



NEWS RELEASE

United States Department of Agriculture • Rural Development

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USDA RURAL DEVELOPMENT INVESTS \$6.9 MILLION IN BUSINESS DEVELOPMENT FOR RURAL AMERICA

TEMPLE, TEXAS, March 2, 2005 — Agriculture Secretary, Mike Johanns, announced today that \$6.9 million will be invested in ten states for business development and job creation. This investment further supports President Bush's goal to create jobs and improve economic opportunities in rural communities. In Texas, USDA Rural Development is awarding three loans totaling \$2,250,000 to: Eden Economic Development Corporation, Eden, Texas, Palmview Economic Development Corporation, Palmview, Texas, and Roma Economic Development Corporation, Roma, Texas.

"Increasing the number of entrepreneurs is part of President Bush's commitment toward enhancing America's Ownership Society; most notably by increasing business and home ownership opportunities for more Americans," said Johanns. "These grants will help create jobs and expand the economic base of their community."

"The Intermediary Relending Program is an important tool in USDA Rural Development's overall toolbox of loan and grant programs," said Agriculture Acting Under Secretary for Rural Development Gilbert Gonzalez. "We are working with rural communities across the nation to enhance their economic opportunities and improve their quality of life by providing an array of investment programs that when put together bring a holistic approach to rural economic development."

"We are excited that rural Texans will have access to more than \$2 million in funding that will provide employment for more than 150 people," said Bryan Daniel, Texas USDA Rural Development State Director. "These types of projects create jobs and bring economic opportunities to rural communities."

In 2004, \$39.7 million in 63 revolving loans supported 223 businesses and created or saved over 30,000 jobs. Since 2001, the Bush Administration has invested over \$149 million to support local revolving loan funds. Loans are made available through the USDA Rural Development Intermediary Relending Program. The aim of business revolving loan funds is to finance business facilities and community development projects in rural areas. This is achieved through loans made to intermediaries who in turn re-lend funds locally to support businesses or community development. Loans from intermediaries to the recipients must be used to establish new businesses, expand existing businesses, create employment opportunities, save jobs or complete community development projects.

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, USDA Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA's web site at <http://www.rurdev.usda.gov>.

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