

*Washington, DC* - Congressman Maurice Hinchey (D-NY) today announced that the U.S. Department of Agriculture (USDA) Rural Development agency recently signed a four year extension of the Sullivan-Wawarsing Rural Economic Area Partnership (REAP) Zone and the Tioga County REAP Zone. Hinchey originally secured these designations in 1999 through the USDA in order to strengthen community development efforts and give the regions precedence in receiving federal grants and loans.

"The REAP Zone status has been an invaluable resource for the Town of Wawarsing, the Village of Ellenville and communities in Sullivan County and Tioga County, which have obtained tens of millions of dollars in economic development funding they otherwise wouldn't have received," Hinchey said. "While we've seen some important successes from this program over the past decade, I look forward to the program becoming even more effective now that we have a new administration committed to rural economic development and to providing additional federal assistance for grassroots efforts such as the REAP."

The REAP program has been an important economic development tool, with communities in Tioga County and Sullivan County, as well as the Town of Wawarsing and Village of Ellenville, receiving more than \$61 million in the form of grants and low-interest loans that were awarded due to the areas' REAP status. The REAP Zone designations have resulted in both direct and indirect federal funding to grant applicants in the regions and leveraged additional monies through state and private sources. Funding was directed toward projects that expanded educational opportunities, strengthened agricultural businesses, revitalized infrastructure and improved health care and housing in the region.

Some examples of local funding as a result of the REAP designation include:

- \$3.78 million for sewer and water infrastructure work in the Town of Barton.
- A \$1 million federal grant for the Village of Woodridge to replace its wastewater treatment plant and make other sewer system upgrades.
- \$600,000 for a mobile dental clinic to provide residents in rural parts of the county with dental care.
- A \$446,232 federal grant for the Sullivan County Board of Cooperative Educational Services (BOCES) to install videoconferencing equipment at the BOCES site and nine county schools across five school districts.
- \$175,000 in federal funds for a new meat processing facility in Liberty, which is expected to move forward this year.

- \$93,000 for a "Main Street Institute" to promote business opportunities in the rural community centers, such as the Villages of Waverly, Owego and Spencer.

Hinchey developed the REAP Zone initiative as part of an effort to help spur economic development in struggling rural areas. REAP Zones are first cousins to the internationally recognized Empowerment Zones & Enterprise Communities and are pilot projects of the USDA. In January 1999, Hinchey persuaded the USDA to establish this new program in his congressional district on a 10-year trial basis, which was approved by the Clinton administration. As a result, the REAP Zone in Sullivan County and Wawarsing and a second REAP Zone in Tioga County were established.

After a strong start in the first years of the program, the Bush administration scaled back the federal commitment to the program and the funding available for rural community development initiatives. The Sullivan-Wawarsing REAP Zone covers all of Sullivan County as well as the Town of Wawarsing, including the Village of Ellenville, in Ulster County and the Tioga County REAP Zone covers all of Tioga County. The REAP Zones in the State of New York are two of only five such areas in the entire nation.

Last month, USDA Rural Development signed an agreement with both the Sullivan County-Wawarsing and the Tioga REAP that extends the REAP program for those areas until September 30, 2012. The authorization to extend the REAP program was made possible through agricultural legislation that Hinchey helped pass through Congress last year.

The REAP Zone established a collaborative, citizen-led effort to enhance economic development and enable local communities to develop and implement strategies to create long-term prosperity. The two REAP Zones in New York were established in critical parts of the state that had experienced economic dislocation and job loss as the state's rural economy changed. The REAP Zone initiatives serve as an important model for coordinated efforts to revitalize and diversify distressed rural economies in other regions of the New York State and the country.