



June 8, 2018

The Honorable Rodney Frelinghuysen
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Nita M. Lowey Ranking
Member, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Tom Graves
Chairman, Financial Services & General
Government Subcommittee
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Mike Quigley
Ranking Member, Financial Services & General
Government Subcommittee
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen Frelinghuysen and Graves, and Ranking Members Lowey and Quigley:

We write in support of the Community Development Financial Institutions (CDFI) Fund. We urge the House Appropriations Committee to restore the \$59 million reduction included in the Fiscal Year 2019 Financial Services-General Government (FSGG) Subcommittee Bill and provide at least \$250 million for the CDFI Fund.

Because of the success of Community Development Financial Institutions in leveraging federal funds, the impact of this 23% reduction will be far greater than money cut from the bill. Historically, CDFIs leverage \$12 for every dollar in federal funds.

The enacted rate for the CDFI Fund in FY 2018 was \$250 million. Of this amount, \$233 million was available for Financial Assistance programs. CDFIs will leverage that \$233 million into close to \$2.7 billion in financial products and services for low-income populations and communities all across the nation.

The House FSGG Appropriations Subcommittee Bill appropriates \$191 million for the CDFI Fund for FY 19. Of this amount, \$168 million will be available for financial assistance, which will result in a leverage total of \$2.01 billion. **That will result would be a reduction of nearly \$700 million in financing for small businesses, needed community facilities and affordable housing in economically distressed rural, urban and Native communities across America.**

CDFIs provide the flexible, market-driven products and services that consumers and small business owners in underserved markets need to grow and thrive. They fill a vital niche in the nation's financial services delivery system by serving communities and market sectors that conventional lenders cannot - with the ultimate goal of bringing CDFI customers into the mainstream economy as bank customers, homeowners and/or entrepreneurs. In FY 2017 alone, CDFIs program awardees made over 120,000 loans or investments totaling over \$5 billion to

over 12,000 small businesses. The average size of each loan or investment was \$41,744. CDFIs also financed over 27,962 affordable housing units.

In the FY 2017 round of CDFI Program awards, 29 percent of the award recipients primarily serve rural target markets, a proportion well above the 14 percent of Americans live in rural areas and according to a 2017 Urban Institute report: *“64 percent of CDFI lending went to census tracts that had at least one of the following characteristics: an unemployment rate of 10 percent or higher, a poverty rate of 20 percent or higher, 50 percent or more residents earning less than 200 percent of the federal poverty level, or a population with at least half nonwhite residents.”*

There are few programs in the federal government that turn \$1 in federal funds into \$12 from other sources and target that money to help low wealth people and communities create jobs, improve communities and build affordable housing.

For these reasons, we urge you to support \$250 million for the CDFI Fund.

Sincerely,

First National Bank & Trust	Alabama
VentureSouth	Alabama
Cook Inlet Housing Authority	Alaska
US Bank	Arizona
FNBC Bank	Arkansas
Southern Bancorp Community Partners	Arkansas
CAMEO - California Association for Micro Enterprise Opportunity	California
Coalition for Responsible Community Development	California
Genesis LA Economic Growth Corporation	California
Lendistry	California
Opportunity Fund	California
PACE Finance Corporation	California
Peoples' Opportunity Fund	California
San Luis Obispo County Housing Trust Fund	California
Strategic Development Solutions	California
Sustainable Communities Fund	California
VEDC	California
Women's Economic Ventures	California
Colorado Enterprise Fund	Colorado
First Nations Oweesta Corporation	Colorado
Mercy Loan Fund	Colorado
Capital for Change, Inc.	Connecticut
Start Community Bank	Connecticut
NCALL Loan Fund	Delaware
Home Ownership Resource Center of Lee County, Inc.	Florida
Solar and Energy Loan Fund	Florida

1st Choice Credit Union	Georgia
ACT! Albany Community Together, Inc.	Georgia
NeighborWorks Columbus	Georgia
Small Business Assistance Corporation	Georgia
Southwest Georgia United Empowerment Zone, Inc.	Georgia
The Housing Fund	Georgia
Urban Asset Builders, Inc.	Georgia
Federal Credit Union	Hawaii
Hawaii Habitat for Humanity Association	Hawaii
Idaho-Nevada CDFI	Idaho
Chicago Community Investment Corporation	Illinois
FUND Consulting	Illinois
IFF	Illinois
National Community Investment Fund	Illinois
Pacific Global Bank	Illinois
Fahe	Kentucky
Kentucky Habitat for Humanity, Inc.	Kentucky
Concordia Bank & Trust Company	Louisiana
UNO FEDERAL CREDIT UNION	Louisiana
Coastal Enterprises, Inc. (CEI)	Maine
MaineStream Finance	Maine
Northern Maine Development Com	Maine
The Genesis Fund	Maine
Calvert Impact Capital	Maryland
CohnReznick, LLP	Maryland
NeighborWorks Capital	Maryland
Boston Community Capital	Massachusetts
Capital Link	Massachusetts
Community Health Center Capital Fund	Massachusetts
Cinnaire	Michigan
Detroit Development Fund	Michigan
GenesisHOPE	Michigan
Northern Initiatives	Michigan
African Development Center	Minnesota
Community Reinvestment Fund, USA	Minnesota
Midwest Minnesota Community Development Corporation	Minnesota
Wells Fargo Bank	Minnesota
White Earth Reservation Federal credit Union	Minnesota
BankPlus	Mississippi
First American National Bank	Mississippi
Peoples Bank	Mississippi
PriorityOne Bank	Mississippi
Renaissance Community Loan Fund	Mississippi

1st Financial Federal Credit Union	Missouri
Keeping the Promise, Inc.	Missouri
Smith NMTC Associates LLC	Missouri
Kootenai Valley FCU	Montana
NeighborWorks Montana	Montana
NH Community Loan Fund	New Hampshire
New Jersey Community Capital	New Jersey
First Financial Credit Union	New Mexico
Guadalupe Credit Union	New Mexico
Homewise, Inc	New Mexico
Lore of the Land, Inc.	New Mexico
Northern NM School Employees Federal Credit Union	New Mexico
Brian Gately Credit Union Consulting Services	New York
Buffalo Cooperative FCU	New York
Cooperative Federal	New York
Leviticus 25:23 Alternative Fund, Inc.	New York
National Federation of Community Development Credit Unions	New York
Primary Care Development Corporation	New York
The Finest Federal Credit Union	New York
Cooperative Fund of New England	North Carolina
Mountain BizWorks	North Carolina
Self-Help Ventures Fund	North Carolina
Anchor Financial Services	Ohio
Cincinnati Development Fund	ohio
Economic Community Development Institute	Ohio
Finance Fund Capital Corporation	Ohio
HFLA of Northeast Ohio	Ohio
Mahoning Valley Economic Development Corp.	Ohio
Nueva Esperanza Community Credit Union	Ohio
Ohio, LLC	Ohio
Citizen Potawatomi Community Development Corporation	Oklahoma
MetaFund	Oklahoma
Arise Capital	Oregon
Consulting for Change	Pennsylvania
FINANTA	Pennsylvania
Impact Loan Fund, Inc.	Pennsylvania
Impact Services Corporation	Pennsylvania
Marcus Reinvestment Strategies	Pennsylvania
Pennsylvania Assistive Technology Foundation	Pennsylvania
Reinvestment Fund	Pennsylvania
The Enterprise Center	Pennsylvania
Women's opportunities resource center	Pennsylvania
Corp Juvenil para el Desarrollo de Comunidades Sostenibles	Puerto Rico

South Carolina Community Bank	South Carolina
South Carolina Community Loan Fund	South Carolina
Dakota Resources	South Dakota
Dakotas America	South Dakota
Homes Are Possible, Inc.	South Dakota
Pathway Lending	Tennessee
Town of Mason Tn	Tennessee
Border Federal Credit Union	Texas
Covenant Community Capital	Texas
GECU	Texas
LiftFund Inc.	Texas
Mountain Star Federal Credit Union	Texas
Tigua Community Development Corporation	Texas
Rocky Mountain CRC	Utah
Community Capital of VT	Vermont
Flexible Capital Fund	Vermont
VEIC	Vermont
Vermont Community Loan Fund	Vermont
Capital Impact Partners	Virginia
Northwest Native Development Fund	Washington
CHEHALIS TRIBAL LOAN FUND	Washington
Craft3	Washington
HomeSight	Washington
Impact Capital	Washington
Association for Enterprise Opportunity	Washington, D.C.
CDFI Coalition	Washington, D.C.
Community Development Bankers Association	Washington, D.C.
Community Development Venture Capital Alliance	Washington, D.C.
Local Initiatives Support Corporation (LISC)	Washington, D.C.
National Association for Latino Community Asset Builders	Washington, D.C.
National Cooperative Bank	Washington, D.C.
National Housing & Rehabilitation Association	Washington, D.C.
Opportunity Finance Network	Washington, D.C.
Small Business Majority	Washington, D.C.
Natural Capital Investment Fund, Inc.	West Virginia
Wind River Development Fund	West Virginia
Woodlands Community Lenders	West Virginia
CAP Services, Inc./Community Assets for People	Wisconsin
Forward Community Investments	Wisconsin
Metropolitan Milwaukee Fair Housing Council	Wisconsin
Urban Economic Development Association of Wisconsin, Inc. (UEDA)	Wisconsin
Wisconsin Native Loan Fund	Wisconsin