




ECONOMIC DEVELOPMENT PROGRAM

HEART OF IOWA COMMUNICATIONS COOPERATIVE

**"Our program was developed to aid in creating a climate that enables
businesses, individuals and our local communities
a source of funding."**

This Institution is an Equal Opportunity Provider. 



Economic Development Program

Heart of Iowa Communications Cooperative has proudly served our members/owners of rural Central Iowa with communication services for the past 60+ years. During this time the cooperative has played a vital role in the communities we serve, through involvement in numerous programs that not only support our local communities, but also local schools, libraries, youth and other special projects.

Through this community involvement, Heart of Iowa recognized that the cooperative could do even more to assist in ensuring prosperous futures for our local communities and area residents. Hence, in 1994 the cooperative formed the Heart of Iowa Communications Cooperative Economic Development Program (HICC ED), also known as the Rural Development Plan.

The program was developed to aid in creating a climate that enables businesses, individuals and our local communities a source of funding that will assist in providing a strong and diverse local economy.

Heart of Iowa's ED Program emulates the cooperative's strong commitment and dedication to serving the communities and citizens of rural Central Iowa. Therefore, HICC Board of Directors has set forth the following objectives as the foundation of the Economic Development Program:

- To attract new business and industry to rural areas in order to create both primary and secondary income for area residents.
- To retain existing businesses and encourage expansion of these businesses.
- To identify and locate occupants to fill existing buildings, and help in the upgrading and removal of undesirable buildings in local communities.
- To provide assistance in housing development in order to increase the population base of our rural communities.
- To assist businesses and individuals in accessing private, state and federal funding in conjunction with a given loan, or in instances where it feels the applicant may be better served.

To date, the HICC ED Program has assisted area businesses, care facilities, individuals and communities with loans in excess of \$1,000,000. These loans have provided funding for such projects as a community building, senior assisted living complex, nursing home, apartment complex, new small businesses, local fire departments, churches and many other projects.

The Board of Directors of HICC will accept and consider applications for ED loans that will significantly benefit rural communities, without restriction to Heart of Iowa Communications Cooperative's service area. It is the intent of HICC that funds from this program serve as "seed" money to generate economic development in rural Central Iowa.

Diversification of the economy increases the stability and wealth of our local communities. With this diversification comes increases in the number and quality of employment opportunities, as well as improving education, health care, housing, transportation, telecommunications and law enforcement. Our future generations will only benefit from a thriving rural economy. By working towards the future today, we must also seek the involvement of our area youth and encourage their participation in all phases of community efforts, as they will be the ones who will maintain these projects long after they have been implemented.

The future will serve to reiterate the fact that all types of businesses and community programs are vital in maintaining a strong rural economy and future growth and development. That is why the HICC ED Program is dedicated and willing to work with local lenders and other funding sources to maximize available capital, which in turn will provide for larger economic impact for our local communities and programs.

It is no secret that rural Iowans value the quality of life that our local communities provide area families. Community pride is demonstrated consistently through the willingness to invest in the future. The economic future of Central Iowa and our local communities, ultimately lies in the hands of each and every area resident. With strong community leadership and vital programs such as HICC ED, our local economy has the tool to maintain this existing quality of life that area residents and local businesses know and love.

HICC ED Program's lending criteria and loan application is included with this information. All interested parties are encouraged to apply.

Economic Development Program Eligibility, Criteria, and Lending Procedure

All loans considered and granted by the Heart of Iowa Communications Cooperative's Economic Development Program must meet the following criteria:

1. The HICC ED Program is targeted to meet the objectives stated on page 1 of this information.
2. Eligible projects will include retail business and community facilities. These proposed projects must demonstrate potential future impact on the local economy and illustrate critical need.
3. Eligible entities include corporations, partnerships, sole proprietorships, limited liability companies, cooperatives, governmental entities, nonprofit entities and tribal entities.
4. The HICC ED Program may be used to provide interim or permanent financing for building construction or renovation, real estate, machinery, equipment and working capital.
5. The HICC ED Program cannot be used to refinance existing debt or to make payments to business owners or partners.
6. The HICC ED Program cannot be used to finance production agriculture, illegal activities, and legalized activities (e.g. gambling casinos), which in the opinion of the HICC Board, adversely affect the HICC ED Program's interests.
7. The total investment by the HICC ED Program in any project cannot exceed 75 percent of the total capital requirements of the proposed project. The remainder must be derived and secured from owner equity and additional public and/or private financing.
8. The HICC Board does not place a minimum loan size for the ED Program. The maximum loan size is restricted to funds available in the HICC ED Program at the time of application.

In the effort to maximize the impact of the future growth and development of the Central Iowa area, the HICC Board of Directors will not condition the approval of an ED loan with the requirement that the prospective recipient be a member or subscriber to telecommunication services provided by Heart of Iowa Communications Cooperative or any of its subsidiaries or affiliates.

The following items and documents are required by the HICC ED Program for any individual, business or proposed project seeking application for funding:

- Completed Loan Application provided with this information.
- Complete Credit History (provided at applicant's expense).
- Existing businesses and organizations are required to submit two (2) Year Historical & one (1) Year Projections Profit and Loss Statement and/or two (2) Year Historical & one (1) year Projection Balance Sheet (if applicable).
- Complete IRS 1040 with all schedules for the past two (2) years (if applicable).
- New businesses are required to submit a complete two (2) Year Business Plan.
- Written documentation of lending approval by all financial sources involved with the proposed project.
- Current Appraisal of Property to be financed (if applicable).
- Photographs of the exterior and interior of any buildings, homes or property to be purchased.
- Completed Abstract (if applicable).
- Title Opinion (if applicable).
- Agreement of spouse as a co-signer (if applicable).

Other items and documentation may be required to be provided at the request of the HICC Board during the application process.

Upon completion of the application process, approval or denial of funding will be granted by the program within 60 days of receipt of the application.

HICC Ed Program loan funds will be disbursed when all loan conditions have been met and all additional funding has been committed. This includes proper documentation of expenditures or commitment of funds in the form of invoices, purchase orders, bills of sale, deeds, receipts, or other documentation.

All projects will be monitored for compliance with all covenants in the closing document and for financial performance. Loan recipients may be required to submit, at least annually, a year-end balance sheet, income and expense statement and a report on milestones reached as outlined during the application process. The HICC ED Program reserves the right to require the submission of financial reports audited by a certified public accountant.

HICC ED Program is an Equal Opportunity Provider.

HICC Economic Development Program Loan Application

Complete the following application as thoroughly and clearly as possible. Please either (1) download and complete the fillable application form or (2) print off and PRINT legible.

Applicant(s): _____

Address: _____

City: _____ State: _____ Zip Code: _____

Contact Person: _____ Phone: _____

Business Name: _____

Physical Business Address: _____

City: _____ State: _____ Zip Code: _____

Contact Person: _____ Phone: _____

DUNS Number: _____ Veteran Yes No

NAISC Code: _____ Go to <https://www.census.gov/naics/> to locate this code. Signature of

Applicant and/or Company Officer: _____

I hereby give permission to the HICC ED Program Committee to research the company's history, make credit checks, contact the company's financial institution, and perform other related activities necessary for the reasonable evaluation of this proposal.

Please provide a complete description and history of business: (May require additional space, please provide on separate sheet of paper)

Describe in detail the proposed "project" being undertaken (e.g., company relocation, plant expansion or remodeling, new product line, refinancing, etc.)(May require additional space, please provide on separate sheet of paper) _____

What percentage of the company's sales will be outside the State of Iowa? _____

What percentage of the company's total operating expenditures (including wages & salaries) will be spent within the State of Iowa? _____

What date will the proposed project begin? _____ Date to be completed? _____

Has any part of the project been started yet? Yes No

(If yes, please describe) _____

How many employees are currently employed by the company? _____ If the company has more than one facility, how many full-time employees are there at the facility affected by this proposal? _____ How many part-time? _____

How many new, full-time employees will you add to the payroll within 24 months, if the project is accomplished? _____

How many part-time employees if the projected is accomplished? _____

HICC Economic Development Program Loan Application

What is the estimated annual payroll for new employees resulting from this project? _____

What is the average wage rate projected to be for new employees? _____

Will any current employees lose their jobs if the project does not proceed.? _____ Yes _____ No. (If yes, how many? _____

Please explain) _____

How will this project benefit the city/county and local economy?(Please explain in detail.) _____

Explain what the businesses contribution to the project is (i.e., loan, equity, etc.): _____

Identify all agencies or institutions involved in the project, and describe in detail their involvement: _____

Explain why assistance is needed from the HICC ED Program, and why funding cannot be obtained elsewhere: _____

What type of security and in what amount will the assisted business provide?(please provide details for all that apply to projects)

Mortgage _____ What Seniority or Position? _____

Lien on _____ What Seniority or Position? _____

Personal Guarantee _____ Other _____ None _____

Generally a decision by the HICC ED Program Committee can be expected within 60 days of the receipt of the application. Is

there an urgent need for a more immediate decision on this application? _____ Yes _____ No. If so, why? _____

Economic Development Program Loan Application

Please complete this summary of project costs and proposed financing sources:

PROJECT SUMMARY

USES		SOURCES	
Activity	Dollar Amount	Dollar Amount	Provided By
Land Acquisition			
Site Preparation			
Building Acquisition			
Building Construction			
Building Remodeling			
Machinery & Equipment			
Furniture & Fixtures			
Working Capital:			
• Receivables			
• Inventory			
• Marketing			
• Other			
Other			
Totals			(2 TOTALS MUST BE EQUAL)

Terms of Proposed Financing

	Amount	Type	Rate	Term
State Assistance				
Conventional Financing				
Job Training				
Community Participation				
Other				
Other				
Total				

ADDENDUM TO HICC ECONOMIC DEVELOPMENT APPLICATION

NONDISCRIMINATION STATEMENT

This institution is an equal opportunity provider and employer.

To file a Civil Rights program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html or at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Ave, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

*****IMPORTANT NOTICE*****

“The following information is requested by the Federal Government for certain types of loans and grants, in order to monitor compliance with civil rights laws. You are not required to furnish this information, but are encouraged to do so. The law requires that a program recipient may neither discriminate on the basis of this information nor on whether you choose to furnish it. However, if you choose not to furnish it, under federal regulations, this program representative is required to note race/ethnicity on the basis of visual observation or surname.”

_____ I do not wish to furnish this information.

Ethnicity:

_____ Hispanic or Latino
_____ Not Hispanic or Latino

Gender:

_____ Male
_____ Female

Race: (Mark one or more)

_____ White
_____ Black or African American
_____ American Indian/Alaska Native
_____ Asian
_____ Native Hawaiian or other Pacific Islander

Information provided by:

Borrower _____

Lender _____