



Committed to the future of rural communities.

Iowa — Business and Cooperative Programs

Regional Collaboration

Micro-lending Opportunities Growing in Rural Iowa

Outline Of Need:

According to the Association for Enterprise Opportunity, there are approximately 232,000 microenterprises in Iowa. These small businesses have less than five employees, but make up more than 86 percent of all the state's businesses. Most of these small businesses are self-employed business people and home-based business ventures.

How Rural Development Helped:

Two organizations in Iowa received funding through RMAP in 2010. North Iowa Area Community College was awarded a \$130,000 grant and the Iowa Foundation for Microenterprise and Community Vitality, doing business as IowaMicroLoan, received a \$400,000 loan and \$100,000 grant.

The Results:

"This new RMAP program will add additional capacity to Iowa MicroLoan's programs serving the non-metro areas of Iowa," said Craig Downs, President, IowaMicroLoan, "Small businesses who have been declined for conventional loans but have good busi-



Nearly 90 percent of Iowa's businesses have less than five employees. RMAP funds from USDA Rural Development are assisting the Iowa MicroLoan organization

ness plans will be eligible to apply."

Many of Iowa's micro-businesses, especially those in rural parts of the state, are involved in some segment of food production, processing, services, storage or transportation for local, national and international consumption.

"Developing local foods systems through the assistance of microloans can provide fresh, healthy foods to communities and spur the economy by supporting local producers," said Bill Menner, USDA Rural Development State Director in Iowa.. "New businesses involved in local foods and value-added agriculture ventures will be created and old ones will be strengthened as local foods are put back on the table."

Fast Facts

Program: Rural Microenterprise Assistance Program

Investment: \$630,000 in loan and grant funds

Congressional District: IA— Statewide

Partners: North Iowa Area Community College, the Iowa Foundation for Microenterprise, doing business as IowaMicroLoan

August 2011