



The Federal Reserve's 2019 CDFI Survey: Insights on the Future of CDFIs

Emily Wavering Corcoran

Senior Research Analyst, Regional & Community Analysis

CDFI Fund Community Development Advisory Board Meeting
Washington, DC
September 23, 2019



The views expressed here are my own and do not necessarily reflect the views of the Federal Reserve Bank of Richmond or the Federal Reserve System.

How does the Federal Reserve support data collection and research on CDFIs?

2019 CDFI Survey: An Overview

- Grew from the biennial **Survey of CDFIs in the Southeast** (2009-2017).
- Deployed online from **April through June 2019**.
- Open to **certified and noncertified** CDFIs.
- Special topics included **workforce development, Opportunity Zones, CRA modernization and the partial federal government shutdown**.

This pilot national effort was a partnership of the 12 Federal Reserve Banks, along with the CDFI Fund, Inclusiv, NeighborWorks America, Opportunity Finance Network and First Nations Oweesta Corporation.



In their own words, what are CDFIs thinking about & preparing for in the future?

Key Dates

October 16, 2019: 2019 CDFI Survey key findings report available on RichmondFed.org

May 19-20, 2019: CDFI Symposium at the Federal Reserve Bank of St. Louis

Online Resources

[National CDFI Directory](http://www.richmondfed.org/community_development/resource_centers/cdfi) (www.richmondfed.org/community_development/resource_centers/cdfi)

FedCommunities.org

Contact Information

Questions or comments?

Reach out to Emily Corcoran at emily.corcoran@rich.frb.org.

2019 CDFI Survey: CDFIs Across the United States

Key findings from the Federal Reserve's 2019 CDFI Survey include:

1. CDFIs serve many clients and communities with **relatively limited staff and financial resources**.
2. Demand for CDFI products and services **grew**.
3. The portfolio of CDFI lending is relatively concentrated in the **small business** sector, followed by residential and commercial real estate.
4. **Earned income** makes up a sizeable portion of CDFI funding, as does money from federal, state and local government and regulated financial institutions.
5. CDFIs report a strong need for additional sources of **long-term, low-cost capital**.

2019 CDFI Survey: CDFIs Across the United States

An analysis of 212 comments submitted through the 2019 CDFI Survey indicates that the following are the top three CRA modernization recommendations from respondent CDFIs:

1. **Update assessment areas** to account for technological advances in the banking industry and to encourage investment in rural, Native, and other underserved communities.
2. **Oppose a 'one-ratio' approach to evaluation**, which would consider the dollar value of a bank's CRA-eligible activities divided by a measurement of the bank's assets.
3. **Prioritize high-impact CRA activities**, including more flexible and longer-term capital investment in CDFIs.