

Your Touchstone Energy[®] Cooperative



USDA Rural Economic Development Loan Program (REDL)

\$ PURPOSE: To promote the creation of jobs and rural economic development.

\$ ELIGIBILITY: Per USDA requirements and cooperative board approval.

\$ USE OF FUNDS:

- Business financing (buildings, M&E, improvements)
- Infrastructure (sewer, water, streets, rail)
- Health care (hospitals, clinics, assisted living)
- Educational facilities
- Community facilities

\$ TERMS:

- Maximum \$1,000,000 (pass-through loan) or as determined by the cooperative's board of directors
- Maximum loan amount shall not exceed 80% of the total project cost
- 0% interest rate
- 10 years maximum term
- Security shall be an irrevocable letter of credit or as determined by the Cooperative's board of directors

\$ APPLICATION PROCESS:

- Business plan w/ 3 years historical & pro forma financial statements
- Environmental Review
- Applications received monthly
- Typically two to three months turn-around

\$ SELECTION FACTORS:

- Nature of project
- Job creation
- Ruralness and area demographic factors
- Quality of business/project plan & financial statements
- Ownership & management
- Probability of success
- Supplemental funds

\$ CONTACT: Lisa McCarthy Tri-County Economic Development Alliance
(815) 858-4491 or lmccarthy@tceda-nwil.org