

March 20, 2020

The Honorable Mitch McConnell
Senate Majority Leader
S-230 The Capitol
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
H-232 The Capitol
Washington, D.C. 20510

RE: Community Development Financial Institutions Response to COVID-19

Dear Leader McConnell and Speaker Pelosi:

On behalf of Opportunity Finance Network (OFN), a community development financial institution (CDFI) membership organization, **I am writing to request your support for \$1 billion in supplemental funding for the CDFI Fund to assist CDFIs in responding to the COVID-19 crisis.** OFN represents and serves a diverse membership of more than 280 CDFIs of various asset sizes and lending types working on the ground in all 50 states. Through 2018, OFN's network originated \$74 billion in financing in communities, including rural, urban, and Native areas.

CDFIs are on the front lines in responding to the economic impacts of COVID-19, ensuring access to credit for impacted businesses, non-profits, healthcare facilities and individuals in our nation's low-wealth communities. As mission-driven organizations, CDFIs are adept at responding during a crisis like this one. From natural disasters such as hurricanes Katrina, Sandy, Maria and Harvey, to the 2008 financial crisis and the aftermath of 9/11, CDFIs have a strong record of stepping in as the financial first responders to support families and communities in their recovery efforts.

A supplemental appropriation of \$1 billion will allow CDFIs to leverage \$12 billion in capital. This institutional level capital is not readily available from other sources and is essential to allow CDFIs to continue to react quickly to the conditions in the communities they serve. This approach has been proven to work and is in line with the supplemental funding approved in 2009 through the American Recovery and Reinvestment Act, which allowed funding to be deployed quickly to CDFIs operating in low-wealth communities across the nation.

OFN strongly supports similar action with the COVID-19 economic stimulus package currently under consideration. Thank you for your consideration and please reach out with any questions.

Sincerely,



Lisa Mensah
CEO and President, Opportunity Finance Network

cc: Senate Appropriations Committee Chairman Richard Shelby,
Senate Appropriations Committee Ranking Member Patrick Leahy,
House Appropriations Committee Chairwoman Nita M. Lowey,
House Appropriations Committee Ranking Member Kay Granger,
Senate Banking Committee Chairman Mike Crapo,
Senate Banking Committee Ranking Member Sherrod Brown,
House Financial Services Committee Chairwoman Maxine Waters,
House Financial Services Committee Ranking Member Patrick McHenry