

News Release

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USDA Awards \$39.3 Million in Loans and Grants to Support Economic Development in Rural Areas

WASHINGTON, May 6, 2016 – Agriculture Secretary Tom Vilsack today announced \$39.3 million in loans and grants for 68 projects that will help small, rural businesses and communities in 26 states. The announcement comes as the Obama Administration celebrates the profound economic impact of American entrepreneurs during [National Small Business Week](#).

"More than half of Americans either own or work for a small business, and these businesses create two out of every three new jobs in the U.S. each year," Vilsack said. "Supporting small businesses and rural communities is vital to our economic health. This funding enables communities to provide important support services and access to capital for rural, small businesses."

The funding is being provided through USDA's [Rural Economic Development Loan and Grant](#) (REDLG) program, the [Intermediary Relending Program](#) (IRP) and the [Rural Microentrepreneur Assistance Program](#) (RMAP) program.

[Rural Business-Cooperative Service](#) Administrator Sam Ridders made the announcement on Vilsack's behalf today during a visit to the Central Iowa Power Cooperative in Des Moines. Ridders is in the state to meet with cooperative officials, business leaders and the public to highlight the important economic role cooperatives play in rural communities.

One of the recipients selected for funding, Webster City, Iowa, will receive a \$1 million Rural Economic Development loan and a \$300,000 Rural Economic Development grant to construct a 16,400-square-foot addition to Van Diest Medical Center. The new space will house a medical clinic, meeting room and pharmacy. This funding also will enable the hospital and its satellite clinics to implement a new medical records system.

Southern Iowa Electric Cooperative, Inc. in Bloomfield will receive a \$1 million Rural Economic Development loan and a \$300,000 Rural Economic Development grant to renovate the Van Buren Community School District's middle/high school. The building lacks proper classroom space and requires technology improvements in order to provide a high-quality learning experience. Extra classroom space is needed because enrollment is expected to increase by approximately 90 students in the next school year.

Six economic development groups have been selected to receive \$3.1 million through the IRP program to capitalize low-interest loan funds for business projects in rural communities. The RMAP program will provide seven microenterprises with \$3.8 million through revolving loan funds and technical assistance grants.

Funding of each award [announced](#) today is contingent upon the recipient meeting the terms of the loan or grant agreement.

USDA Rural Development has a strong track record of strengthening rural businesses and economies through its Rural Business-Cooperative Service. For example, Rural Development awarded the Carthage Pavilion Assisted-Living facility a \$1.36 million Rural Economic Development loan to transform a vacant hospital into the only assisted-living facility in Smith County. The Carthage, Tenn., facility gives 42 seniors the opportunity to live in a safe and enjoyable environment. This important Rural Development investment provided the residents of rural Tennessee with access to a top-quality facility that will enhance their quality of life and create jobs.

Since 2009, USDA Rural Development ([#USDARD](#)) has invested \$11 billion to start or expand 103,000 rural businesses; helped 1.1 million rural residents buy homes; funded nearly 7,000 community facilities such as schools, public safety and health care facilities; financed 180,000 miles of electric transmission and distribution lines; and helped bring high-speed Internet access to nearly 6 million rural residents and businesses. For more information, visit www.usda.gov/results.

Every year since 1963, the President of the United States has issued a proclamation announcing National Small Business Week, which recognizes the critical contributions of America's entrepreneurs and small business owners. [#DreamSmallBiz](#)

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