

Grow Iowa Foundation, Inc.

Intermediary Relending Program

Background Info --

The Grow Iowa Foundation was incorporated as a nonprofit organization in 1995 for the purpose of providing grant and low-interest loan capital for community development, business start-ups, business expansions, water and sewer infrastructure, and housing. GIF financial assistance is targeted to a 21-county service area in southwest Iowa, which suffers from a declining and aging population.

Currently, GIF offers three, low-interest loan programs for businesses and housing developments: two Intermediary Relending Programs (\$1,937,500) and a \$100,000 private loan pool. Since 1996, the organization has provided loans to 25 businesses and two county development corporations for the purposes outlined above. The loans have resulted in the creation and/or retention of 725 jobs and private investments of more than \$8 million.

To qualify for GIF financial assistance, an applicant must receive 25-50 percent financing from a commercial lender and must provide 25 percent equity through personal resources, community and/or grant funding. An applicant must also verify that he/she cannot obtain financing from other sources and provide written support of the city, county or local development corporation. Additionally, traditional loan documents and supporting information are required.

Additionally, the Grow Iowa Foundation has initiated an upper-story housing grant/releasing assistance program through a \$300,000 Local Housing Assistance Program grant and a \$400,000 CORE grant from the CDFI Fund. These resources will be matched with \$1.75 million in private equity and loan sources (property owners and banks), to initiate downtown housing redevelopment initiatives in southwest Iowa. To date, GIF has granted and loaned \$383,115 for the rehabilitation of 27 apartment units. Private investments in this program have totaled \$957,789.

It is the intent of the Grow Iowa Foundation Board of Directors to increase capital availability within the investment area; create jobs for unemployed or underemployed workers; and provide technical assistance either directly or indirectly to small businesses, cooperatives, cities and counties.

To date, the Grow Iowa Foundation has made \$2.2 million in loans to 25 businesses and two development corporations. These loans have collectively resulted in 15 business start-ups, six business/industry expansions, the retention of five businesses, acquisition of land and/or construction of nine housing units, and the acquisition of land for industrial development within the identified Investment Area. The loans have resulted in more than \$8 million in public and private investments, and the creation or retention of 725 jobs.

Investment Area counties, certified by the Federal Reserve, include: Fremont, Page, Taylor, Ringgold, Decatur, Clarke, Adams, Montgomery, Cass, Adair, Harrison, Shelby, Audubon, Guthrie, Monona, Crawford and Greene. Other counties include Union, Mills, Carroll and Pottawattamie.

GIF Board of Directors: Gary Zabel, Lenox, president; Ken DeBaere, Shenandoah, vice president; Arnold O. (Skip) Kenyon, III, Creston, treasurer; Alec Turner, Corning, secretary; and Deborah Calvert, Des Moines. **Executive Director:** Lana Pals, Orient; **Housing Director:** Dan White, Atlantic; and **Finance Officer:** Martin Hansen, Red Oak.

Grow Iowa Foundation, Inc. Organizational Chart

