

For Immediate Release

February 26, 2007

Media Contacts:

**Nancy Lungren, Deputy Secretary of Public Affairs,
(916) 531-3039, nlungren@cdfa.ca.gov**

BT&H Contact: Janet Huston (916) 323-5416

Release #07-021

**Arnold Schwarzenegger, Governor
A. G. Kawamura, Secretary**

CDFA Secretary Kawamura and Acting Secretary Sedlik of Business, Transportation and Housing Agency Urge Small Farmers and Businesses Affected by the January Freeze to Take Advantage of State Loan Programs

SACRAMENTO, Monday, February 26, 2007 - Secretary Kawamura of the California Department of Food and Agriculture and Acting Secretary Barry Sedlik of the Business, Transportation and Housing Agency today urged small farmers and business owners, particularly Southeast Asian-American and African American growers, to take advantage of USDA loans and the California Small Business Disaster Loan Guarantee Program. The Small Business Loan Program, activated on February 14, 2007, guarantees \$14.2 million in loans for farms, agriculture-related businesses, and businesses in farming communities that suffered damage or significant economic loss as a result of the January 2007 freeze.

"I saw firsthand the losses suffered by farmers who grow specialty crops like bok choy, gailon, daikon, yu choy, broccoli and mustard greens during my recent tour of Hmong and African American farms," said Secretary Kawamura. "These losses are significant and left many small farmers and their families desperate for help to pay their mortgage, rent and utilities, even food. Thankfully, the Governor stepped up his commitment to help those who just require a 'hand-up'."

"The effects of the January freeze event have impacted the economies of our farming communities, resulting in financial hardships for thousands of people who rely on a steady harvest for their livelihoods, said Acting Secretary Sedlik. "The Small Business Loan Guarantee Program will help those farmers and businesses which may not qualify for federal aid and provide 'bridge' funding for those businesses waiting for federal assistance to arrive."

In an example of intergovernmental cooperation, Fresno Mayor Alan Autry and city council members Blong Ziong and Jerry Duncan have begun administering \$500,000 in emergency zero-interest loans to residents with small farms hurt by the freeze.

The state has provided \$1.75 million in emergency funding to help freeze victims in Tulare, Fresno, Kern, Riverside and Ventura counties. The funding went to the community-based organization La Cooperativa to provide financial assistance for victims to make rent, mortgage and utility payments for the months of February and March.

"We encourage farmers to work closely with their county agricultural commissioners to provide documentation of their losses and to learn more about USDA and small business disaster loans, as well as utilize the One-Stop Centers for essential services, programs and referrals," said Kawamura and Sedlik.

For more information about the Small Business Disaster Assistance Loan Program, go to <http://www.cdfa.ca.gov/>, and <http://www.oes.ca.gov/> for more information about disaster relief.

Additionally, USDA has made low interest emergency operating loans available to those producers affected by the freeze who cannot obtain financing elsewhere. For more information, <http://www.usda.gov/>

###