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43 Community Development Banks Receive Critical Boost to Provide Capital in Distressed Communities Nationwide

Washington, DC, November 19, 2019 – The US Department of Treasury’s Community Development Financial Institutions (CDFI) Fund today awarded **\$31.37 million** to **43 community development banks and bank holding companies** through its CDFI Program and Native American CDFI Assistance (NACA) Program Awards. With the awards, these banks will provide much-needed capital investments to small businesses and other critical community development projects such as affordable housing, neighborhood revitalization, and expansion into new geographic markets.

The CDFI Program awards include Financial Assistance (FA), Technical Assistance (TA), Disability Funds, and the Healthy Food Financing Initiative. This year, **\$182,471,140** in **total awards** were disbursed to 321 loan funds, credit unions, banks, and venture capital firms. Of the 43 banks and bank holding companies receiving CDFI Program awards, 11 are first-time recipients and 36 are members of the Community Development Bankers Association (CDBA). CDBA members collectively received 80% of total Program awards dispersed to banks and bank holding companies. In addition, **\$15,420,866** NACA Program awards were disbursed to 36 CDFI organizations, including one bank.

“The CDFI Program awards are of critical importance,” said Jeannine Jacokes, CDBA’s Chief Executive Officer. “These dollars will be immediately put to work to create opportunity in parts of the country that have not experienced the same prosperity as the rest of the nation.”

The CDFI Program and NACA Program have proven to be effective tools in stimulating significant private investment in community development with a modest amount of government funding. Last year, CDFI Program recipients used their awards to:

- Originate over \$5 billion in loans and investments;
- Finance over 14,700 businesses and microenterprise loans;
- Provide funding for nearly 28,000 affordable housing units, and;
- Provide over 450,000 individuals with financial literacy or other training.

In order to continue revitalization efforts in disenfranchised communities in rural and impoverished urban areas of the country that are often overlooked, it is essential that the CDFI Fund remains intact in the FY 2019 federal budget.

About the CDFI Fund

The Community Development Financial Institutions (CDFI) Fund was created by the Riegle Community Development and Regulatory Improvement Act of 1994. As a bureau of the US Treasury Department, the CDFI Fund operates programs that use modest amounts of Federal money to leverage a multiple of private sector capital to promote revitalization of low-income communities and bring disenfranchised populations into the economic mainstream.

The annual CDFI Program uses monetary awards and training opportunities to invest in and build the capacity of CDFIs, enabling them to drive community revitalization in areas with over 30% poverty and 1.5 times the national unemployment rate. Since the CDFI Program was launched in 1994, organizations have received over \$2 billion in Financial and Technical Assistance and the number of certified CDFIs has increased tenfold.

About CDBA

The Community Development Bankers Association is the voice and champion of the community development banking movement. CDBA and its 80 member banks work to make the banking industry a force for good by collectively promoting financial inclusion and creating economic opportunity in the nation's most economically distressed rural and urban communities. We convene community banking peers who strengthen a different kind of banking through collaboration, partnership, and learning.

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