (MSW), and these costs are only expected to increase over time. The town currently recycles 22% of all MSW, but it’s estimated that nearly 60% of residential waste can be recycled now, without investing in costly infrastructure.

By encouraging the adoption of sustainable solid waste management practices by residents (increasing recycling and reducing the amount of material they dispose), Gilmanton can avoid costs, earn more revenue from recycling and divert tax dollars to other town services. With increased recycling among residents, the town can avoid the costly burning and burying of valuable recyclables, preserve landfill space, reduce pollution and promote environmental stewardship. Increasing the volume of recyclable materials can bring in more revenue and move the solid waste program toward a more financially self-sustaining direction.

MSW tonnage varies annually depending on the economy, population fluctuations and recycling rate. During a recession, people tend to buy less and produce less waste. Tourism increases in New Hampshire in the summer and contributes to added MSW costs. It is difficult to predict the economy, but the town is looking for more certainty in the recycling rate by increasing educating and encouraging recycling among residents.

Gilmanton has been successful at increasing the recycling rate over the years, but they know there are always ways to improve. These methods include education, mandatory recycling, organics recycling, single stream “no-sort” recycling, and emphasized the effectiveness of using a financial incentive, such as pay-as-you-throw (PAYT).

With the continued support from USDA Rural Development and the involvement of the DES, RCAP will continue to work with Gilmanton and other interested towns to develop ways to reduce MSW and increase recycling that are right for their budget and their residents. In addition, RCAP is bringing the message to places that may not have yet begun the process that Gilmanton has.

Pay-As-You-Throw

Over 7,000 towns in the United States and 47 in New Hampshire have hailed PAYT as the most effective way to reduce and recover MSW costs and increase recycling rates. People respond to price signals, and if they are forced to pay for each bag of garbage they throw away, they will find ways to reduce their costs. PAYT also creates equity among residents by distributing the costs of MSW according to how much you throw away. Each PAYT town has adopted a unique program to suit their needs, and most have reported a 20-60% reduction in MSW in the first year and a 30-40% increase in recycling.

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sewer and water systems to resolve discharges of wastewater from failing septic systems to ditches and the ground surface. Sewage discharges in the Meyers Street area have been noted as a public health concern by local officials. This area also needs extension of water distribution lines to upgrade the water supply service to these low-income households.

To enable them to apply for a Community Development Block Grant (CDBG), RCAP Solutions’ staff worked with Town and County officials to conduct an income survey. The survey determined the area qualified as low-income for an application which included the water and sewer hookups directly to the low-income households. By including the house laterals as part of the project, the low-income residents will not need to come up with additional funds to hookup to the systems. CDBG funding has been awarded and project design is currently underway. The sewer and water extensions will provide an adequate and healthy water supply and eliminate the unsanitary wastewater conditions for local residents. This will preserve affordable housing options in this community and reduce potential housing sprawl by providing the opportunity for additional in-fill development within an existing hamlet community.

Based on the success in obtaining funding for the water supply and sewer system extensions for the Meyers Street area, the Town of Ticonderoga is evaluating a new application to fund sewer system upgrades for combined sewer (mixed rain water and sewage) separation project work for other low-income areas. The existing sewer system in this historic Village area has very old inadequate combined sewer systems. The Town is under a directive by the Environmental Protection Agency to reduce storm water flows entering into the sewer system causing excessive flows to the wastewater treatment plant and overflow discharges of raw sewage into the River.

The Meyers Street area in the Hamlet of Ticonderoga, Essex County is a cluster of low-income households located within the former Village. Ticonderoga is a historic village area which was settled before the Revolutionary War and is located along the River flowing from Lake George into Lake Champlain. Homes in the Meyers Street area are primarily manufactured housing which urgently need extension of the Town

Austin Borough Receives Vulnerability Technical Assistance
Jeff Allio, Pennsylvania Community Development Specialist

Austin Borough is an old logging center in a very rural area in Potter County in north central Pennsylvania. In order to meet the USDA Homeland Security requirements, RCAP Solutions was asked by USDA Rural Development to provide technical assistance to the borough in reviewing and updating their system security Vulnerability Assessment (VA) and Emergency Response Plan (ERP) protocol.

The Austin Dam Break inspired Pennsylvania regulations on dam construction in 1913 after a community disaster occurred. Austin Borough is familiar with emergency response first hand. In fact, the history of the town has been the focus of a “Dam Break” which occurred in 1911 when seventy eight people died and mass destruction of borough properties in both Austin and Costello boroughs occurred immediately downstream on Freeman Run.

In 2011, RCAP Solutions provided technical assistance by working with the system superintendent and operator to assess the needs of the system operations in dealing with system vulnerabilities due to future natural, criminal acts, and or neglect. A Vulnerability Assessment was developed using a special template developed by several federal agencies and other technical assistance providers customized to local issues and concerns.

Flash flood storms are still possible today but the concern is low to moderate when considering community and system infrastructure vulnerabilities. RCAP has also assisted the community to update their Emergency Response Plan and rethink their vulnerabilities by doing an audit of their facilities. Power outages from ice and wind storms could be a concern in relation to the community’s infrastructure.

The outcome of this assistance was a document that provides assurance to the USDA that the local sewage facilities meet the US Homeland Security Agency’s security requirements. The benefit is improved communications between the operator and the governing board toward vigilance in securing their sewage facilities for the long term.
East Windsor Receives Assistance with their American Recovery and Revitalization Act (ARRA) Project

Mia McDonald, Technical Assistance Consultant

The Town of East Windsor, Connecticut is a community of approximately 9,800 people located in north central Connecticut. The Water Pollution Control Authority’s (WPCA) wastewater treatment facility is located directly along and discharges to the Connecticut River. The WPCA received funds from the American Recovery and Reinvestment Act (ARRA) for the North Road Sewer Extension Project in the fall of 2010. The WPCA received a grant for $1.7 million and a loan for $2.2 million through the USDA Rural Development office. They were required to begin the quarterly reporting in early October 2010. The WPCA began its correspondence with RCAP Solutions’ Technical Assistance Provider (TAP), Mia McDonald, in September of 2010, related specifically to providing the WPCA assistance with the completion of the upcoming ARRA quarterly reports. With assistance from the RCAP TAP and the FederalReporting.gov helpdesk the report was successfully submitted on time.

A site visit was also scheduled with Superintendent, Art Enderle and Chief Operator, Ed Alibozek, at the wastewater treatment facility. One of the reporting requirements of the ARRA project is current and accurate emergency planning for the system. Additional assistance during the site visit was spent gathering information for completion of a Security Vulnerability Assessment and an Emergency Response Plan.

Like most wastewater systems, the East Windsor WPCA has a list of important projects on their “to-do” list. During the site visit, the staff and TAP discussed possible funding opportunities for wastewater systems in Connecticut. Training was scheduled to address these needs further. The training covered federal, state and local opportunities for project funding. Members of the WPCA board were present, as well as Laurie Whitten, the Town Planner, the WPCA Superintendent and Chief Operator. The audience took particular interest in the possibility of inter-department partnerships that could be formed for the application for a Community Development Block Grant through the U.S. Department of Housing and Urban Development. The Town Planner intends to collaborate with the WPCA, Public Works Department, Planning Office and other town departments on the development of a project that will revitalize a blighted part of the town. This blighted area contains residences and businesses left vacant and uninhabitable due to failed septic systems. The proposed project would extend town sewer lines, as well as upgrade other utilities, sidewalks and storefronts currently located in the area. The WPCA also discussed the opportunity of seeking assistance for this future grant application from RCAP Solutions.

“Very thorough assistance with wonderful discussion. We specifically will attempt to convert knowledge toward (our) known projects. Mia McDonald and James Starbard were skilled and interesting.”

– Ed Alibozek, Chief Operator
Mars Hill Utility District Receives Assistance With ARRA Project

The Mars Hill Utility District provides water and wastewater services for the communities of Mars Hill and Blaine, Aroostook County, Maine. This is located in the northeastern most county in the state. This region of Maine is proud of its strong French Canadian heritage and has traditionally relied on timber-related industries and farming, in particular potatoes, to support the local economy. Over the past decade the area has experienced increasing economic pressure due in part to operational challenges experienced by local farmers and to the closing of Loring Air Force Base in nearby Limestone, Maine. Recently Mars Hill began exploring other business opportunities to strengthen the local economy and in 2006 the first large-scale wind power project in Maine was built on Mars Hill Mountain. In December 2009, Mars Hill Utility District received more than $2.5 million dollars in grant and loan funds through the U.S. Department of Agriculture Rural Development Program to construct upgrades and improvements to its aging water and wastewater systems. These funds were appropriated as part of American Recovery and Reinvestment Act (ARRA), commonly referred to as “stimulus funds”. The district received $85,000 in loan funds and $255,000 in grant funds to replace approximately 2,000 linear feet of six-inch diameter cast iron water main, and install nine new hydrants.

As is true for all ARRA grant and loan recipients, the Mars Hill Utility District is required to electronically report expenditures of their loan and grant funds on a quarterly basis. RCAP Solutions worked with the district to compile the necessary data for the quarterly report. The team also consulted local USDA Area Technicians on specific questions about the project cost tracking. Due to the complexity of the grant/loan combination and the integrated nature of the project the RCAP representative developed a cost tracking spreadsheet to ensure that the correct charges were attributed to the appropriate funds. The staff, under RCAP Solutions direction, was then able to complete the required quarterly reports which were successfully submitted, validated and accepted in January 2011. Although the immediate issue of preparing the quarterly report was resolved, the long term needs for coordinated and complete cost and labor tracking continue to be worked on.
Eastport, Maine Works on Wastewater System
Rebecca Reynolds, Maine Community Development Specialist

Eastport, Maine is in Washington County and consists entirely of islands. The total area is 12.1 square miles of which 3.7 is land and the remainder 8.4 is water. The largest island, Moose Island, is surrounded by Cobscook and Passamaquoddy Bays. The island connects to the mainland by a causeway at the end of a peninsular south of Perry, Maine. The year round ice free harbor established a fishing community as early as 1600 and in later years sardine fishing and canning were the leading business until the early 1930s. During the Embargo Act period of 1807-1809 it was a smuggling center and was occupied by the British during the war of 1814-1818. The city was incorporated in 1798. Today Eastport is a tourist destination. Campobello Island, Canada famous for Franklin Roosevelt’s retreat can be viewed across the bay.

Eastport’s Wastewater Treatment Plant
The Wastewater Treatment Plant processes approximately 122 million (122,000,000) gallons of wastewater and 172 thousand (172,000) gallons of septic waste. The wastewater treatment process generates approximately 2 million two-hundred-thousand (2,200,000) gallons of bio-solids that are composted into approximately one-thousand two-hundred (1,200) yards of compost which are either sold or given away. The plant serves approximately 900 users.

Project Highlight
The city has an aging infrastructure and declining population, which creates a challenging situation for the residents to keep up with the increased regulatory requirements placed on the primary wastewater treatment plant which was built in 1991.

In 2009, the Environmental Protection Agency required the wastewater plant to meet a daily maximum Biochemical Oxygen Demand of 203 mg/L in the new wastewater discharge permit. RCAP Solutions assisted the city in evaluating the process and implementing corrective actions that would eliminate the ongoing violations. RCAP Solutions provided additional assistance with reporting and process issues while evaluating the entire plant’s operations.

One primary concern was the solid concentration in the chlorination contact basins. RCAP recommended more frequent cleaning of the chlorine tanks to reduce the demand from the solids in each tank. By increasing the frequency of cleaning, Eastport will save money on chlorination and have improved fecal coliform testing results. This cost saving will help offset the new treatment expense of polymer additives.

Technical assistance from RCAP included:
• Coordinating a sampling event for wet testing and analytical chemistry for required compliance.
• Reviewing the sampling events data with staff and assisting with filing of the report results to the Department of Environmental Protection.
• Recommending increased cleaning and maintenance of the chlorine contact basins to reduce chemical use and coliform violations.
• Assisting with the filing of past mercury testing results for required compliance.
• Providing technical support on fecal coliform laboratory testing procedures.

Significant Beneficial Impact
The community will be able to meet the new permit requirements and will gain a cost savings on the chlorine for disinfection by implementing a sound, basic maintenance program. Provided the staff maintain a current sampling and reporting program the community won’t incur any unnecessary sampling and testing expense.

“The City of Eastport would like to take this opportunity to express our thanks and support for the services provided to us by RCAP Solutions. RCAP Solutions Community Development Specialist evaluated the process and implemented corrective actions to eliminate the ongoing violations. With the help of your Community Development Specialist, the City waste water treatment plant will now meet the licensing requirements of the BOD daily concentration of 203 mg/L.”

Jonathan Southern
Eastport City Manager
As we are all aware, the U.S. is currently going through one of the most tumultuous housing markets in our history. Much has been written on the causes of the crisis, on the roles and implications to our financial system, and its effects on urban neighborhoods. What is typically left out of the larger discussions and media reports is how the foreclosure crisis is affecting rural families and communities.

Foreclosure affects families. When foreclosures occur, families are almost always obliged to move. This leads to displacement and housing instability, financial insecurity and economic hardship, personal and family stress, disrupted relationships and physical and mental health issues. Foreclosure also affects communities, causing declining property values and deterioration, public safety issues, population turnover, reduction in property tax revenues, and deterioration of public services.

The focus on the urban dimensions of the foreclosure crisis is understandable. First, urban dimensions of the crisis are more measurable, as data is more easily collected and assessed. Second, a visual analysis of both urban and rural areas shows an obvious problem in urban areas. Clearly, entire city blocks of vacant row houses make for a much clearer picture than any sporadic boarded-up single-family homes half a mile apart.

Recent reports, however, show a gradual shift in foreclosure activity away from urban areas into rural and suburban communities. According to the Massachusetts Housing Partnership’s Foreclosure Monitor, there are now more foreclosures outside of the urban areas than in them. While this does not suggest that the foreclosure crisis in urban areas is over—there are still more foreclosures occurring in urbanized census tracts than rural ones—it is clear that the foreclosure rates are beginning to drop in the urbanized areas and increase in rural areas.

The shift in foreclosure activity from urban to non-urban areas is being driven by three factors. First and most obvious is that economic recovery and job creation tend to lag in rural areas and a rural unemployed worker simply has less chance of quickly finding new employment. The second reason is the patterns of subprime lending which occurred later in rural areas than it did in urban areas. While much of the foreclosure reporting suggests that subprime lending is an urban phenomenon, this is simply not the case. On the contrary, subprime lending plays a large role in many rural areas as well. A publication by the Housing Assistance Council explains that the distinct set of credit issues in rural areas result in far less access to prime credit markets than in urban areas. For example, a study in Maine by the Center for Responsible Lending (CRL) found that while only 42 percent of Maine’s population is rural, 52 percent of the Maine subprime loan originations were in rural areas. The key difference is that subprime lending occurred in urban areas and then into rural areas after the urban subprime lending market was saturated. This holds true in Massachusetts as well where a large percentage of the Adjusted Rate Mortgages scheduled to reset in 2011 and 2012 are in rural and suburban communities and given the drop in housing values, this represents a major issue facing these communities over the next two years. The third reason is a result of policy and resource allocation. HUD’s Neighborhood Stabilization Program (NSP) was specifically designed to address the effects of foreclosure in areas where there are high concentrations of abandoned homes. Indeed, in the second round of NSP funding, no targeted funds went to rural counties, and only 4.7% went to mixed rural counties. While additional funds were granted to the States to allocate at their discretion to target “areas of greatest need,” it is unclear how states have chosen to do this and there are no provisions barring the states from allocating funds to communities that directly received federal funds.

Foreclosure in rural areas is also obscured by how manufactured housing is often financed. A common method of financing is through Personal Property loans. These loans lack the consumer protections extended to mortgages. In fact, the U.S. Census Bureau reported that in 2008, 72% of new manufactured homes were not titled as real estate, and were either titled as personal property or not titled. A consequence of this is that many owners of manufactured housing are not protected with foreclosure proceedings in the event of a payment default, and can result in immediate repossession of the home, much like an automobile. Furthermore, payment defaults on consumer loans for manufactured housing do not result in foreclosure, and are not included in foreclosure statistics and estimates.

Foreclosure numbers remain high, and the sluggishness of the economic recovery suggests that families will continue to face economic hardships. Funding for housing counseling and for emergency assistance are critical to help people stay in their homes. RCAP Solutions has been a HUD Certified Housing Counseling Agency since 1972 and provides free housing counseling services to all residents of Worcester County. The RCAP Solutions Housing Consumer Education Center (HCCEC) helps consumers make informed decisions about their housing situations and is a valuable resource for tenants, landlords, and homeowners.
From page 5, Part 2

• Non-transient non-community water system (NTNCS). A public water system supplying water to at least 25 of the same people at least six months each year, but not year round. Examples include office buildings and hospitals, factories, schools and daycares that have their own systems.

• Transient non-community water system (TNCS). A public water system that provides water in a place where people do not remain for long periods of time, like restaurants, rest stops, motels or campgrounds with their own water supplies.

Progress has been made to assure the quality of public water supplies since the Safe Drinking Water Act (SDWA) was enacted in 1974. Drinking water security provisions were added to the SDWA through the Public Health Security and Bioterrorism Preparedness and Response Act of 2002. Provisions of the act include requirements for community water systems serving more than 3,300 individuals to conduct vulnerability assessments and prepare emergency response plans and require the EPA to conduct research on preventing and responding to terrorist or other attacks. Public water systems today continue to meet extensive regulations, and water utility management has evolved into a complex and highly professional endeavor. Yet, technical, managerial, and financial challenges remain for the large percentage (over 80%) of the community water systems serving 3,300 people or less. Many small systems served by RCAP remain hard-pressed to evaluate needed improvements, raise the funds, and meet requirements while managing a declining revenue base and population.

How can a small system develop and maintain the capacity for compliance with the SDWA?

• Consult with your primacy office on upcoming and existing regulations, permits and requirements. Become familiar with the state website and e-filing if available.

• Obtain personnel training on sampling requirements and public notification procedures.

• Obtain information from state capacity development staff on drinking water contaminants, public notification, consumer confidence reports, and all requirements. Obtain RCAP technical assistance and training on rate reviews, budgeting, vulnerability assessments, and source water protection issues.

• Recruit and retain a certified drinking water operator for your small system. Provide in your budget for ongoing training and certification renewal.

• Ask your RCAP technical assistance provider how overall asset management and inventorying of assets can aid in the budgeting and capital improvements process.

• Engage community residents and elected officials on compliance topics and identify that compliance does protect human health and save lives, particularly when disaster strikes.

• Assess vulnerabilities at treatment and distribution points and incorporate these into an updated emergency response plan. This is highly recommended for small systems to identify weaknesses and prepare for natural and man-made emergencies.

Wrap-up

RCAP has worked to assist rural communities with utility, infrastructure, housing and other development needs for 40 years. RCAP field staff effectively assists rural systems to comply with state and federal requirements. Visit the RCAP Solutions Education and Training webpage at www.rcapsolutions.org/education_train.html to identify webtools and training opportunities. For state requirements, applications, and permits refer to your state primacy agency. Please also consult your state primacy for information and requirements regarding operator certification. Selected small system tools are highlighted at right.

Small System Tools

■ Small System Emergency Response Planning and Vulnerability Assessment tools at www.rcapsolutions.org/education_training.htm. Also visit the Safe Drinking Water Trust ebulletin link.


■ Information on Consumer Confidence Reports, Drinking Water Emergencies and public related topics at http://water.epa.gov/drink/info/.


■ Selected resources on small systems, CUPSS, water security, energy efficiency, and environmental justice at www.rcapsolutions.org/education_training.htm or www.epa.gov.


■ The Safe Drinking Water Hotline at 800-426-479 is operated Monday through Friday from 10:00 AM to 4:00 PM eastern time and is closed most Federal holidays. Information on the hotline can be found on http://water.epa.gov/drink/hotline/index.cfm.

■ Security related information is at www.nesc.wvu.edu/security/resources.cfm. The Water We Drink: Small Community Outreach Campaign, a collaboration of RCAP and NESC can be found at www.nesc.wvu.edu/security/resources.cfm.
