

# **EXHIBIT 11**



COMMUNITY DEVELOPMENT  
FINANCIAL INSTITUTIONS FUND

DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

**Memorandum to all Applicants for Funding under CDFI Program**

**From:** Kirsten Moy  
**Date:** July 26, 1996  
**Subject:** Timing of Announcements

We thank you for your patience as we complete our intensive review process and make arrangements for announcing the results. It is our expectation that the announcements will be made on Wednesday, July 31, 1996.

We believe that these announcements will represent a major milestone for the CDFI industry, with the CDFI Fund being able to provide funding for a number of high quality and diverse CDFIs which will assist the CDFI industry to reach a new level of capacity, innovation and community development impact. Moreover, the fact that we received 268 applications, with requests for assistance for almost 10 times the amount available in the first round, demonstrates the vitality of the CDFI industry and provides a strong foundation for the success of future funding rounds.

Obviously, we are aware that applicants are anxious to learn whether or not they will be selected for funding. It is our intent to fax a letter to each applicant some time during the day on July 31, 1996, informing the applicant of whether or not they have been selected pursuant to the competition. Given the large number of applicants, we strongly request that you wait for this fax, rather than calling the Fund. If we receive a substantial number of calls, it could severely hinder our ability to notify all applicants in a timely manner. In addition, as soon as is feasible we will be following up with each applicant with a phone call to provide specific feedback.

Thank you again.

**Please deliver immediately upon receipt to:**

**Mr. Ronald Wiley**  
**Douglass Bancorp, Inc.** 91610-249  
**Facsimile Number: 9133217519**

210677



COMMUNITY DEVELOPMENT  
FINANCIAL INSTITUTIONS FUND

DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

**Memorandum Via Facsimile to (502) 589-0309**

**To:** Kim M. Burse  
Chief Executive Officer  
Louisville Community Development Bank Holding Company

**From:** Kirsten Moy

**Date:** August 2, 1996

**Re:** Press/Media Activities

- 1) The Treasury Press Office has asked that you update us on all press/media representatives that you or your staff have spoken with regarding the CDFI Award. Please include their name, the name of the paper or organization and their phone number.
- 2) We will be submitting a binder of all press clippings to Secretary Rubin and President Clinton early next week. **Please FAX a copy of any press coverage you have received thus far to the CDFI Fund ASAP.** Please include any bulletins, press release you have generated subsequently or newsletters. We would also like original copies of all coverage in order to produce a readable collection of press clippings. Could you please send us original copies overnight on Monday for Tuesday morning delivery? Our Federal Express account number is 1490-1918-9.
- 3) Presidential Actualities - Below I have listed the actualities that were recorded by the President and the name of the organizations mentioned in the actuality (if any). If your local radio station would like to obtain a copy of the actuality to run a story they should contact the White House Media Affairs office at (202) 456-7150. The White House Media Affairs office has requested that only radio stations call in for the actualities. Other requests should be made through Bill Luecht of my staff.

Chicago	Illinois Facilities Fund
Detroit	Detroit Development Bancorporation
Pittsburgh	Community Loan Fund of Southwest PA
Philadelphia	Delaware Valley Community Reinvestment Fund

216450

Cleveland	ShoreBridge Capital & Faith Community United Credit Union
Kansas City	Douglass Bancorp
Duluth	Northeast Ventures Corporation
Seattle	
Richmond	Richmond Neighborhood Housing Service
Concord	New Hampshire Community Loan Fund
Window Rock	
Kentucky	
Arkansas	Southern Development Bancorporation
North Carolina	Self-Help
Mississippi	
D.C.	
California	

If you have any questions at all, please do not hesitate to call on Bill Luecht or my staff at (202) 622-8662.

216451

Draft-Subject to Change  
Confidential  
Not for Public Release

Arkadelphia, Arkansas  
Berea, Kentucky  
Boston, Massachusetts  
Burlington, Vermont  
Charlotte, North Carolina  
Chicago, Illinois  
Cleveland, Ohio\*  
Concord, New Hampshire  
Detroit, Michigan\*  
Duluth, Minnesota  
Durham, North Carolina  
Jackson, Mississippi  
Juneau, Alaska  
Kansas City, Kansas & Missouri\*  
London, Kentucky  
Louisville, Kentucky\*  
Marks, Mississippi  
New York, New York  
Philadelphia, Pennsylvania  
Pittsburgh, Pennsylvania  
Richmond, Virginia  
Sacramento, California  
San Francisco, California  
Santa Cruz, California\*  
Seattle, Washington  
Washington, D.C.  
Window Rock, Arizona

\* = most recommended sites

## RUBIN ANNOUNCES \$35.5 MILLION OF ASSISTANCE TO COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

Today Treasury Secretary Robert E. Rubin announced the selection of 31 organizations to receive financial and technical assistance totalling \$35.5 million from the Community Development Financial Institutions (CDFI) Fund. These federal funds will leverage significant private monies and are expected to result in at least \$350 million of lending and investing in distressed urban and rural communities in 46 states and the District of Columbia over time.

Community Development Financial Institutions (CDFIs) are specialized private institutions that fill niches in the market traditional financial institutions are not well positioned to serve. They provide a wide range of financial products and services to underserved communities and include such diverse institutions as community development banks, credit unions, loan funds, venture capital funds and microenterprise funds.

"The CDFI Fund is a prime example of the power of using limited public funds to catalyze private sector involvement," President Clinton said. "Local CDFIs will help their neighbors create small businesses, restore housing and rebuild hope in communities across the country. This first round of funding is the first step in realizing the commitment I made in 1992 to help launch a nationwide network of CDFIs to help our communities help themselves."

"CDFIs will facilitate the flow of financial capital to our nation's distressed communities, helping to create jobs, revitalize neighborhoods and restore hope in areas that have been left behind," Secretary Rubin remarked.

The CDFI Fund was established, with bipartisan support, when President Clinton signed the Community Development Banking and Financial Institutions Act of 1994 into law. The Fund, which is part of the Department of the Treasury, represents a new approach to community development that will leverage significant private sector and local resources, promote self-sustaining CDFIs and catalyze new community lending and investment activity by conventional financial institutions.

Sample of Introductory Paragraph for Local/Regional Press Releases:

Today Treasury Secretary Robert E. Rubin announced the selection of three community development financial institutions based in New York State (City?) to receive assistance from the Community Development Financial Institutions (CDFI) Fund. Bethex Federal Credit Union in the Bronx, the Local Initiatives Support Corporation (a national community development intermediary) and the Nonprofit Facilities Fund were among 31 organizations operating in 46 states and the District of Columbia that were selected to receive \$35.5 million of financial and technical assistance.

(Rest of press release to follow paragraphs 2 through 5 of general press release.)



COMMUNITY DEVELOPMENT  
FINANCIAL INSTITUTIONS FUND

DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C.

SCHEDULE PROPOSAL

MEMORANDUM FOR SECRETARY RUBIN

FROM: Kirsten S. Moy   
Director, CDFI Fund

REQUEST: That you stop by to meet and visit with representatives of CDFIs selected for the first round of funding at a reception prior to the press conference

BACKGROUND: At 11:30 am you will be holding a press conference at the OTS Auditorium to announce the 31 organizations selected for CDFI funding. The majority of these organizations will be represented at the press conference. There will be very little time at the press conference for introductions and interaction. The reception will afford an opportunity for introductions and dialogue.

DATE AND TIME: The reception will take place between 10:00 am and 11:00 am on Wednesday, July 31, 1996. Your presence is requested following the senior staff meeting (e.g., 10:20 or 10:30 am) for as long as you can stay.

LOCATION: Dip Room

MEDIA: None at the reception.

RECOMMENDATION: That you drop by the reception as discussed above.

Schedule \_\_\_\_\_ Decline \_\_\_\_\_ Let's Discuss \_\_\_\_\_

ATTACHMENTS: List of CDFIs selected for funding.

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## LISTING OF CDFI's SELECTED FOR FUNDING

**ARKADELPHIA, ARKANSAS: Southern Development Bancorporation**

comprehensive community development bank holding company seeking major expansion into Arkansas Delta. Focusing on housing lending, small business lending, venture capital and microenterprise.

**BEREA, KENTUCKY: Appalbanc**

funding housing loan component of a multi-faceted CDFI, which also includes a credit union and business loan fund, serving an 85-county Appalachian region in Kentucky, Tennessee, Virginia and West Virginia (includes Empowerment Zone and Enterprise Communities).

**BOSTON, MASSACHUSETTS: Boston Community Loan Fund**

community development loan fund, with housing focus, serving primarily inner city neighborhoods in Boston (includes Enhanced Enterprise Community).

**CHARLOTTE, NORTH CAROLINA: School Workers Federal Credit Union**

community development credit union serving African Americans in Mecklenburg County (includes Charlotte Enterprise Community).

**CHICAGO, ILLINOIS: Illinois Facilities Fund**

community development loan fund financing nonprofit facilities in Chicago and elsewhere in Illinois (working with Chicago Empowerment Zone Board and community development corporations to finance and develop family resource centers in Zone areas).

**CLEVELAND, OHIO: Shorebridge Capital**

proposed inner city community development venture capital fund, affiliated with Cleveland Development Bancorporation, a wholly owned subsidiary of Shorebank Corporation. (Investment Area includes Cleveland Supplemental Empowerment Zone.)

**CLEVELAND, OHIO: Faith Community United Credit Union**

community development credit union serving African Americans in investment area on Cleveland's lower east side.

**CONCORD, NEW HAMPSHIRE: New Hampshire Community Loan Fund**

community development loan fund financing housing, microenterprise, and nonprofit facilities in New Hampshire.

**DETROIT, MICHIGAN: Detroit Development Bancorporation**

proposed comprehensive community development bank holding company formed to revitalize part of the distressed Eastside, focusing on housing and enterprise development. It will be a wholly owned subsidiary of Shorebank Corporation. (Investment Area includes part of Detroit's Empowerment Zone.)

**DULUTH, MINNESOTA: Northeast Ventures Corporation**

community development venture capital fund serving rural Northeast Minnesota

**DURHAM, NORTH CAROLINA: Self-Help**

multi-faceted CDFI, which includes a loan fund and a credit union, serving distressed communities and populations in North Carolina. Funding will be targeted to loan fund, financing housing and small business. (Investment Area includes Charlotte Enterprise Community as well as Halifax, Edgecombe and Wilson County Enterprise Community.)

**JACKSON, MISSISSIPPI: Enterprise Corporation of the Delta**

small business loan fund serving the Delta region of Mississippi, Arkansas and Louisiana. (Investment Area incorporates the rural Mid-Delta Empowerment Zone.)

**JUNEAU, ALASKA: Tlingit-Haida Regional Housing Authority**

housing loan fund serving Native American population in Southeast Alaska.

**KANSAS CITY, KANSAS & MISSOURI: Douglass Bancorp**

African American owned community development bank serving distressed inner city neighborhoods in Kansas City (including all of Kansas City's Enhanced Enterprise Community).

**LONDON, KENTUCKY: Kentucky Highlands Investment Corporation**

community development venture capital fund serving 9-county area in Appalachian Kentucky. (Investment Area includes Kentucky Highlands rural Empowerment Zone and McCreary County, KY Enterprise Community.)

**LOUISVILLE, KENTUCKY: Louisville Community Development Bank Holding Company**

proposed comprehensive community development bank holding company serving investment area in distressed inner city Louisville, with substantial emphasis on enterprise development. (Investment Area includes Louisville's Enterprise Community.)

**MARKS, MISSISSIPPI: Quitman County Federal Credit Union**

community development credit union serving African American population in Quitman County (including part of rural Enterprise Community).

**MONTPELIER, VERMONT: Vermont Community Loan Fund**

community development loan fund, with housing focus, serving low income population in Vermont (includes Burlington Enterprise Community).

**NEW YORK, NEW YORK: Bethex Federal Credit Union**

community development credit union serving distressed neighborhoods in the Bronx (including part of New York's Empowerment Zone).

**NEW YORK, NEW YORK: Local Initiatives Support Corporation**

funding the Rural LISC Program, which serves rural community development corporations in 36 states.

**NEW YORK, NEW YORK: Nonprofit Facilities Fund**

community development loan fund financing nonprofit facilities in New York, and expanding to other locations including Massachusetts, Philadelphia, Chicago and San Francisco.

**PHILADELPHIA, PENNSYLVANIA: Delaware Valley Community Reinvestment Fund**

community development loan fund, with housing focus, serving low income populations in Philadelphia and the surrounding counties as well as Camden, New Jersey. (Investment Area includes Philadelphia/Camden Empowerment Zone.)

**PITTSBURGH, PENNSYLVANIA: Community Loan Fund of Southwest Pennsylvania**

community development loan fund, with housing and small business focus, serving the Mon Valley, certain inner city Pittsburgh neighborhoods, and other distressed communities in southwest Pennsylvania.

**RICHMOND, VIRGINIA: Richmond Neighborhood Housing Services**

housing loan fund serving distressed neighborhoods in Richmond.

**SACRAMENTO, CALIFORNIA: Rural Community Assistance Corporation**

community development loan fund, with housing focus, serving low income rural populations in 12 western states.

**SAN ANTONIO, TEXAS: ACCION Texas**

microenterprise fund serving distressed neighborhoods (especially Hispanic neighborhoods) and low income populations in the San Antonio area. (Investment Area includes Enterprise Community.)

**SAN FRANCISCO, CALIFORNIA:      Low Income Housing Fund**

community development loan fund, with housing focus, which has financed low income housing in more than 20 states. Additional offices are located in Los Angeles and New York.

**SANTA CRUZ, CALIFORNIA:      Santa Cruz Community Credit Union**

community development credit union with much success in small business financing. Plans a new branch in Watsonville, CA, a city with a large Hispanic population. (Investment Area includes Watsonville/Santa Cruz County Enterprise Community.)

**SEATTLE, WASHINGTON:      Cascadia Revolving Fund**

community development loan fund, with small business focus, serving states of Washington and Oregon. (Investment Area includes Seattle, Tacoma and Portland Enterprise Communities.)

**WASHINGTON, DC:      FINCA**

microenterprise fund serving low income populations in Washington/Baltimore area, and in rural Minnesota.

**WINDOW ROCK, ARIZONA:      First American Credit Union**

community development credit union serving residents of major Indian Reservations in Arizona, New Mexico and Utah.

July 31, 1996

The radio actualities received play on the following stations:

KARN, Little Rock, AR  
KHPA, Hope, AR  
KAMB, Camden, AR  
KELD, El Dorado, AR  
KBOK, Malvern, AR  
KCLA, Pine Bluff, AR  
KHAC, Window Rock, AZ  
KTNN, Window Rock, AZ  
KST, Sacramento, CA  
KQED, San Francisco, CA  
KSCO, Santa Cruz, CA  
WMAQ, Chicago, IL  
WGCI, Chicago, IL  
Kentucky News Network (90 stations statewide)  
WEKH, Richmond, KY  
WMFU, Hattiesburg, MS  
Mississippi News Network (86 stations)  
KDAL, Duluth, MN  
KCMO/KMBZ, Kansas City, MO  
WJR, Detroit, MI  
WXYT, Detroit, MI  
WDET, Detroit, MI  
WCSX, Detroit, MI  
WEVO, Concord, NH  
WJYY, Concord, NH  
WKXL, Concord, NH  
WNNH, Concord, NH  
WRCI, Concord, NH  
WIRC, Hickory, NC  
WXRC, Charlotte, NC  
WHKY, Hickory, NC  
WBT, Charlotte, NC  
WRFX, Charlotte, NC  
WDNC, Durham, NC  
KQV, Pittsburgh, PA  
WTAE, Pittsburgh, PA  
WRVA, Richmond, VA  
WJMA, Orange, VA  
WNNT, Warsaw, VA  
KOMO, Seattle, WA  
KIRO, Seattle, WA  
KLAY, Tacoma, WA

230491

**WILLIAM J. CLINTON  
RADIO ACTUALITY FOR DETROIT GRANT  
TAPED ON JULY 30 , 1996**

I'm pleased to announce that Detroit is the recipient of a \$3 million community development grant. This grant will bring much needed capital to community development banks in your city.

In turn, these institutions will fund worthy programs such as the Detroit Development Bancorporation to help create jobs and spark economic growth in Detroit.

230493

**WILLIAM J. CLINTON  
RADIO ACTUALITY FOR CLEVELAND GRANT  
TAPED ON JULY 30, 1996**

I am pleased to announce that Cleveland is a recipient of a community development grant of over \$1.5 million. This will bring much needed capital to community development banks in your city.

In turn, these institutions will fund worthy programs such as ShoreBridge Capital and the Faith Community United Credit Union to help create jobs and spark economic growth in Cleveland.

230495

**WILLIAM J. CLINTON  
RADIO ACTUALITY FOR KANSAS CITY GRANT  
TAPED ON JULY 30, 1996**

I am pleased to announce that Kansas City is a recipient of a community development grant of nearly \$2 million. This grant will bring much needed capital to community development banks in your city.

In turn, these institutions will fund worthy programs such as Douglass Bancorp to help create jobs and spark economic growth in Kansas City.

**WILLIAM J. CLINTON**  
**RADIO ACTUALITY FOR ARKANSAS**  
**TAPED ON JULY 30, 1996**

Since taking office, I have made creating a nationwide network of community development banks to help our communities help themselves a high priority. I am pleased to announce that this priority is becoming a reality for the state of Arkansas.

The state of Arkansas will receive a \$2 million grant for community development banks serving Southern and Eastern Arkansas. These institutions will work with worthy programs like the Southern Development Bancorporation in Arkadelphia to help create jobs and spark economic growth. ~~This unique public-private partnership will bring wealth and health to needy communities in the state of Arkansas.~~

Delete  
last  
line

**From:** Michael Barr  
**To:** moyk  
**Date:** 8/2/96 7:57pm  
**Subject:** secretary-potus memo

attached. Bob signed it, and sent w/attachments. Thanks.

230509

**Memorandum for the President**

**Through:** Secretary Robert E. Rubin

**From:** Kirsten S. Moy, Director  
Community Development Financial Institutions (CDFI) Fund

**Date:** August 2, 1996

On Wednesday, July 31, Secretary Rubin announced the results of the first round of competition under the CDFI Fund. Thirty receive \$35.5 million in grants, loans, equity investments and technical assistance. This is the first step in fulfilling your commi a nationwide network of private sector financial institutions dedicated to community development.

The selection process for this first round was highly competitive. Altogether, the CDFI Fund received 268 applications, with request assistance almost 10 times the amount available. We conducted an intensive review process utilizing a team of experts from across th with a full emphasis on quality, private sector backing, and community development impact.

The 31 CDFIs selected are highly diverse, consisting of community development banks, credit unions, loan funds, venture capital funds a microenterprise funds. These CDFIs are headquartered in 20 different states and the District of Columbia, and serve communities in 46 sta and the District.

We at the CDFI Fund are excited at having reached this milestone, and are proud of the CDFI Fund's role as part of your efforts to create and implement innovative initiatives to address the needs of the nation's distressed urban and rural communities. What we have achieved thus far is just the tip of the iceberg of what can ultimately be accomplished by using limited public resources to leverage private sector capital, talent, creativity and market discipline to help revitalize our nation's distressed communities.

In addition to your recording of 17 actualities, picked up by 42 entities representing 216 radio stations, Treasury public affairs crafted a roll out strategy to reach both national and local audiences, beginning with an article in the Los Angeles Times on July 29, press releases tailored to local winners, and local and regional press calls by Secretary Rubin, Deputy Secretary Summers, and myself. A sampling of news clips are attached.

Enclosed for your information is a list of the CDFIs selected for funding, highlights from the first round selections, a CDFI Fund overview description, and profiles of each of the 31 CDFIs selected for funding.

230510



c/o Wyatt, Tarrant & Combs  
2800 Citizens Plaza  
Louisville, Kentucky 40202

Kim Burse  
President and  
Chief Executive Officer  
(502)562-7559

MEMORANDUM VIA FACSIMILE TO (202) 622-7754

TO: Kirsten Moy

FROM: Kim M. Burse  
President and Chief Executive Officer  
Louisville Development Bancorp, Inc.  
(f/k/a Louisville Community Development  
Bank Holding Company)

DATE: August 5, 1996

RE: Press/Media Activities

Per your request, this memo is to update you on the press/media coverage concerning our CDFI Award.

- We received coverage on two of the major TV stations in Louisville -- WLKY-32 (502-893-3671), WDRB-41 (502-584-6441) (Washington Contact - Monique Conrad 202-628-4000)
- There was a press release from Senator Wendell Ford's office in Washington (copy attached)
- There will also be articles forthcoming in the Business First (a Louisville business publication) and The Louisville Defender (a locally published newspaper)

We did not receive any coverage in the local newspaper, The Courier Journal, due in part to the PGA, which is being held in Louisville this week, the Olympic coverage, and several other local events.

230488