

Treasury awards \$18 Million to institutions serving economically distressed communities

Written by Kimberly Beaman
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Last week, the U.S. Department of the Treasury's [Community Development Financial Institutions Fund](#) (CDFI Fund) provided 59 FDIC-insured depository institutions with awards for serving economically distressed communities across the nation that totaled nearly \$18 million.

The awards were granted through the CDFI Fund's [Bank Enterprise Award Program](#) (BEA Program), which recognizes and seeks to expand the important role that banks and thrifts play in community development activities. The program provides monetary awards to institutions that increased their investments in communities where at least 30 percent of residents have incomes below the national poverty level and 1.5 times the national unemployment rate.

[This year's awardees](#) increased their investments in such areas by more than \$383 million.

BEA Program awardees are required to reinvest their awards into low-income and distressed communities, helping to create economic opportunity for Americans throughout the country. Well over half of this year's awardees are certified Community Development Financial Institutions (CDFIs) which means that they already have a primary mission of promoting community development.

Receiving a BEA Program award encourages an institution to expand its lending, investing, and services to low-income residents. [City FirstBank of D.C.](#) , a certified CDFI, has received seven awards since 2000 totaling more than \$6.4 million. In 2012, City First was selected to receive an award of \$415,000 for its support of CDFIs and for providing affordable housing development loans and project investments in Washington, D.C.

City First works in many areas of economic development in Washington, providing financing for such organizations as [Bread for the City](#) , a comprehensive center that provides services to low-income D.C. residents. Bread for the City also provides free food, clothing, medical care, legal, and social services to low-income D.C. residents — approximately 10,000 clients each month. City First also helped finance Bread for the City's expansion to a second facility that includes a dental clinic and a rooftop vegetable garden that allowed the organization to double its food storage and distribution capacity.

Many of this year's awardees are equally involved in the economic development of their neighborhoods. In addition to their more than \$383 million increased investment in distressed communities, the 2012 BEA Program awardees accomplished the following:

- Increased their loans, deposits, and technical assistance to CDFIs by \$21.1 million;
- Increased their equity, equity like loans, and grants to CDFIs by \$258,000; and
- Increased the provision of financial services in distressed communities by \$5.5 million.

The 59 BEA Program awardees are headquartered in 18 states and the District of Columbia. And just about a third of the awardees are minority-controlled institutions.

Three Minnesota banks were included in this announcement. They were: Franklin National Bank, Minneapolis MN, \$415,000; Park Midway Bank, St. Paul MN, \$415,000;

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and University National Bank, St Paul MN, \$311,225.

The complete list can also be found here: <http://www.cdfifund.gov/docs/bea/2012/BEA%20List%202012.pdf>

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