

ENTERPRISE CORPORATION OF THE DELTA



Hurricanes Katrina and Rita challenged nonprofits in the Gulf States in unprecedented ways. Enterprise Corporation of the Delta and other nonprofits were called on to respond rapidly, flexibly, and innovatively. Core support is part of the solution that is helping high-performing nonprofits help their neighbors to recover and rebuild.

RESPONSIVENESS: COPING WITH DISASTER

“Core support allows us to do what larger, well-resourced companies do all the time: invest in research and development, learn from our efforts, test new products and services, take risks and try new strategies,” explains William Bynum, chief executive officer of the Enterprise Corporation of the Delta, a community development financial institution.

In 2005, Enterprise Corporation of the Delta faced an unprecedented challenge to its resourcefulness: the devastation wrought by Hurricane Katrina. “Because we had flexible funding from Heron and support from other foundations” says Bynum, “we

were able to put people on the ground quickly in the affected areas where we didn’t have a previous presence.”

Program officers from Enterprise Corporation of the Delta provided bridge loans to individuals and businesses awaiting FEMA and insurance payments to help them with immediate problems—patching roofs, tearing out wet carpets, making down payments on apartments, replacing ruined furniture and clothing. They also addressed gaps not covered by mainstream efforts, for example, by helping hundreds of evacuees open bank accounts; many individuals never had accounts and others found themselves

unbanked as a result of the storm. And, they are working with local churches and community groups on the critical task of educating property owners to protect their assets from predatory lenders and speculators.

Bynum explains that, “This is a vulnerable situation so we expect losses will be higher, and we can use flexible funds as capital to mitigate the risk to our loan fund.” Because of its quick response and ability to take a leadership role, since last August, Enterprise Corporation of the Delta has generated nearly \$10 million in financing in hurricane affected areas.