



KKR joins Economic Opportunity Coalition's initiative to place deposits in CDFIs and MDIs

July 24, 2024

- *US Senator Warner, Treasury Deputy Secretary Adeyemo, and corporate leaders join the EOC 2nd anniversary event at NY Federal Reserve Bank*
- *BNY, Google, KKR, and Visa join the EOC's initiative to place deposits in CDFIs and MDIs*
- *Goldman Sachs provides \$140 million for new warehouse credit facility and American Express provides \$35 million in equity investments for CDFIs*
- *BNY provides grant support to hire staff and build capacity to recruit more depositors*

NEW YORK, July 23, 2024 /PRNewswire/ -- The Rockefeller Foundation **announced** today that the **Economic Opportunity Coalition (EOC)** added four new companies – BNY, Google, KKR, and Visa – to its initiative that places deposits in U.S. Community Development Financial Institutions (CDFIs) and Minority Depository Institutions (MDIs). In addition, the EOC secured \$140 million from Goldman Sachs Group, Inc. to help create a new warehouse credit facility and \$35 million from the American Express Company in equity investments. The EOC also announced plans to hire staff and build capacity to recruit new depositors, which is being made possible with grant support from BNY. The announcements occurred during the EOC's two-year anniversary event at the Federal Reserve Bank of New York, which featured Senator Mark R. Warner (D-VA), Deputy Secretary of the U.S. Department of Treasury Wally Adeyemo, representatives from the Office of Senator Mike Crapo (R-ID), and dozens of corporate and banking leaders.

In order to catalyze and align public and private investments to address economic disparities and accelerate economic opportunities in underserved communities across the United States, The Rockefeller Foundation **announced** it would incubate the EOC in July 2023, one year after 24 corporations and foundations launched the effort. As a fiscally sponsored project of **RF Catalytic Capital, Inc. (RFCC)**, The Rockefeller Foundation's public charity, it aims to spin the EOC out as an independent entity.

"CDFIs are necessary for those outside the financial mainstream to gain self-sufficiency. This announcement is another step forward in the goal of CDFIs supporting new and innovative approaches to spurring economic growth and access to capital in underserved communities. I applaud the buy-in from the financial sector as coalition members continue to support public-private partnerships that empower small businesses," **said Senator Crapo**, who co-chairs the **Community Development Finance Caucus** with Senator Warner and has continued to endorse the work of the EOC since its inception.

"In only two years, the Economic Opportunity Coalition has made historic strides to sync our tremendous progress on CDFIs with the tremendous resources of the banking and corporate world," **said Senator Warner**. "As the EOC continues to grow and unlock billions more in investments, it's clear that we're bound for even more progress on getting

capital to underserved communities across America. I look forward to continuing to work alongside the EOC and maintaining our strong legislative momentum in the Senate on this deeply important priority."

"Expanding access to capital is key to creating economic opportunity for all communities," **said Deputy Secretary Adeyemo**. "Community lenders have received historic levels of public and private support during the Biden-Harris Administration, and Economic Opportunity Coalition investments are helping small businesses grow and hire nationwide. The Treasury Department looks forward to continuing to work with leading U.S. companies to put additional commitments to work in communities across the country."

Securing New Deposits for CDFIs & MDIs

Through its deposit initiative, which facilitates the placement of deposits into CDFIs and MDIs for which FDIC insurance is available, the EOC is leveraging \$8.5 billion dollars of equity investments provided to these institutions two years ago by the U.S. Treasury Department under the Emergency Capital Investment Program (ECIP), which was bipartisan legislation supported by Senators Crapo and Warner. As mission-driven banks certified by the U.S. Treasury Department and required to make at least 60% of their loans in underserved communities, deposits allow CDFIs and MDIs to expand their lending power for underserved communities and small businesses working to recover from the economic shocks caused by the Covid-19 pandemic.

Last year, EOC members committed to raise \$1 billion in deposits for CDFIs and MDIs. To date, \$850 million of this has been deployed to unlock capital in low-income and underserved communities. Today, the EOC announced that BNY, Google, KKR, and Visa are joining the effort to raise an additional \$2 billion by the end of 2024.

"Google is committed to helping small businesses gain access to the capital, resources, and technology they need to thrive," **said Ruth Porat, Alphabet and Google's President & Chief Investment Officer; Chief Financial Officer**. "We are proud to support the Economic Opportunity Coalition with its focus on helping businesses and communities across the U.S. realize their full economic potential."

"Nearly 50 years of investing in businesses has convinced us that talent and potential are widely spread, but opportunity is not. Making capital available in more American communities to build affordable housing, start and grow businesses, and expand jobs fortifies our economy and society, which is why we are proud to support this initiative," **said Joe Bae and Scott Nuttall, Co-CEOs of KKR**.

"Visa's purpose is to uplift everyone, everywhere and we will continue this important work as a new member of the Economic Opportunity Coalition," **said Kelly Mahon Tullier, vice chair, chief people and corporate affairs officer at Visa**. "Over the past two years, we have deposited \$100 million at minority depository institutions, enabling lending opportunities and stimulating growth in underserved communities across the country. By joining together with the coalition partners, we can deepen the positive economic impact these efforts make in places that need them now more than ever."

New Warehouse Credit Facility and Equity Investments

During the roundtable, the EOC also announced \$140 million from Goldman Sachs to create a warehouse credit facility to support small business loans in Nevada, New Jersey, New York, and Washington that will leverage government funds from State Small Business Credit Initiative (SSBCI).

"Through Goldman Sachs' 10,000 Small Businesses program – launched in 2010 – we've provided tens of thousands of small business owners across the US with access to business education, capital, and support services. We are excited to be building upon that commitment with the latest credit facility to deploy high-demand capital and hope that the facility can serve as a blueprint for future loan programs," **said Asahi Pompey, Global Head of Corporate Engagement and President of the Goldman Sachs Foundation & Goldman Sachs Gives.**

American Express also announced that it is joining the coalition, making a financial contribution to the EOC with \$35 million in equity investments.

"American Express is proud to join the Economic Opportunity Coalition to help more people and businesses build financial confidence and thrive. In addition to providing funding to support the work of the EOC, we are also making \$35 million equity investments in CDFIs and MDIs, including to the Accion Opportunity Fund Community Development, the Enterprise Community Loan Fund, and Mission Driven Financial Institutions Fund," **said Jennifer Skyler, Chief Corporate Affairs Officer at American Express.**

With grant support from BNY, the EOC plans to hire staff and build capacity that will allow the coalition to recruit more depositors and measure the impact of the historic investments being made in CDFIs and MDIs. With data being collected by the ECIP recipients, the EOC intends to focus on best practices for reaching the most marginalized communities and direct capital to the most impactful CDFIs and MDIs.

BNY is proud to have been a strong supporter of the EOC, including in their goal of attracting new depositors toward CDFIs and MDIs," **said Jayee Koffey, Global Head of Enterprise Execution and Chief Corporate Affairs Officer at BNY.** "BNY has a 240-year history of helping build resiliency across industries and communities, and we share the EOC's goal of fostering an inclusive economy."

EOC's Growing Network

As the EOC turns two years old, the list of corporations and foundations advancing its initiatives continues to grow. In the lead up to the two-year anniversary, the EOC also **announced** that John W. Rogers Jr., Chairman and co-CEO of Ariel Investments, LLC, joined as Chair of its Management Committee.

"Today, I am pleased by the continued support for the EOC's deposits initiatives provided by our members. The \$850 million of deposits deployed to date (out of the over \$1 billion in commitments from last year) are another important milestone for the EOC, and we could not have achieved it without the committed support of our members. I thank all our partners for continuing to work with us, and look forward to building on the achievements announced today, as we strive to build and grow our deposits commitments as a means of wealth creation opportunities for underserved individuals,

businesses, and communities," said **Christopher Weaver, Executive Director of the Economic Opportunity Coalition**.

For more information about the Economic Opportunity Coalition visit: <https://www.rockefellerfoundation.org/initiative/economic-opportunity-coalition>. The Economic Opportunity Coalition is a fiscally sponsored project of RF Catalytic Capital, Inc.

About The Rockefeller Foundation

The Rockefeller Foundation is a pioneering philanthropy built on collaborative partnerships at the frontiers of science, technology, and innovation that enable individuals, families, and communities to flourish. We make big bets to promote the well-being of humanity. Today, we are focused on advancing human opportunity and reversing the climate crisis by transforming systems in food, health, energy, and finance. For more information, sign up for our newsletter at www.rockefellerfoundation.org/subscribe and follow us on X [@RockefellerFdn](https://twitter.com/RockefellerFdn) and LI [@the-rockefeller-foundation](https://www.linkedin.com/company/the-rockefeller-foundation).

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