

FOR IMMEDIATE RELEASE
September 30, 2004Contact: Bill Luecht
(202) 622-8042**TREASURY ANNOUNCES \$57.8 MILLION IN AWARDS
TO ORGANIZATIONS WORKING IN
NATION'S ECONOMICALLY DISTRESSED COMMUNITIES**

Arthur A. Garcia, Director of the Treasury Department's Community Development Financial Institutions Fund (the Fund), traveled to Minnesota today to announce that a total of \$57,843,468 is being awarded to 176 community-based organizations across the country that provide critically needed financial products and services to economically disadvantaged people and communities.

The organizations being awarded, known as community development financial institutions or CDFIs, are specialized financial institutions that are able to respond to gaps in their local markets that traditional financial institutions do not adequately serve. These CDFIs provide critically needed capital, credit and other financial products in addition to technical assistance to community residents and businesses, service providers such as daycare centers, and developers working to meet community needs like affordable housing.

"These CDFIs are on the front lines of creating needed jobs and helping foster economic growth in our nation's rural and urban low-income communities, and in our Native American, Alaska Native and Native Hawaiian communities," said CDFI Fund Director Garcia. "Today's awards will provide these community-based lenders the resources to do more – for example, to finance more mortgages for first-time homebuyers, to provide more investment capital to start or expand small businesses, to conduct more financial education classes for those individuals trying to understand and improve their credit history."

These awards are being made through the fiscal year 2004 round of the Fund's CDFI Program and Native Initiatives.

The CDFI Fund's mission is to expand the capacity of financial institutions to provide capital, credit and financial services to underserved populations and communities in the United States. Its vision is an America in which all people have adequate access to affordable capital, credit and financial services.

CDFI Program

Of today's awards, 68 awards totaling \$46,659,641 are being made under the Financial Assistance (FA) Component of the CDFI Program. Through the FA Component, the CDFI Fund provides financing to certified CDFIs that demonstrate the ability to leverage dollar-

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for-dollar additional non-Federal monies to support comprehensive business plans of providing services to create community development impact in underserved markets.

In addition, 80 awards totaling \$3,573,874 are being announced under the Technical Assistance (TA) Component of the CDFI Program. Through the TA Component, the CDFI Fund provides grants to CDFIs and entities proposing to become CDFIs in order to build their capacity to better address the community development and capital needs of their community. Previously this fiscal year, 29 awards totaling \$1,246,722 were announced in this “rolling” program. Thus, the CDFI Fund in fiscal year 2004 has awarded a total of \$4,820,596 in technical assistance grants.

Native Initiatives

The CDFI Fund currently has a number of initiatives designed to overcome barriers preventing access to capital, credit, and financial services in Native American, Alaska Native and Native Hawaiian communities (collectively referred to as “Native Communities”). Among these initiatives are three funding programs targeted to increasing the number and capacity of existing or new CDFIs serving Native Communities.

Today, nine awards totaling \$593,870 are being announced under the Native American CDFI Development (NACD) program; four awards totaling \$302,100 are being announced under the Native American Technical Assistance (NATA) program; and 15 awards totaling \$6,713,983 are being announced under the Native American CDFI Assistance (NACA) program.

In total, the CDFI Fund has awarded \$8,494,083 under its Native Initiatives in fiscal year 2004. Previously, six awards totaling \$510,900 were announced under the NACD program; and seven awards totaling \$373,230 were announced under the NATA program. Like the TA Component, both of these programs had a rolling application deadline.

Please visit the CDFI Fund’s website for more information on these awards:
<http://www.cdfifund.gov/>.

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