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## **OneCalifornia Bank Gains CDFI Certification**

Joining a specialized group of financial institutions that have community development as their primary mission, OneCalifornia Bank is now a CDFI certified bank. Through the Community Development Financial Institution Fund (CDFI Fund), the United States Department of the Treasury expands the capacity of financial institutions to provide credit, capital and financial services to underserved populations and communities in the United States. There are only 69\* CDFI certified banks and thrifts in the nation, of which seven are in California and only one other in the San Francisco Bay Area.

Jeff Cheung, President and CEO of OneCalifornia Bank, spoke of the excitement of receiving notice. "I was sitting in a board meeting when I got a message about the CDFI certification. It was another big cause for celebration on top of starting our second full year in business with good traction on our balance sheet. In the Bank's first 16 months of operations from our Oakland headquarters, we've made great strides to realize our mission, which is to improve economic opportunity for low- to moderate-income communities. The CDFI certification is an important gain.

"The Bank can benefit through potential access to CDFI Fund Programs and leveraging with other funding sources," Cheung continued. "We have made an application for technical assistance to work on a key project to address predatory lending practices. Additionally, becoming certified allows the Bank to compete with other CDFI lenders for the annual Bank Enterprise Award funds, which are based upon the Bank's performance. Funds received are recycled back into our community in the form of loans and programs."

Kat Taylor, co-founder of OneCalifornia with her husband, Tom Steyer, also sees the potential that CDFI certification bestows. "We founded OneCalifornia Bank and Foundation to fuel economic growth and job creation in low-income communities, which constitutes pretty full mission overlap with the CDFI purpose. We are glad to be recognized as one of their institutions now and therefore become eligible for CDFI grants and capital matching. At a time when government subsidies are going largely to compensate for past lending losses, we look forward to doing our part to restore a vibrant economy generally by extending new credit in underserved markets with this government assistance.

For Russ Haycock, Chief Credit Officer of OneCalifornia Bank, the certification is an affirmation. "Attaining the status of Community Development Financial Institution indicates that we are in sync with our overall mission and purpose. This will allow us to fulfill our commitment to the underserved financial community."

Salvador Menjivar, Executive Director of OneCalifornia Foundation, is also gratified by the announcement of the Bank's CDFI certification. "Our dream of creating one California where all people have access to fair banking services, affordable credit, and transparent financial services has been validated with this certification. I am very hopeful that this certification will bring OneCalifornia Bank funds to expand and create new programs to benefit the underbanked in our community. OneCalifornia Foundation is very pleased to see the Treasury recognize innovation in banking services, as is the case of OneCalifornia Bank."

OneCalifornia Bank joins CDFI colleagues from around the country in Washington D.C. on March 1-3 for the 2009 Coalition of Community Development Financial institutions Policy Conference. The conference brings together community development finance experts for candid dialogue about issues facing the field and offers opportunities to meet with Congressional Leaders and the CDFI Fund. Participants at events include policy makers, CDFI members, socially responsible investors, pension funds and banks.

Established as a bipartisan initiative by the Riegle Community Development and Regulatory Improvement Act of 1994, the CDFI Fund promotes access to capital and local economic growth in several ways, including direct investment in, support and training for CDFIs, allocation of tax credits and incentives to invest in communities and in other CDFIs. Applicants for CDFI certification submit to a rigorous application process. In addition to banks and thrifts, there are 749 CDFI certified legal entities across the country, including loan funds, credit unions and depository institution holding companies.

Tom Steyer and Kat Taylor are social philanthropists who believe strongly in the use of capital and financial literacy as the "freeing and empowering agents" for change in low-wealth communities. They established the OneCalifornia Foundation as a nonprofit 501(c)(3) entity to support the Bank in meeting its triple bottom line, which integrates social mission with environmental and business sustainability. Steyer and Taylor have invested \$49.5 million in OneCalifornia to date. They retain mission focus and control, but will take no economic benefit or repayment ever from their investment. The Foundation maintains the rights to the economic benefits of the Bank and serves the community through a variety of programs, partnerships and financial literacy.

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**OneCalifornia Bank**, FSB, seeks to improve economic opportunity for low- to moderate-income communities throughout California, starting in Oakland. The Bank partners with respected community institutions to provide banking services to small businesses, nonprofit organizations, community facilities, affordable housing, individuals and families. Banking services are integrated with financial literacy, technical assistance and

business education supported by OneCalifornia Foundation. The Bank maintains a triple bottom line focus of meeting its social mission while operating in a safe, sound and sustainable manner. OneCalifornia Bank is FDIC insured, an Equal Housing Lender and a CDFI Certified Bank.

For more information, please contact:

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For information about OneCalifornia, please visit:

[www.onecalbank.com](http://www.onecalbank.com) and [www.onecalfoundation.org](http://www.onecalfoundation.org)

For information about the CDFI Fund and CDFI Certification, visit [www.cdfifund.gov](http://www.cdfifund.gov)

\*The CDFI list updated February 1, 2009, listed 68 CDFI certified banks and thrifts, but did not yet include OneCalifornia Bank. This figure includes OneCalifornia.