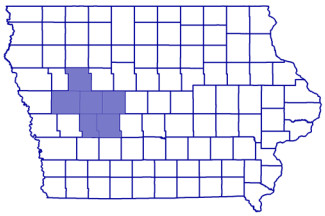

REGION XII DEVELOPMENT CORPORATION

Business Revolving Loan Fund Program

FACT SHEET

Region XII Development Corporation (RDC) provides loans & financial packaging assistance to businesses throughout the six counties Region XII serves. Since 1995, the RDC has provided 114 loans totaling over $9.4 million. As a result, 1187 jobs have been created/retained, and over $95 million has been invested in our counties.

The RDC Revolving Loan Fund contains funding provided by the six counties, the Iowa Economic Development Authority, the U.S. Department of Commerce (Economic Development Administration), and USDA Rural Development.

Loan applications are reviewed monthly by a committee of local development and private lender representation from each county. Borrowers are required to meet investment and job creation criteria, which is further explained in this fact sheet.

****UPDATED February, 2020**

SERVING AUDUBON, CARROLL, CRAWFORD, GREENE, GUTHRIE, & SAC COUNTIES IN WESTERN IOWA

Region XII Development Corporation
1009 E. Anthony St.
PO Box 768
Carroll, Iowa 51401
Phone (712) 792-9914
Fax (712) 792-1751
www.region12cog.org

click on: REGION XII DEVELOPMENT CORP

PROGRAM GUIDELINES

1. Applicants must be located in one of the six Region XII Counties.
2. The program aims to create or retain jobs. All applications must include information on jobs created or retained by a project.
3. The minimum loan amount is $5,000 and the maximum loan amount is $300,000. Projects should leverage other funding and financing to the extent possible, as the RLF program cannot compete with bank financing. Documentation from a bank or other conventional lender will be required to detail their funding in the project or their inability to provide funding.
4. At a minimum, all applicants must contribute 10% of the total project cost in cash. Equity in existing or other assets brought into the project may be included towards this requirement with Region XII approval.
5. Applicants must attempt to leverage bank financing to the extent possible, with a goal of 50% of the project cost. Any bank financing included in a project budget must be secured and committed prior to application.
6. Applicants must demonstrate need for RLF funding (i.e., additional bank financing is not available, other sources are "maxed-out:, etc.). Documentation of bank financing included in a project budget or the denial of such credit must be provided with all applications.
7. RLF funds may be used for land acquisition, building construction and renovation, equipment, inventory, and working capital.
8. Funds may not be used for projects that are purely speculative in nature (i.e., spec building construction).
9. Applicants must provide documentation that the project is feasible and sound, including (at a minimum) a business plan and financial projections for at least three years in the future.
10. All projects may be subject to an environmental review and when appropriate, a cultural resources assessment to ensure compliance with local, state, and federal laws and regulations.
11. Generally, applications will not be accepted for projects that will directly compete with other similar existing local businesses. Those projects that involve new business activities similar to other existing companies must include a detailed market analysis with their application that shows how their project in unique and that the project will not adversely affect the other existing company. Applications will be accepted for existing established businesses that include job retention (i.e., business is being sold to new owners in order to avoid business closing and losing jobs).
12. The interest rate on loans will vary depending on the current prime rate and the need of the applicant. The interest rate on all loans shall be determined by the loan review committee, regardless of what rate is requested by the applicant at the time of application.
13. Repayment terms generally require monthly payments, with a maximum loan amortization of 10-years. Repayment terms will be determined by the loan review committee based on project need and the applicant's request.
14. All loans must be secured, and a first collateral position is desired if possible. Lesser security positions may be approved by the loan review committee if necessary to the success of the project. All projects will require personal guarantees from all persons owning a 20% or larger share of the company.

APPLICATION & CONTACT INFORMATION

Applications can be obtained from the County development officials listed below, Region XII Council of Governments, Inc. or on Region XII's website at www.region12cog.org. Region XII COG staff is responsible for basic loan packaging for submission to the Region XII Development Corporation Loan Review Committee for review. Interested parties should contact Tami Lehmann at Region XII prior to submission of a full application for a "pre-consultation" on the project. Completed applications are due the 25th of each month, and will be reviewed the month following submission to Region XII COG. Applications will only be reviewed if they are complete and meet specific requirements of the RLF program. Additionally, **applications will not be reviewed until the application fee of 1.5% of the loan amount requested has been paid**. Applications will be reviewed by the Loan Review Committee, who will make recommendations on funding and terms to the Region XII Executive Board who will make final review of all applications and terms. For more information, please contact one of the following economic development officials:

REGION XII COUNCIL OF GOVERNMENTS, INC

Tami Lehmann, RLF Administrator
Phone (712) 792-9914
e-mail: tlehmann@region12cog.org

Rick Hunsaker, Executive Director
Phone (712) 792-9914
e-mail: rhunsaker@region12cog.org

AUDUBON COUNTY

Sarah Gomez, Executive Director
Midwest Partnership Corp.
615 S. Division, PO Box 537
Stuart, IA 50250
(512) 523-1262
sgomez@midwestpartnership.com

CARROLL COUNTY

Shannon Landauer, Executive Director
Carroll Area Development Corp.
223 W. 5th Street
Carroll, IA 51401
(712) 792-4383
S.landauer@carrolliowa.com

CRAWFORD COUNTY

Evan Blakley, Executive Director
Chamber & Development Council
18 South Main Street
Denison, IA 51442
(712) 263-5621
eblakely@cdcia.org

GREENE COUNTY

Ken Paxton, Executive Director
Greene County Development Corp.
220 N. Chestnut Street
Jefferson, IA 50129
(515) 386-8255
ken@jeffersoniowa.com

GUTHRIE COUNTY

Sarah Gomez, Executive Director
Midwest Partnership Corp.
615 S. Division, PO Box 537
Stuart, IA 50250
(512) 523-1262
sgomez@midwestpartnership.com

SAC COUNTY

Brandy Ripley, Executive Director
Sac Economic & Tourism Development
209 W 2nd Street
Wall Lake, IA 51466
(712) 664-2940
bripley@saccountyiowa.com

REGION XII
COUNCIL OF GOVERNMENTS

Region XII Development Corporation is a subsidiary of Region XII Council of Governments, Inc. (COG). Region XII COG was organized in 1973 in order to help local governments in the region facilitate community development projects.

Region XII serves 6 counties in Western Iowa including Audubon, Carroll, Crawford, Greene, Guthrie, and Sac. Since 1973, the COG has grown into a multi-purpose organization with over 50 employees, three departments, and numerous programs designed to improve the lives of our residents. Region XII Development Corporation is an integral part of this effort.

This institution is an equal opportunity provider and employer. If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at **http://www.ascr.usda.gov/complaint_filing_cust.html**, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at **program.intake@usda.gov**