

USDA/Rural Development

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Taylor Oldroyd (202) 720-1019

APPLICANTS SELECTED TO RECEIVE \$3.1 MILLION IN RURAL BUSINESS DEVELOPMENT ASSISTANCE

Funds to Generate Economic Activities in Seven States

LOUISVILLE, Neb., June 10, 2002 - Agriculture Deputy Under Secretary for Rural Development Mike Neruda announced the selection of nine loan and grant recipients in seven states that will receive more than \$3.1 million in rural economic development loan and grant funds. The funds are designed to assist in the fostering of economic development in rural areas.

“Struggling rural communities will greatly benefit from the loans and grants being announced. These funds will drive new life into many of America’s rural communities, boosting their economies and creating valuable jobs and opportunities,” said Neruda.

Neruda made the announcement while in Louisville, Nebraska for Governor Mike Johanns “Showcase Community” award ceremony for their outstanding community development efforts.

Neruda said that eight businesses are expected to directly benefit from the loan funds, creating or saving nearly 600 jobs. Loan and grant funds will also assist two local school districts in Tennessee and South Dakota with community and business development opportunities. Loans will be provided through USDA Rural Development’s [Rural Economic Development Loan Program](#) while grant funds are provided through the [Rural Economic Development Grant Program](#).

Iowa - \$200,000	Nebraska - \$250,000
Kansas - \$450,000	South Dakota - \$403,000
Minnesota - \$450,000	Tennessee - \$485,000
Missouri - \$900,000	

USDA Rural Development serves as the lead federal entity for rural development needs and administers financial and technical assistance through three agencies: Rural Housing Service, Rural Business-Cooperative Service and Rural Utilities Service. Further information on USDA Rural Development can be obtained by contacting any USDA Service Center or by visiting USDA’s web site at <http://www.rurdev.usda.gov/>

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The following is a complete list of the individual loan and grant recipients:

Loan Recipients

White River Valley Electric Cooperative, Branson Mo. - \$450,000 economic development loan. Funds will be used to assist a Branson area business finance equipment for a newly mined underground storage facility. The underground storage company is expected to create 100 new jobs.

Gibson Electric Membership Corporation, Trenton, Tenn. - \$400,000 economic development loan. Funds will be used to assist a local food processing company with the financing of new equipment for a planned expansion of current operations. The company is expected to add 60 additional jobs to the current workforce of 140 employees.

Great Plains Communications, Blair, Neb. - \$250,000 economic development loan. Funds will be used to assist the Bloomfield Community Foundation with the financing of the construction of a 10,200 square foot building in Bloomfield. The new facility is expected to house two tenants and create an initial 25 new jobs.

Allamakee-Clayton Electric Cooperative, Postville Iowa - \$200,000 economic development loan. Funds will be used to assist with the financing for construction of a 32,000 square foot facility that will be occupied by a local manufacturing company seeking to expand their operations in rural Allamakee County. The expansion of the company is expected to add 10 additional jobs to the current workforce of 23 employees.

Farmers' Electric Cooperative, Chillicothe, Mo. - \$450,000 economic development loan. Funds will be used to assist a clothing manufacturing company with the financing of building renovations and equipment purchases. The 50,000 square foot facility is expected to provide employment to 116 local residents.

Bluestem Electric Cooperative, Wamego, Kan. - \$450,000 economic development loan. Funds will be used to assist an implement dealer with the construction of a new facility near the city of Wamego. The consolidation and expansion of the company's business is expected to add 10 additional jobs to the current workforce of 15 employees.

Federated Rural Electric Association, Jackson Minn. - \$450,000 economic development loan. Funds will be used to assist in the financing of a start-up soybean oilseed processing facility. The proposed facility will receive and store raw soybeans from local farmers and regional grain elevators where the beans will be cleaned and processed. The new facility is expected to create 34 new jobs.

Midstate Communications, Kimball, S.D. - \$403,000 economic development loan. Funds will be used to assist the Kimball School district in construction of a 32,500 square foot addition to the Kimball School. The addition will include a multipurpose activity/wellness center that will be shared by the school district and community.

Grant Recipient

Sequachee Valley Electric Cooperative, South Pittsburg, Tenn. - \$85,000 economic development grant. Funds will be used to assist with the capitalizing of a revolving loan fund. The initial zero-interest loan will be made to the Sequatchie County School System to assist in the purchase of 45 computers, printers, software and computer desk. In addition to being used by students, the Sequatchie County Chamber of Commerce will provide local businesses and industries with basic computer training classes. It is anticipated that two new jobs will be created as a result of this project.



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