



Everything New Orleans

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Isaiah Fund unites relief efforts

Housing program to get first loan

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A diverse group of faith-based organizations has raised \$4.5 million to create two disaster relief funds that will help affordable-housing projects close financing gaps, help small businesses get back on their feet and support the development of community centers on the Gulf Coast.

The Isaiah Fund LLC, a project of Catholic, Jewish, Mennonite and Baptist institutions, is believed to be the first national interfaith fund for long-term domestic disaster recovery. The groups, which have been active in volunteer efforts after Hurricane Katrina, say they recognize that some of the hardest rebuilding work still lies ahead, and providing long-term, low-cost, flexible capital is one of the best ways they can continue to help.

"We looked at the tremendous needs that exist throughout the region," said Jeffrey Dekro, senior vice president of Jewish Funds for Justice in Philadelphia, which will manage the funds.

The partners in the fund each had money to commit to long-term recovery on the Gulf Coast, but realized that if they pooled their resources, they could create a more ambitious and high-profile program. In coming together, they named the fund for a biblical passage that says, "You will restore the age-old foundations and be called repairer of the breach, restorer of the streets in which to dwell."

The two funds, one for loans and one for grants, will initially focus on low-income communities on the Gulf Coast, but the founders hope that the Isaiah Funds will become a blueprint to create other funds to support recovery from future disasters.

The Isaiah Fund's goal is to grow the program to \$10 million for loans and \$1 million for grants by the end of 2009 with the help of other foundations and faith-based institutions, some of whom accompanied the organizers on their trip to New Orleans. The offering circular will be sent out to prospective investors next week.

The money will be disbursed through local institutions such as the ASI Federal Credit Union, Hope Community Credit Union and Liberty Bank & Trust Co.

The first loan, of \$500,000, will be awarded to Gulf Coast Housing Partnership, which has finished about 600 units of affordable housing since the storm and is working on an additional 500 units, including projects in Central City. The group's president, Kathleen Laborde, said the money will be key

to acquiring land and paying for predevelopment costs, such as hiring architects.

Isaiah Fund organizers said religious institutions are well-poised to help finance New Orleans' recovery because they can wait longer than commercial entities for their investments to mature, and the returns they seek are more about social change than capital.

Dekro said that the partners were attracted to Laborde's projects because they have the power to strengthen ties between Oretha Castle Haley Boulevard and St. Charles Avenue, parallel streets that are close to each other but a world apart. "We're trying to bridge black and white, low-income, high-income, different age groups," said Dekro, adding that funders told the neighborhood about their support Wednesday night over a meal at Cafe Reconcile.

At a news conference at the First Evangelist Baptist Church in Central City, Episcopal Bishop Charles Edward Jenkins III elaborated on the faith-based groups' transformative mission in New Orleans. "We in the faith community are not interested simply in the rebuilding of New Orleans, because much of what was need not be recovered," he said. "I still think that New Orleans is America's opportunity. If it can be done here, it can be done anywhere. This is the least likely place."

Key collaborators in the Isaiah Fund include the American Baptist Home Mission Society, Christus Health Highland Good Steward Management, Jesuits of the New Orleans Province and MMA Community Development Investments, as well as Jewish Funds for Justice.

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