

Loan plan brings in businesses

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Store owners say funds made it reasonable to start new services

Howard residents once had to travel to buy lawn seed, rakes, and shovels, but that changed in August when Rusty's Hardware Hank opened on Main Street.

Store owners say it wouldn't have happened without help from the Miner County Community Revitalization revolving loan fund. In October, MCCR received its second \$400,000 low-interest loan from USDA Rural Development to nurture more business development locally.

The money is used to help a start-up or keep a business in Miner County.

"We couldn't have done it without them," said Rick Hiltunen, co-owner of Rusty's Hardware Hank. "We wanted to do everything locally. The Miner County Bank along with MCCR, working together, was a tremendous help in making the hardware store a reality.

In 2001, MCCR received its first USDA loan for \$446,375. The money helped form 14 loans in Miner county, including nine for new or start-up businesses, and helped create or retain 40 jobs. MCCR officials hope the new money will help at least six county businesses.

"We help fill in with the borrower's needs," said Teresa Poppen, MCCR finance and loan officer. "We want to work with other funding partners and want to bring in as many sources as possible."

For example, if a bank provides a loan for \$10,000 and the borrower still needs \$10,000, MCCR will help put in the rest.

Under the first loan, MCCR used 75 percent of USDA funds and 25 percent from MCCR's revolving loan fund.

With the new loan, the USDA loan would provide 90 percent of the money and MCCR's revolving loan fund would give 10 percent. The MCCR loans are paid back over 30 years with the first three years being interest-

only payments. The rest is paid back with 1 percent interest. "The fund is used for individuals that live work or attend church or school in Miner County," Poppen said.

Dave Dawson, Miner county Bank vice president, has worked with MCCR on several economic development loans. "It is nice to have MCCR here to participate with them when we do small loans in the community," he said. "There is a risk in a small town."

The loan helps share the risk, he said, and helps the community improve with agencies and residents working together.

Hiltunen said it is important to have the revolving loan fund in the community.

"For smaller communities, it is the only way to survive and keep people in town," he said.

Hiltunen said he didn't want to duplicate items in his hardware store that were available elsewhere in town. "For the majority of these items, if someone wanted them, they were going out of town," he said.

Howard resident Patricia Doscher said she can stay in town to get her paint or pet carriers. "Employees are right there when you need them," she said. "if they don't have it, they will get it for you."

The Hiltunens have done major renovations on the building including floors, lights, a new computer system and shelving.

"All of these things will helpfully make us efficient," Hiltunen said. "To this point, it is everything we've hoped for. The response from the community has been tremendous. They have exhibited patience."

Poppen said the revolving loan fund has been an excellent program. "It is helping individuals fulfill their goals and dreams," she said.

