

# Support CDFIs in Your District

Dear Colleague:

Please join me in asking the Financial Services and General Government Appropriations Subcommittee to provide \$300 million for the Community Development Financial Institutions Fund to help expand the availability of credit and investment capital to underserved communities nation-wide. The request would also include language to extend the waiver of the private match required of Community Development Financial Institutions (CDFIs) applying for financial assistance in FY 2011.

The CDFI Fund provides financial assistance to CDFIs serving low-income individuals and economically distressed neighborhoods by financing businesses, families and neighborhoods in need of capital not available to them from conventional lenders. The requested increase in funding will bolster CDFIs ability to lend and invest and will stabilize neighborhoods, create jobs and build wealth for low-income individuals.

Recognizing the difficulty CDFIs face in raising private capital during the current economic time, the American Recovery and Reinvestment Act waived the one-to-one private matching funds required when applying for financial assistance from the Fund. As the CDFI's continue to confront economic challenges, I ask that you join me in requesting this waiver be extended through fiscal 2011 so that CDFIs can focus on addressing the capital and financing needs of their communities. This rather simple extension will go a long way to help CDFI's continue to serve communities in need.

Please help me in supporting CDFIs and the critical work they do in underserved markets across the country. To add your name to this letter, please contact Virginia Zigras of Rep. Gutierrez' office at [virginia.zigras@mail.house.gov](mailto:virginia.zigras@mail.house.gov).

Sincerely,

/s/

Luis V. Gutierrez  
Member of Congress

The Honorable Jose E. Serrano  
Chairman,  
Appropriations Subcommittee on  
Financial Services and General  
Government  
United States House of Representatives  
Washington, DC 20510

The Honorable Jo Ann Emerson  
Ranking Member,  
Appropriations Subcommittee on  
Financial Services and General  
Government  
United States House of Representatives  
Washington, DC 20510

Dear Chairman Serrano and Ranking Member Emerson:

We are writing to request that the Fiscal Year 2011 Financial Services and General Government Appropriations Act provide \$300 million for the Treasury Department's Community Development Financial Institutions Fund. We additionally request that the legislation include language that extends the waiver of the private match required of Community Development Financial Institutions (CDFIs) applying for financial assistance from the Fund through fiscal year 2011.

Every day, CDFIs provide capital, credit and financial services to individuals and businesses in low and moderate-income communities across the United States. We have seen first hand the important role that CDFIs play in our home districts by financing businesses, families and neighborhoods that are generally unable to access the capital they need from conventional lenders. Thanks to the work of CDFIs, we have seen entire communities take a step towards financial self sufficiency.

The CDFI Fund has successfully invested in urban, rural and reservation-based CDFIs in all 50 states. Through their lending and investing, CDFIs create jobs and build wealth for low income individuals. Many CDFIs also provide basic financial services to the unbanked, products to combat predatory lending and mortgage products for lower-income borrowers. Those services frequently incorporate technical assistance and training such as financial literacy, first-time homebuyer education and foreclosure counseling.

At a time when many conventional lenders are pulling back on their commercial and business lending, the demand for financing from CDFIs is robust. The American Recovery and Reinvestment Act not only provided \$100 million in stimulus dollars to the Fund but also waived the one-to-one private matching funds required of CDFIs applying for financial assistance from the Fund. By waiving the match, Congress acknowledged the difficulty that CDFIs face in securing private sources of matching in a slowing economy. As economic challenges continue to confront CDFIs this year, we ask that you include the attached language to continue to waive the requirement of 12 U.S.C. 4707(e) for any CDFI applying to the Fund for financial assistance in FY 2011 so that CDFIs can focus on addressing the capital and financing needs of their communities.

Again, we strongly urge you to include \$300 million for the CDFI Fund in the FY 2011 appropriations bill.

Sincerely,

---

**LUIS V. GUTIERREZ**

**FY2011 CDFI Fund Appropriations Bill Language**

In recognition of the difficulty CDFIs face in securing private sources of funding during the current economy, the CDFI Fund shall waive section 4707(e) of title 12, United States Code, to remove the requirement of one-to-one private matching funds required of CDFIs applying for financial assistance from the Fund in fiscal year 2011.