

What's Developing

Many times the biggest obstacle for a project is finding available, affordable financing. One option that is right in our backyard is through FEM Electric – it is the REED Fund. Earlier this year an information session was held to give details about the loans and some of the area towns that have used this program for a variety of projects. Below is an article from FEM Electric Association Cooperative Connections reprinted with permission.

“On January 28, 2015 FEM Electric hosted a luncheon and REED Fund informational meeting at North Central Farmer’s Elevator in Ipswich.

Rural Electric Economic Development, Inc. (REED) Fund is a nonprofit corporation providing financing and leverage investment for business, agri-business, infrastructure, housing, and community development in small communities and rural areas needed to keep the rural economy viable.

East River Electric Cooperative’s REED Fund Assistant Administrator, Linda Salmonson, put on the presentation and met with interested individuals after the meeting.

She stressed that although this fund is administrated by the eastern South Dakota rural electric cooperatives, you don’t have to buy electricity from them to get a REED loan.

Community members in Faulk, Edmunds and McPherson counties were invited to attend this informational session about the REED Fund program. All communities in the FEM service territory were represented from city council members to business owners.

Some of the businesses that have benefited from this program in the FEM service territory are the Faulkton Development Corporation for an athletic complex and community center, Ipswich Golf Club (Split Rock Country Club) to construct grass greens on an existing 9-hole sand green course, the Ipswich Volunteer Fire Department for a fire truck, Lien Family Funeral Care, Inc.(Lien Funeral Home) for a funeral home in Bowdle, and North Central Farmer’s Elevator for various projects.

To be eligible for the fund applicants must be legal entities, sole proprietors, cooperatives and/or units of government, must invest a minimum of 10% equity in cash or assets of the project/business, and must provide assurance of willingness and ability to repay the loan and provide adequate collateral. Financing cannot exceed 50% of a project’s total cost and must reasonably assist the project and all borrowers are encouraged to integrate energy efficiency into facilities and construction.

The REED Fund is just one way that electric cooperatives show commitment to community.

If you are in need of funding for a business or community project, contact Scott Moore at FEM Electric to go over what the REED Fund could do for you.

For more information about the REED Fund you can also go to

[www.eastriver.coop/programs/reed/.](http://www.eastriver.coop/programs/reed/)”

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