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**NEW \$47 MILLION LOAN FUND LAUNCHED TO AID  
HOUSING RECOVERY IN LOUISIANA**

*Partnership among state, banks, foundations and community development organizations provides low-interest loans to developers of affordable housing. 4,500 new and rehabbed homes and apartments anticipated.*

**NEW ORLEANS (April 25, 2007)** – As many as 4,500 new and rehabbed affordable homes and apartments are expected to be built in Louisiana’s most devastated parishes thanks to a new \$47 million loan fund assembled by the state, banks, foundations and community development organizations.

The loans, at below market rates, are available to nonprofit and for profit developers of quality, affordable and mixed-income housing primarily in Calcasieu, Cameron, Jefferson, Orleans, Plaquemines, St. Bernard, St. Tammany and Vermillion parishes. More than half of the homes and apartments must be affordable to households with incomes below 80 percent of the Area Median Income. The loans will be limited to work in Louisiana’s GO-Zone-designated parishes.

“We are providing an extraordinary incentive for developers to provide housing for residents who need it most and are anxious to return and rebuild their lives in the neighborhoods they love,” said Governor Kathleen Babineaux Blanco. “These loans continue our effort to create quality, affordable housing for our citizens and I will continue to push for meaningful investments that address this critical need.”

Details of the Louisiana Loan Fund were announced today at a news conference on the site of Frenchmen’s Hope, a new affordable housing development under construction in New Orleans’s 7<sup>th</sup> Ward which, when completed will provide 20 affordable homes to residents of modest means.

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## Louisiana Loan Fund

The Fund is a unique public/private partnership among the Louisiana Recovery Authority; the state's Division of Administration's Office of Community Development (OCD); Living Cities, a consortium of banks and foundations long active in neighborhood revitalization; other banks and foundations; and two national nonprofit community development support organizations – Enterprise Community Partners and Local Initiatives Support Corporation (LISC). Enterprise and LISC, which between them have more than 50 years of community development experience, will review and approve the loan applications and provide appropriate technical assistance to borrowers at no cost.

The state made the initial investment of \$17 million in federal Community Development Block Grant (CDBG) funds. Enterprise and LISC, in cooperation with Living Cities, have raised nearly \$30 million in private capital to match the state's contribution. Banks and foundations supporting the Fund are Capital One, the Annie E. Casey Foundation, JPMorgan Chase, Deutsche Bank, the Ford Foundation, The Bill and Melinda Gates Foundation, the Robert Wood Johnson Foundation and the Rockefeller Foundation.

“By combining a significant infusion of private capital from outside the region with the resources of the State of Louisiana, we can go a long way towards rebuilding the Louisiana Gulf Coast that was so dramatically and tragically damaged by hurricanes Katrina and Rita,” said Enterprise Community Partners President and CEO Doris Koo and LISC President and CEO Michael Rubinger. “The Louisiana Loan Fund will help ensure that a portion of new housing development in the Gulf will be affordable to residents who have been least able to cope with the aftermath of these natural disasters.”

"Providing capital to the Louisiana Loan Fund will spur new affordable housing in areas of our state that desperately need it," said John Kallenborn, president of JPMorgan Chase's New Orleans region. "This partnership brings many resources together to help developers begin rebuilding affordable housing, and we're proud to play a key role in helping our state's recovery."

Loans will be targeted to borrowers with proven housing development experience, including a demonstrated ability to assemble all of the financing required for their projects. Applicants may borrow up to \$200,000 for early predevelopment expenses, such as environmental assessments, engineering studies and architects fees, and up to \$3 million per project for acquisition and loan carrying costs. Borrowers may apply through LISC or Enterprise Community Partners. The loan application form is available at [www.louisianaloanfund.org](http://www.louisianaloanfund.org).

“It was the long-standing relationships of the Living Cities investors that allowed them to quickly commit significant resources to this effort.” said Reese Fayde, Living Cities’ CEO. “Our experience indicates that the best way to create opportunities for devastated areas of Louisiana is to encourage strategic public and private partnerships that support those with proven experience on the local level.”

### **About the Louisiana Recovery Authority**

The Louisiana Recovery Authority is the planning and coordinating body that was created in the aftermath of hurricanes Katrina and Rita by Governor Kathleen Babineaux Blanco to plan for the recovery and rebuilding of Louisiana. The authority is working with Governor Blanco to plan for Louisiana's future, coordinate across jurisdictions, support community recovery and resurgence, and ensure integrity and effectiveness. Working in collaboration with local, state and federal agencies, the authority is also addressing short-term recovery needs while simultaneously guiding the long-term planning process. Visit [www.lra.louisiana.gov](http://www.lra.louisiana.gov) to learn more.

### **About the Office of Community Development**

The Office of Community Development (OCD) is the State's implementation body charged with the expenditure and programmatic oversight of federal Community Development Block Grant funds awarded for Louisiana's rebuilding initiatives. OCD works in concert with the Louisiana Recovery Authority to assure that program design adheres to the parameters and requirements of CDBG funds. OCD also works with federal, state, and local officials to assure that programs and initiatives meet the needs of communities and its citizens.

### **About Enterprise Community Partners**

Enterprise is a leading provider of the development capital and expertise it takes to create decent, affordable homes and rebuild communities. For more than two decades, Enterprise has pioneered neighborhood solutions through public-private partnerships with financial institutions, governments, community organizations and others that share our vision. Enterprise has raised and invested \$7 billion in equity, grants and loans and is currently investing in communities at a rate of \$1 billion a year. Visit [www.enterprisecommunity.org](http://www.enterprisecommunity.org) to learn more about Enterprise's efforts to build communities and opportunity, and to meet some of the half a million people we have helped.

### **About LISC**

LISC combines corporate, government and philanthropic resources to help community-based organizations revitalize underserved neighborhoods. Since 1980, LISC has raised more than \$7.8 billion to build or rehabilitate more than 215,000 affordable homes and develop 30 million square feet of retail, community and educational space nationwide. LISC's affiliate, National Equity Fund, Inc., has invested nearly \$5.5 billion in equity via low income housing tax credits to create 80,000 units of affordable housing. Visit [www.lisc.org](http://www.lisc.org) for more information about LISC's efforts to develop urban and rural sustainable communities.

### **About Living Cities**

Living Cities: The National Community Development Initiative is a nonprofit organization of financial institutions, national foundations and government agencies that invest capital, time and organizational leadership to advance America's urban neighborhoods. Living Cities investments rebuild and revitalize neighborhoods, improving the lives of residents and their ability to secure adequate housing, education, employment and shopping, safe streets and transportation. For more information, visit [www.livingcities.org](http://www.livingcities.org).

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