

**Rural Development Resource Center (RDRC)**  
— **Mobile Specialists**  
— **Rural Business Accelerator**

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## The Vision: Additional Delivery of Programs & Technical Assistance Services

Organizations within southwest Iowa have been formed out of need to address issues impacting community development and to provide technical assistance, education and programming in their areas of expertise. Although they have each met with success, financial resources have dictated a limit to their individual activities. Their collective vision is for delivery of comprehensive, direct assistance that are not available or accessible on the individual or group and organization level. These are not duplicative services offered by others designed to serve city or county governing organizations. The activities targeted for the RDRC have been dictated by requests throughout the region from developers and others local organizations working to provide assistance to grow business ventures. Independently, the primary partners have proven track records with limited resources; together a sustainable, stable multi-location development resource center can be formed.

### Independently They are Able to Offer Assistance on a Limited Basis for:

- Financing of Technical Assistance for Businesses
- Financial Services in the Form of Loans and Grants
- Agricultural and Horticultural Research
- Technical Assistance for Small Agricultural and Horticultural Producers
- General Economic Development Support
- Business Development Grant Writing Services
- A Strong Presence for Policy Makers

### Expanded Support of Local Development Through the RDRC:

#### Iowa Sales Network

The Web site will serve as the mechanism for the Center that will provide a successful venue for product to market for micro-enterprise, small business and small agricultural producers. The e-commerce site will be distinctive from other, basic e-commerce sites developed by non-profits for use by for-profit businesses.

#### Educational Programming

- Basic Financial Training for Low Income
- Sustainability Options for Small Producers
- Youth Entrepreneurship
- Business Financing
- Business Expansion
- E-Commerce Training
- Customer Service Training

#### Technical Assistance

- Communication tools to coordinated community development efforts
- Market and Customer data for small agricultural producers
- Commodity-based crops: bio-energy, bio-diesel; bio-tech pharmaceuticals
- Business Plan Development
- Business Research and Development
- Legal
- Cash Flow Projections
- Business Development Grant Writing
- Business Loan Program
- Iowa Sales Network: Product to Market Venue
- Local, regional, state, national and global marketing and advertising support

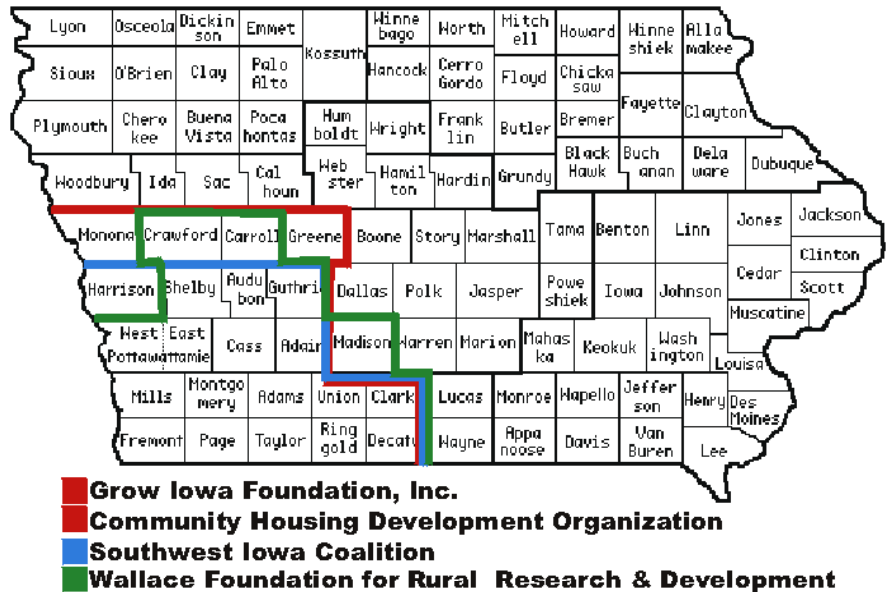
## Goals and Objectives to be Met

The RDRC, with a service area of 22 southwest Iowa counties, will focus on assisting existing and potential business starts and expansions. The RDRC will establish a physical communication hub for the primary partners and expanded specialists and staff. Eventually, as the RDRC expands, additional sites will be established throughout the region as needed and available. While a core group of support staff will be physically located on-site, additional staff will be mobile and travel to meet local requests for service.

The RDRC will network to provide to area economic development directors a support system that will reduce or eliminate duplication of effort on their part and allow for them to concentrate on area specific initiatives. The RDRC will work with clients to efficiently access programs and services already in existence in order that they are more efficiently utilized.

Further, the RDRC will have, as a component, a regional web site serving micro-enterprise and small business owners. It will be aggressively promoted locally and nationally, in both traditional and innovative, marketing efforts. It will be a cooperative and accomplish what micro-enterprises and small businesses cannot do singly. It will have a dedicated administrator and support staff. It will be self-sustaining and also contribute to the sustainability of the Center. The staff dedicated to the ISN will assume the responsibilities of Web site creation, maintenance, billing, advertising and promotions, while the RDRC partners will contribute to the success of the affiliated businesses with the necessary technical support with regard to business training and financial assistance.

The RDRC, which will be a collaborative partnership operation, will provide a one-stop shop for business development consulting needs for local use to support business starts and expansions. Primary partners will pool resources and expertise, eliminating duplicative efforts, in a manner that will deliver seamless services to communities for their comprehensive needs.



The service and membership areas of the primary partners have established the boundaries for the RDRC. Any county within these boundaries can participate and utilize support of the RDRC.

## Structure and Organization

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The strength of the RDRC is the expertise of its partners and the ease of accessibility by the RDRC “members” to utilize services. Each partner will facilitate the mission of the RDRC in the area in which they have expertise. Each partner will be responsible for the development of appropriate product, programs and services that will be offered through the Center. They will further be responsible for seeking funding sources and coordinating associated user fees in order to sustain the RDRC, and themselves, through cost recovery and revenue generation.

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**The Center will be designed in such a manner that it will:**

**→ cost recover → generate a sustainable revenue stream(s) → track outcomes and impacts**

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**Primary Partners** who have agreed to provide the necessary technical expertise and programming for the Center, and will commit their financial resources and current staff to the project, include:

- ♦ **Grow Iowa Foundation, Inc. (GIF)**
- ♦ **Southwest Iowa Coalition (SWICO)**
- ♦ **Wallace Foundation for Rural Research and Development (WFRRD)**
- ♦ **Iowa State University Extension – Extension to Community Economic Development**

**Supporters** for the RDRC include the community colleges that have offered potential satellite office locations on their various campuses.

## Product to Market Tools in development 2004 - 2006

### Window Showcase: Community Vitality Center Funding

This project is assisting micro-entrepreneurs in southwest Iowa reach a broader sales market for their products so that they are viable, sustainable and can increase their households' incomes in order that families can financially afford to remain in the rural areas in which they desire to live and work.

Ten, empty downtown storefronts were secured. Thematic window dressing and signage were designed and produced by ISU Campus of Design that begins the "Iowa Sales Network" and its name identity as it expands.

A central Web site hosting all the product was developed and is operational at [www.villiscareview.com/SWIWindowShowcase.htm](http://www.villiscareview.com/SWIWindowShowcase.htm)

Funds have now been secured for further development of the comprehensive Internet presence that will be The Iowa Sales Network which is targeted to provide a sustaining revenue stream for the RDRC.

### The Kitchen: Leopold Center Funding

Phase one of this project focused on discussion with ag producers on their long-term goals and the potential of bringing local consumers, specifically food service businesses, to a place where they will use local produce and meats on an ongoing basis. A business model was proposed and plan developed in cooperation with the ag producers. Funding is pending to run a test model of the business to further test the consumer market and the business design.

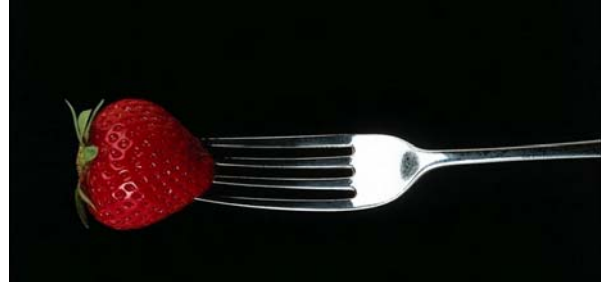


It is a financial risk for a producer to plant in anticipation of a potential, unproven market. By creating a cooperative home-meal replacement business (the "Kitchen") that will use the locally produced product, a market will be created for the product without facing that lag time. The business will be selling home-meal replacements for which there is already a market without having to face the challenge of building a sustaining market for "buy local." It allows for a gradual and deliberate educational process for the public to get "used to" buying local and in season. It will also provide a practical, easily accessed and needs-based product for individuals. It will teach them, through direct use, that the process is uncomplicated. It lays a groundwork for moving the concept of eating locally produced foods forward through additional existing sources such as caterers, nursing homes and congregate food sites.



## The Institutional Food Survey: Leopold Center funding

A third mechanism that can be offered as a viable product to market mechanism for small ag producers through the accelerator is in progress, *The Institutional Food Survey*. This survey will provide an inventory for area agricultural producers of potential customers. The data captured will identify the institutional food needs within the southwest Iowa region, which will include type, quantity, quality, specifications, and order frequency. With this information producers can niche product and, if necessary, form cooperatives to meet the demands.



## Business Training Classes: Community Vitality Center funding

Curriculum for use by the RDRC has been developed to facilitate a 10-week small business training workshops. Business development professionals of the RDRC will be able to provide these at on-site within communities where requested and needed.



## Beginning the RDRC operations with additional USDA and other funding secured

**Location:** The RDRC will be physically housed at the Red Oak Technology Building in Red Oak, Iowa at 211 N 8<sup>th</sup> Street one block south of Hwy 34. The building is equipped with high-speed internet, ICN and meeting and presentation space. This three-office space area has been donated by the Southwestern Community College for up to two years, rent-free for the RDRC start up phase.

**Communication/Client Service Delivery:** Services will be delivered on site or at locations easily accessible to the clients using the facilities/centers of the community colleges and the offices of the economic development and chamber groups. An on-site administrative assistant will provide regular business hour phone and e-mail communications and screening of potential clients.

**Organization – Reporting:** Grow Iowa Foundation (GIF) has been audited and approved by the state of Iowa for administrating the Business Accelerator Grant award and USDA funding. GIF is the primary with the operational structure in place to serve in a fiscal management capacity and is a designated 501c(3).

A Management Team, authorized by the boards of the primary partners, has been established to facilitate the implementation and attend to the day-to-day operational needs of the project and board reporting. This team has a representative from each of the primary partner groups and an at large e-commerce specialist. The team is: GIF

executive director, Wallace Foundation development director, Iowa State University Extension, Southwest Iowa Coalition president, and the Southwest Iowa Coalition coordinator.

The Southwest Iowa Coalition coordinator's office has been moved to the Entrepreneurial Center location to serve on site as an interim project/program coordinator for the Management Team and staff.

**The Hiring Process:** An independent committee has been formed. Its sole function is for hiring of RDRC specialists and for the Business Accelerator. It is comprised of 2 representatives from each of the primary partners.

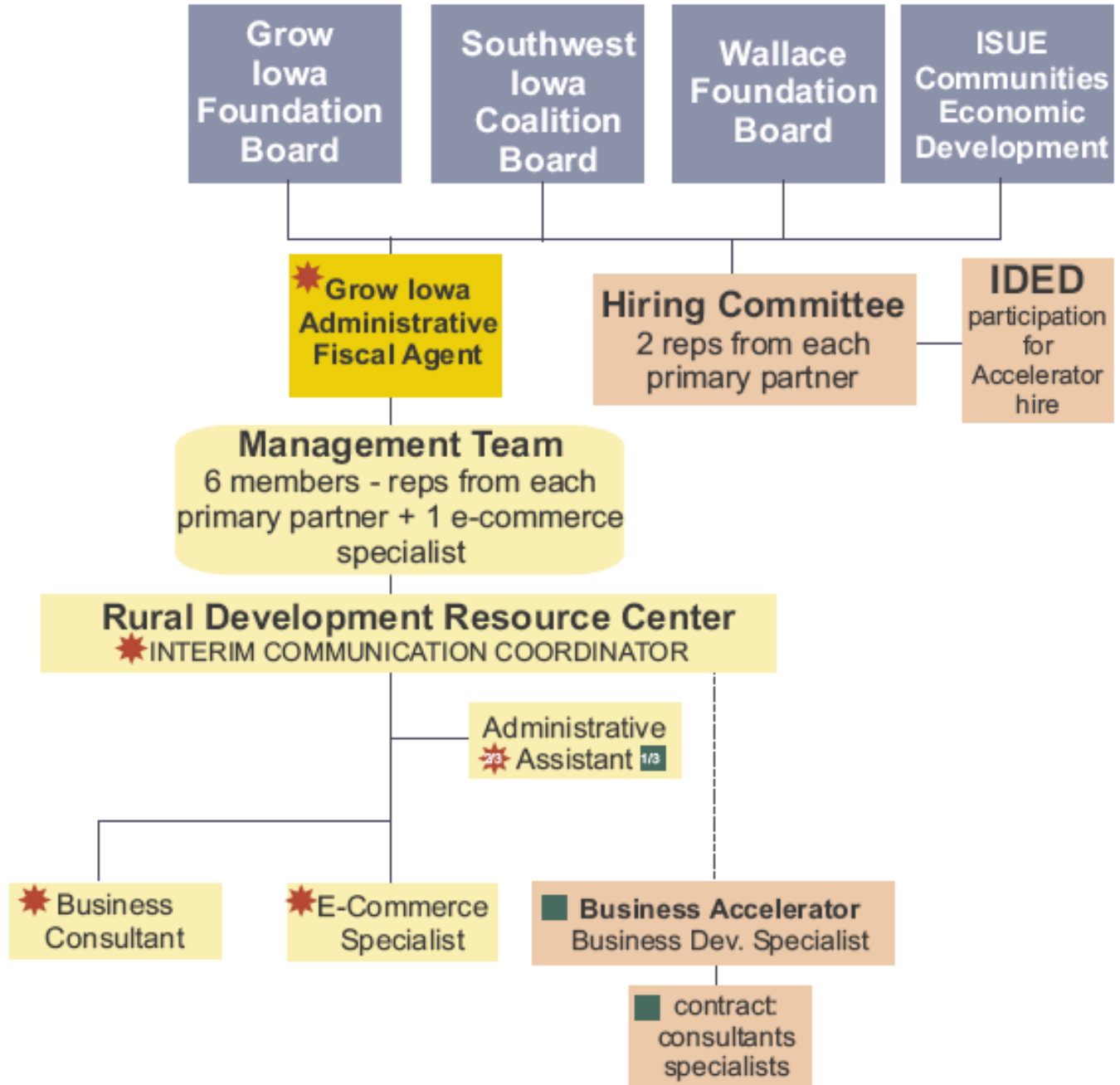
**Immediate Hires/Contracted employees:** Please see postings of full position descriptions.

- ♦ **1 Business Development Specialist:** This specialist will have oversight of the business accelerator program funded by the State of Iowa and provide expertise to business starts and expansions in all areas throughout the region.
- ♦ **1 Business Development Consultant:** This specialist will be able to provide assistance to business starts and expansions to include retail, value-added and technology-based rural starts and expansions and facilitate business training when needed.
- ♦ **1 Administrative Assistant:** This assistant will be housed at the Red Oak site office and serve flexibly to assist the on-site coordinator, management team and specialists.
- ♦ **1 E-Commerce Specialist:** This specialist will be responsible for the full design and implementation of the e-commerce site, maintenance, software development and maintain relationship for assistance with users of the Iowa Sales Network.

**Partner Historicals and the RDRC organization chart follow. Full position descriptions can be found at [www.swico.org](http://www.swico.org) or through Work Force Development.**

# Regional Development Primary Partners

■ FUNDED BY IDED  
★ FUNDED BY OTHER SOURCES

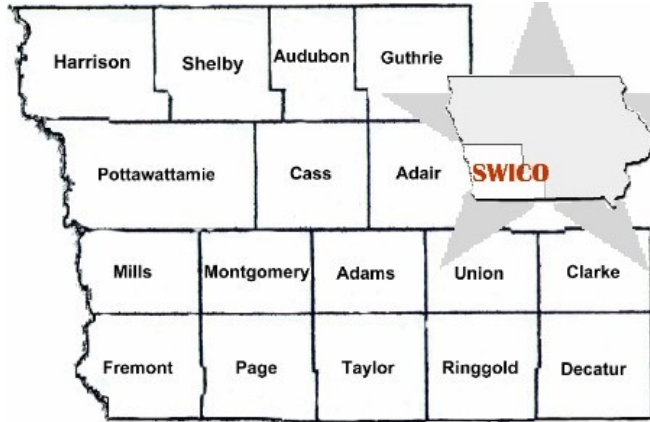


## Southwest Iowa Coalition (SWICO)

### “A Historical Perspective”

SWICO was formed in 1991 as a loosely based group of concerned citizens. The first meeting included 33 people from Shenandoah, Corning & Red Oak with discussion focused on topics of water and transportation.

An invitation only introduction meeting to the Coalition brought almost 75 people to Corning in November of 1992. The common concerns of this group included rural challenges involving transportation, housing, water, telecommunications, distance learning, physician recruitment, IDED allocations, agriculture, and community specific topics.



From 1993 to 1994, a grassroots recruiting effort of regional leaders was able to bring a loose knit group of individuals together representing 14 counties. The Coalition’s original boundaries were from I-80 south to the Missouri border and I-29 to I-35. The constituency represented, (exclusive of the Council Bluffs, IA metroplex), almost 150,000 people.

By 1994, a dues paying membership in SWICO numbered almost 175. Senator Charles Grassley organized the first “Rural Economic Development Summit” held in Red Oak in January 1995; over 350 people attended. Sen. Grassley followed the summit with a personal visit to Washington DC; over 20 SWICO members were in attendance.

A Formalized Approach to Doing Business began to evolve and implemented from 1995 to 1996 that included the writing of by-laws and articles of incorporation.

Recognizing the need for a financing arm for the organization, the Grow Iowa Foundation, Inc. was formed with \$200,000 in seed money from participating counties and \$800,000 from USDA.

SWICO is a designated 501(c)(6) governed by a board of elected officers. SWICO’s membership now stands at 350 individuals and has a mailing list of over 600 contacts. SWICO’s standing committees are:

- Transportation
- Housing
- Telecommunications/Technology Training
- Tourism
- Value Added Agriculture
- Lobbying/Legislative Issues
- Rural Water
- Workforce Development
- Regional Marketing

**State Lobbying Efforts Include:**

Enterprise Zones

Real Estate Improvement Districts  
Housing E.Z.'s  
Clarinda Prison  
Glenwood State School

**Federal Lobbying Efforts**

U.S. Highway 34- Bridge  
U.S. Highway 2-Bypass  
Hitchcock House Designation NPS  
Rural Development Funding Includes: (but is not limited to) RSIP, VADG, RHED, CDFI

**Transportation Projects**

Highway 34 Bridge  
4 Lane 34  
Highway 71 Improvement  
Highway 2 Bypass around Sidney  
Welcome Centers  
Highway 59 Super 2  
Regional Airports  
Expanded Passenger Rail

**Telecommunications/Technology Training Projects**

Heartland Net-Regional Startup  
Kellogg Grant for Managing Information in Rural America \$200K in 10 communities-for infrastructure improvement  
ICN Lobbying for "all" school access two way  
Statewide deployment of curriculum via the ICN

**Water Projects**

4 County Framework Study, (Mills, Fremont, Page & Montgomery)  
Regional Water Source Surveys  
Impoundment Investigations  
Regional Water Conference-2000

**Workforce Development Efforts**

Labor Survey CFM&Z  
Quality Jobs Website (in process)  
Diversity/Immigrant Labor Issues (SWILRC)  
Technical Training or Regional Development Center Planning  
IWD Lobbying for Surcharge Extension to Maintain Rural Offices

**Regional Marketing Efforts**

Tabloid Advertisements- "Midwest Business and Industrial Properties"  
Web Site Development (in process)

Regional Cooperative Marketing/Materials  
Money from Qwest, MAEC, Alliant and IDED

Monthly Newsletter

**Value-Added Agriculture**

Ag-Connect (Statewide)  
Wallace Foundation Supporter/Partner  
Beginning Farmer Loan Program Support  
Lobbyist on Behalf of Cybus  
Capital/TecTerra Funding  
VAAPFAP Lobbying Efforts

**Legislative**

One-on-One Meetings with State and Federal Department Heads or Congressional Delegations (Annually)  
Rural Issues Summit's in 1994, 1996, 1999 & 2003 (almost 1,000 attendees)  
Washington & Des Moines Trips (Annually since 1996)  
Taste of S.W. Iowa (2000-2002)  
Joint Legislative Agendas w/ WFRRD, GIF and SWICO (since 1999)

## 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 starts, 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 \$2.6 million in loans to 29 businesses and two county development corporations for the purposes outlined above. These loans have collectively resulted in 16 business start-ups, nine 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.



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. All loan applications are reviewed by one of three, six-member loan review teams comprised of independent bankers throughout the Investment Area.

Additionally, the Grow Iowa Foundation has initiated an upper-story housing grant/relending 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.

In 2000, GIF became certified as a Community Development Financial Institution and certified 17 southwest Iowa counties as CDFI-eligible by the U.S. Department of Treasury. These counties include: Fremont, Page, Taylor, Ringgold, Decatur, Clarke, Adams, Montgomery, Cass, Adair, Harrison, Shelby, Audubon, Guthrie, Monona, Crawford and Greene. [GIF also serves Union, Mills, Carroll and Pottawattamie counties which are non-CDFI eligible.]

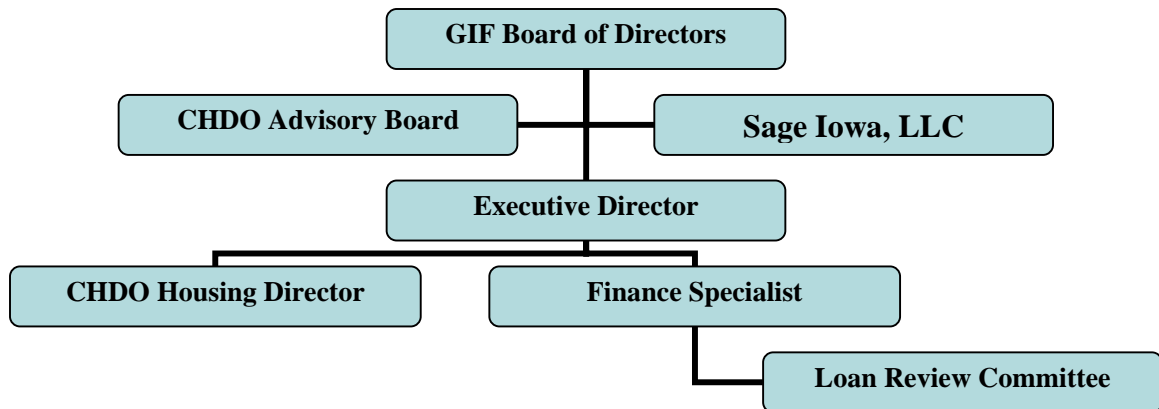
In 2002, GIF obtained certification as a HUD-certified Community Housing Development Organization within its service area to better meet the housing needs of low-income constituents. In 2003, GIF has constructed one 1,232 sq. ft. spec home in Manilla, Iowa, and is preparing to build two additional spec homes this fall in a newly created subdivision in Denison, Iowa. Additionally, this fall, GIF is partnering with an Omaha developer to create two, eight-unit, senior, low-income housing tax credit projects in Denison and Harlan. GIF has also agreed to become a 1% managing partner with Key

Corporation of Kansas City in a newly formed LLC, in an effort to revive two, 48-unit, low-income [60% or less of median income] multi-family housing units in Red Oak and Shenandoah.

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. GIF employs three staff members – Executive Director Lana Pals, Housing Director Dan White and Finance Officer Martin Hansen – located in Adair, Cass and Montgomery counties respectively. The organization provides financial services for community development, business starts/expansions, and housing. Staff members provide technical assistance to individuals, businesses and communities in the areas of grant funding, financial packaging, infrastructure and/or housing development, loan funding, home ownership training, etc. Its staff has 50-plus years of combined development and financial experience.

The Grow Iowa Foundation, Inc., is a non-profit corporation wholly funded by developer fees, interest income, and grant administrative fees. It is governed by a private, five-member board of directors consisting of: 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.

**Grow Iowa Foundation, Inc.  
Organizational Chart**



## Wallace Foundation for Rural Research and Development



53020 Hitchcock Avenue  
Lewis, IA 51544  
(712) 769-2650  
[www.wallacefnd.org](http://www.wallacefnd.org)



### VALUE-ADDED INNOVATION CENTER

A major goal of the Wallace Foundation is to help Southwest Iowa growers increase profit margins on — add value to — their livestock, poultry, and cropland investments. *The Value-Added Innovation Center* was created specifically to assist growers in developing value-added business opportunities throughout the Wallace Foundation’s 19 county area in Southwest Iowa.

The Wallace Foundation was formed by concerned citizens of Southwest Iowa in 1988 in response to the rural economic crisis of the mid ‘80s. Conditions that led to its creation were low per capita income, population decline, low dollar sales value per farm acre, too few value-added agriculture businesses, too little agricultural research, demonstration, and educational capacity, and the need for improved telecommunications and educational infrastructure. Now, the 2000 Census data shows that Southwest Iowa may face even more severe, long-term challenges!

The center is designed to provide the Wallace Foundation, Iowa State University, local development groups and beginning value-added agricultural enterprises common office space and educational facilities to foster joint research and rural development efforts. Goals for the center include:

- *facilitate systems research and economic development that is initiated by the people of southwest Iowa which optimizes resources available, stimulates new income, enhances the quality of life, and keeps the young and bright in southwest Iowa;*
- *stimulate new economic activity through programs that activate capital formation for new agricultural businesses (biotech, direct marketing), systems to increase value-added products, and programs that coordinate infrastructure planning with business planning;*
- *find answers to problems by focusing on technology to make farms and small businesses viable economic units; technology to conserve natural resources, and technology for marketing and merchandising;*
- *enhance the people resources of southwest Iowa through education and technology transfer by providing hands-on learning opportunities for students enrolled in credit and non-credit educational programs of the center.*

The Innovation Center is located at the Wallace Foundation Learning and Outreach Center at the Armstrong Research Farm near Lewis, IA. The Learning Center houses the Wallace Foundation, SW Iowa Extension offices, Armstrong Research Farm offices, and Iowa Quality Producers Alliance. Other areas including a large room subdivided into five “cubicles” for Innovation Center occupants are also available at the Learning Center. Two classrooms, and an interactive media room including Iowa Communications Network equipment, and a conference room complete the Learning Center.

The Wallace Foundation is a designated nonprofit 501(c)(3) by the state of Iowa governed by a volunteer board of directors. The Foundation has nearly 1,400 members and has raised over \$417,000 in contributions. Membership is open to anyone interested in agricultural research and rural development in southwest Iowa.

### **Steering Committee/Coordinator**

The Innovation Center operates under a steering committee. Seven members are farmer representatives of different counties as well as the Corn Growers Association, the Nishnabotna Valley REC, a county RDAC, a county Board of Supervisors, the Precision Beef Alliance, the Iowa Farm Bureau Federation, and the Iowa Area Development Group; the other two members are ISU Extension staff or representatives. Day-to-day activities are managed by a Wallace Foundation coordinator whose responsibilities include recruiting businesses for Innovation Center assistance; networking with Rural Development Action Committees in the 19-county area; building alliances with other innovation centers; creating professional service directories and worldwide web links for information gathering, discussion groups, and entrepreneurial tools; and developing mentor teams for Innovation Center clients.

# IOWA STATE UNIVERSITY

## University Extension

***Helping Iowans become their best.***

## Iowa State University to Extension

[www.iastate.extension.edu/communities](http://www.iastate.extension.edu/communities)

### EXTENSION TO COMMUNITIES

288 College of Design  
Iowa State University  
Ames, Iowa 50011-3091

**515-294-5156**

By sharing information, we believe we can better realize a common endeavor to improve the quality of life in our towns and cities. For everyone, making connections is an important part of leadership.

In addition to 11 field specialists, the Extension to Communities staff includes 23 university faculty members and professional staff members based in four colleges at the university and housed in six departments and one center. The cross-discipline nature of communities specialists will give the Center clients access to a broad variety of programs and services at the university.

Iowans need data on their communities, skills in analysis, interpretation and information management in order to plan and prepare their communities for the future. In addition to providing the Center with campus technical support in the form of Web site creation and hosting, software design and ongoing research and data for members of the Center, programs and services exist that can be tailored to fit specific needs and packaged for delivery.

**Extension to Communities has already supported this effort by dedicating time and expertise through two community development field specialists with expertise in marketing and business development. In the future Extension to Communities has at its disposal, but is not limited to:**

#### **CD-Dial**

*Community Development Data, Information and Analysis Laboratory, Department of Sociology*

#### **Quality Jobs**

*Set of five publications on workforce development*

#### **Center for Transportation Research and Education (CTRE)**

*Community and Regional Planning Department and Landscape Architecture Department*

#### **Community Economic Analysis**

*The latest community, regional and economic development analysis and programming from the outreach faculty and staff of the Department of Economics at Iowa State University*

#### **SETA (Social Economic Trend Analysis)**

*Public access to local community and economic development data on employment, income, economics, demographics and more for Iowa and eleven other states in the Midwest provided by Extension to Communities and the Department of Economics and Iowa State University*

#### **ISU Extension Retail Trade Analysis Program**

*Access to data and analysis regarding the history and current status of local retail sectors for individual counties and communities in Iowa.*

#### **Nonprofit Management Institute**

*The Nonprofit Management Institute was established in 1999 by Iowa State*

#### **Telecommunications (Sociology Extension)**

*Quality of Life in Communities*

#### **Rural Development Initiative Data and Reports (99 counties, 114 cities)**

#### **Land Use**

#### **Institute for Design Research and Outreach**

#### **Building Communities for Tomorrow**

#### **Community Visioning**

#### **Community Connections**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Many materials can be made available in alternative formats for ADA clients. To file a complaint of discrimination, write USDA, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964.