

For Immediate Release:
August 29, 2006

Contact: Press Office (202) 224-2243

SENATOR CLINTON WELCOMES \$585,000 IN FEDERAL FUNDS FOR LOCAL INITIATIVES SUPPORT CORPORATION

Washington, DC - Senator Hillary Rodham Clinton welcomed the announcement of \$585,000 for Local Initiatives Support Corporation (LISC) in New York City from the Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury.

"Providing economic assistance to individuals whose lives were devastated by Hurricanes Katrina, Rita and Wilma is a vital step in rebuilding the gulf communities and economies. Through the CDFI's substantial grant and LISC's steady effort, I am proud that New York is lending a helping hand to the people of the Gulf Coast," said Senator Clinton.

LISC is a 25 year-old non-profit CDFI serving low-income populations nationwide. The funds will be used by LISC's rural program to provide capital and technical assistance to six community development organizations in Mississippi, Louisiana, Texas and Florida. These community development organizations will then be equipped to provide affordable subordinate and silent mortgages to homeowners not covered by insurance whose homes were damaged or destroyed by Hurricanes Katrina, Rita and Wilma.

The CDFI Fund invests in and builds the capacity of community-based, private, for-profit and non-profit financial institutions with a primary mission of community development in economically distressed communities. These institutions - certified by the CDFI Fund as community development financial institutions - are able to respond to gaps in local markets that traditional financial institutions are not adequately serving. CDFIs provide critically needed capital, credit and other financial products in addition to technical assistance to community residents and businesses, service providers, and developers working to meet community needs.

###