



# NEBRASKA

Rural Business & Cooperative Services • Rural Economic Development Grant Program

## One Program, Several Improvements for City of Cozad

The city of Cozad (pop. 3,977), located in Dawson County, has a very active economic development program, with Cozad Development Corporation (CDC) always looking for ways to stretch local economic development funds to assist new businesses. Rural Development was able to assist with that goal by providing capital to their community through the Rural Economic Development Grant (REDG) Program.

In 2008, Cozad’s largest employer, Tenneco Automotive, closed their plant. CDC was looking at new ways to attract businesses to Cozad and bring jobs back into the community. In 2012, the city of Cozad applied for a \$190,000 grant through the REDG program, leveraging their local economic development dollars for the required 20% supplemental funds (\$38,000). The REDG funds were loaned to CDC at 0% interest for 10 years to purchase an existing building and complete renovations for a business incubator and training room. In 2012 and 2017, Cozad Community Hospital needed new ultrasound equipment and a new digital radiology and fluoroscopy machine. Patients were having to travel to other hospitals to have these procedures completed. The city of Cozad obtained two additional grants of \$130,119 and \$290,000 for this equipment, with the city of Cozad again leveraging local economic development dollars for the 20% match. By utilizing the REDG program, the city of Cozad obtained \$610,119 in grant funds to create a Revolving Loan Fund. The city’s 20% contributions were also added to this fund. The city is now able to make additional loans to business and community development projects to further boost economic development in their community.



*New equipment providing state-of-the-art medical services to patients near and far.*

As a result of the 0% loans, the building that CDC purchased has incubated two businesses that have been able to go on and build their own buildings in Cozad, houses a small start-up business with six employees, and a Commercial Driver License training business that employs fourteen and trains up to fifty people a month from all over the country. The conference room has allowed CDC to hold trainings for small businesses, such as QuickBooks and Business Plan Basics. The hospital has seen a significant increase in the number of exams performed in each department where improvements were made. The new equipment resulted in one new job created and saved two jobs in the radiology department. The city of Cozad has made two loans, a business start-up and an industrial expansion, from the newly created revolving loan fund, resulting in fifteen new jobs in the community.

**Obligation Amount:** \$190,000; \$130,119; \$290,000

**Date of Obligation:** 5/29/2012; 8/17/2012; 7/6/2017

**Congressional District:** Smith, NE03; Fischer, Sasse

**Partners:** City of Cozad (Intermediary), Cozad Development Corporation and Cozad Community Hospital (Ultimate Recipients)

**Demographics:** Dawson County, Cozad NE, Population 3,977

**Impact:** Impacted more than 38 jobs in the community, in addition to those that are receiving training at this facility from all over the country, and enhanced medical technology for a rural hospital, improving healthcare for rural residents.