



# NEWS RELEASE

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**FOR IMMEDIATE RELEASE**

## **USDA Rural Development Awards Rural Economic Development Loan and Grant Program Funds Totaling \$2.23 Million to Five Iowa Organizations**

*Awards part of \$15 Million in Loans and Grants Announced Nationwide*

WASHINGTON, May 6, 2009 – Agriculture Secretary Tom Vilsack today announced the selection of 28 organizations in 11 states to receive \$15 million in loans and grants to create or retain jobs and spur economic development in rural communities.

“These funds help rural communities build stronger local economies,” Vilsack said. “One of this program’s strengths is that USDA works with organizations that are best positioned to help address an area’s economic needs. The Obama administration is committed to working with local community leaders to increase economic opportunities and improve the quality of life for rural Americans.”

The funds are being provided through USDA Rural Development’s Rural Economic Development Loan and Grant program. Under the program, Rural Development provides loans and grants borrowers, usually rural telephone or electrical cooperatives, which in turn provide loans to rural businesses and communities in their service areas.

Timothy Helmbrecht, USDA Rural Development Acting State Director in Iowa, announced that five organizations in Iowa are receiving \$2.23 million of this funding. They include: Consumers Energy, Franklin County REC, Corn Belt Power, North West REC and Iowa Lakes Electric.

### **Rural Economic Development Loans**

To – Franklin Rural Electric Cooperative

Location – Hampton, Iowa

Amount - \$740,000

Purpose - Funds will be used to assist the community of Hampton in financing the first-phase renovation of the Franklin General Hospital.

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Committed to the future of rural communities.

“USDA is an equal opportunity provider, employer and lender.”

To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14<sup>th</sup> and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).

**Rural Economic Development Grants**

To – Consumers Energy

Location – Reinbeck, Iowa

Amount - \$300,000

Purpose - Funds will be used to assist the Gladbrook-Reinbeck Community School District in financing the construction of a childcare facility in Reinbeck.

To – Consumers Energy

Location – Garwin, Iowa

Amount - \$300,000

Purpose – Funds will be used by the GMG Community schools to finance renovations and an addition to the secondary education facility in Garwin.

To – Corn Belt Power Cooperative

Location – Hampton, Iowa

Amount - \$300,000

Purpose – Funds will be used to assist the City of Hampton in financing the first-phase renovation of the Franklin General Hospital.

To – North West Rural Electric Cooperative

Location – Holstein, Iowa

Amount - \$300,000

Purpose – Funds will be used by the Galva Holstein Community School District to finance the renovation of the Galva Holstein High School, including the addition of a performing arts center and the renovation of the entrance and lobby.

To – Iowa Lakes Electric Cooperative

Location – Spencer, Iowa

Amount - \$290,000

Purpose – Funds will be used by Sunshine Services, Inc. to finance the purchase and renovation of an industrial building to be used by disabled clients at Sunshine Services, Inc.

USDA Rural Development is an equal opportunity lender with a variety of direct and guaranteed rural credit programs involving single and multi-family housing, community facilities, water and sewer development and business and cooperative programs.

During the past year the helped rural businesses create or retain nearly 10,000 jobs, aided 1,600 families in buying their own home and assisted nearly 120 communities in improving community facilities and upgrading local infrastructure.

“All of our programs are voluntary, so we are always on the lookout for individuals and groups wanting to grow in rural Iowa,” Helmbrecht said. “At Rural Development we are constantly

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looking to partner with new rural businesses to advance our mission of ensuring the best possible quality of life for all rural Americans. Give us a call today.”

USDA Rural Development has 11 offices in Iowa serving 1.9 million Iowans living in rural areas and communities. Office locations include a State Office in Des Moines, along with Area Offices in Albia, Atlantic, Humboldt, Indianola, Iowa Falls, Le Mars, Mount Pleasant, Storm Lake, Tipton and Waverly.

Further information on the agency’s programs is available by calling (515) 284-4663, at any Rural Development office, or by visiting [www.rurdev.usda.gov/ia](http://www.rurdev.usda.gov/ia).

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