



NEWS RELEASE

United States Department of Agriculture – Rural Development

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USDA RURAL DEVELOPMENT INVESTS \$405 MILLION IN RURAL CALIFORNIA

2007 annual report highlights assistance to state's rural communities

DAVIS, Calif., February 8, 2008 – Working closely with entrepreneurs, community leaders, lenders, farmers, and families, USDA Rural Development California invested \$405 million in California's rural economies in 2007. 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, 2007 was a year of tremendous achievement and progress,” said Higgins. “We created new jobs and new businesses in rural areas. We invested in water, sewer, electric, and telecommunications infrastructure. We helped families move into their first home. Together with our partners, USDA Rural Development helped to level the playing field and make rural California more competitive in terms of quality of life and economic opportunity.”

Nearly \$112 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.

Over \$108 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 more than 3,400 jobs in rural communities throughout the state.

An additional \$104 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 \$80 million to the investment total.

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“We’re proud of our accomplishments in 2007, and look forward to even more success through the rest of 2008,” said Higgins. “California’s rural communities have real needs for improved infrastructure, economic development, affordable housing, investment capital, and technical skills. As long as these critical needs exist, USDA Rural Development will play a role in helping create healthy, vibrant communities.”

To view the USDA Rural Development California 2007 Annual Report, please visit 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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