

Press Release

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Department of Agriculture fertilizes Progress Fund efforts – again
Repeat USDA loan will seed rural tourism business with \$1,000,000

Dawson, PA – 7/29/04 - The U.S. Department of Agriculture Rural Development is backing The Progress Fund's efforts to spur tourism businesses in rural areas with a \$750,000 low-interest loan.

The loan comes from the USDA's Intermediary Relending Program, and goes to experienced economic development organizations. The latest loan follows a \$750,000 loan from the same program to The Progress Fund in 2000. The Progress Fund will add an additional \$250,000 it received from private foundations, to bring the total to \$1,000,000. The Progress Fund "did very well" at relending those funds to businesses and finding matching funds, says USDA Rural Development Area Specialist Susan O'Donnell. That performance helped enable the second round of funding.

"We're thrilled that the Department of Agriculture has decided to support our efforts yet again," says David A. Kahley, President & CEO of The Progress Fund. "We will relend every cent of this money to new or growing tourism-oriented businesses in rural areas. Those businesses will create jobs and build communities."

Tourism-oriented businesses are an increasingly important part of rural economic development, and they need extra help with start-up and expansion capital, says O'Donnell. Tourism businesses often have low levels of collateral and seasonal revenue patterns. "Many banks don't want to take the risk of lending to small tourism businesses," O'Donnell says. "The Progress Fund is one of the few organizations that's taking care of anything like that."

The Progress Fund is a Community Development Financial Institution that creates jobs and improves communities by providing entrepreneurial coaching and capital. We serve Pennsylvania and West Virginia, where the resourceful people who forged this nation are exploring a new landscape of opportunities. An outgrowth of Congressman John Murtha's efforts, the Fund was founded in 1997, and has loaned more than \$7.5 million to more than 118 enterprises, creating or preserving more than 750 jobs. The Progress Fund is an Equal Opportunity Lender. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed with the Secretary of Agriculture, Washington, DC 20250.

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