



# NEWS RELEASE

**United States Department of Agriculture – Rural Development**

**World Wide Web: <http://www.rurdev.usda.gov/ca>**

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## **USDA RURAL DEVELOPMENT INVESTS OVER \$550 MILLION IN RURAL CALIFORNIA**

*2008 annual report highlights assistance to state's rural communities*

DAVIS, Calif., December 18, 2008 – Working closely with entrepreneurs, community leaders, lenders, farmers, and families, USDA Rural Development California invested more than \$550 million in California's rural economies in 2008. Today, USDA Rural Development State Director Ben Higgins released the agency's Annual Report, outlining the full array of USDA Rural Development assistance delivered in the Golden State in the prior fiscal year.

“For our employees and the hundreds of rural communities they serve, 2008 was an enormously successful year – arguably our most successful ever,” said Higgins. “Collectively we invested more than \$550 million in our state's rural communities – an increase of well over \$100 million from 2007. In doing so, USDA Rural Development helped create thousands of new jobs and played a significant role in mitigating economic uncertainties faced by hundreds of businesses, families, and local and tribal governments in rural California.

Over \$210 million was invested to support entrepreneurs in rural areas, organizations which assist small and emerging businesses, and renewable energy production in California. These investments, primarily made in the form of loan guarantees to private businesses, saved or created almost 4,000 jobs in rural communities throughout the state.

Nearly \$69 million in grants and loans were provided to California rural communities for facilities and infrastructure, including water distribution and wastewater treatment systems, telecommunications, hospitals, health clinics, schools, and to meet the needs of rural law enforcement and fire suppression agencies. Rural areas eligible for community programs funding are generally defined as those with a population fewer than 20,000.

An additional \$180 million was provided to create first-time homeownership opportunities for hundreds of rural families, including many who took advantage of USDA's Mutual Self-Help Housing Program.

USDA Rural Development's Mutual Self-Help Housing Program enables groups, generally eight to 10 families, to work together over the span of 15-18 months to build their own homes under the guidance of a construction expert. USDA Rural Development helps with construction financing with local housing developers and extends low-interest loans to new homeowners.

The agency's Multi-Family Housing Program, which makes grants and loans for new construction and repair of apartments for low-income tenants, and for construction and renovation of farmworker housing, contributed over \$97 million to the investment total.

**-more-**

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“We’re proud of our accomplishments in 2008, and look forward to even more success through fiscal year 2009,” said Higgins. “California’s rural communities have real needs for improved infrastructure, economic development, affordable housing, and investment capital. As long as these critical needs exist, USDA Rural Development will play a role in helping create healthy, vibrant rural communities.”

To view the USDA Rural Development California 2008 Annual Report, please visit [www.rurdev.usda.gov/ca](http://www.rurdev.usda.gov/ca).

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development has invested over \$91 billion since the beginning of the Bush Administration to provide equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. As a result, over 1.7 million jobs have been created or saved through these investments. Further information on rural programs is available at one of California’s 18 local USDA Rural Development offices or by visiting <http://www.rurdev.usda.gov/ca>.

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**“Committed to the future of rural communities”  
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