



CDFI Fund Programs Update

**CDFI Fund Advisory Board Meeting
August 23, 2018, Washington D.C.**

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

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CDFI Program & NACA Program



FY 2018 Round:

Round opened January 31, 2018; application deadline was April 4, 2018. CDFI Fund received 538 applications from 485 organizations requesting a total of \$504.5 million. Breakdown as follows:

CDFI Program

- 432 organizations requested \$334.9 million in Financial Assistance (FA) and Technical Assistance (TA) awards.
- 20 organizations requested \$75.3 million in Healthy Food Financing Initiative-Financial Assistance (HFFI-FA) awards.
- 33 organizations requested \$15.2 million in Disability Funds-Financial Assistance (DF-FA) awards.

NACA Program

- 53 organizations requested \$33.7 million in NACA Program FA and TA awards.

Further, 162 of the applicants requested \$45.4 million to serve Persistent Poverty Counties.

Awards will be announced early Fall 2018.

Significant changes made in FY 2018:

- Opened the 1st round of DF-FA awards and expect to award around \$5 million.
- Reduced the maximum FA award to \$1 million (not including any supplemental awards, such as DF-FA, HFFI-FA, and PPC-FA awards).

Bank Enterprise Award Program



FY 2017 Round:

- Awards announced June 27, 2018; 113 banks received nearly \$22.8 million in awards.
- 76 award Recipients committed to deploy approximately \$3.73 million, or 16.4 percent of award dollars, in Persistent Poverty Counties (exceeding the Congressional mandate of 10 percent).

FY 2018 Round:

- Round opened July 19, 2018; \$25 million available.
- Applications due September 20, 2018; Anticipate award announcement Winter 2018.

Significant changes made in FY 2018:

- The release of updated BEA Eligibility Data, based on the 2011-2015 American Community Survey, to determine a BEA qualified distressed community.
- Made it easier for CDFIs to receive investments from banks seeking a BEA award by including development services in eligibility criteria.

New Markets Tax Credit Program



FY 2017 Round:

- Awards announced February 13, 2018; 73 CDEs were awarded \$3.5 billion in allocation authority.

FY 2018 Round:

- Round opened May 9, 2018; \$3.5 billion in allocation authority available.
- Application deadline was June 28, 2018.
- CDFI Fund received 214 applications requesting an aggregate total of \$14.8 billion in allocation authority.

FY 2018 Approach to Program:

- Site Visits to 6 CDEs located in Lansing, MI; Dayton and Cincinnati, OH; New York City.
- Provided a 1-day training workshop for Native CDEs and CDFIs in collaboration with the Minneapolis Federal Reserve Bank.

Capital Magnet Fund



FY 2017 Round:

- Awards announced March 16, 2018. Awarded \$120 million to 40 organizations, serving 40 states and the District of Columbia.
- Recipients are required to leverage the award at least 10:1, so these awards will result in a minimum of \$1.2 billion in public and private investment.
- Over 20,000 affordable housing units are projected to be financed or developed. Additionally, 6 recipients will use a portion of their award for economic development activities.

FY 2018 Round:

- Round opened July 18, 2018; approximately \$142.9 million available.
- Application deadline is September 17, 2018; Anticipate award announcement early 2019.

Significant changes made in FY 2018:

- Using the Duty to Service definition of “Rural Areas” to evaluate how the Recipient pool will meet our statutory objective to serve rural areas of the United States.
- A scoring advantage was added for Applicants proposing to serve disaster areas severely effected by 2017 Natural Disasters in Texas, Puerto Rico, the US Virgin Islands, and Florida.
- The review process was revised to divide the Applicant pool into two groups – financing entities and housing developers/managers – for first phase of the Application review process.

CDFI Bond Guarantee Program



FY 2018 Round:

- Round opened November 1, 2017; \$500 million in Bond Guarantee Authority available.
- The Consolidated Appropriations Act, 2018 extended the CDFI Bond Guarantee Program statutory authority until December 31, 2018.
- Application deadline was July 12, 2018; two Guarantee Applications received requesting \$250 million.
- Anticipate award announcement rolling in the Fall and Winter of 2018.
- Since 2013, 26 CDFIs participated in the program with \$1.362 billion in Bonds guaranteed and \$690 million disbursed (50% disbursement rate) in 10 asset classes.

Significant changes made in FY 2018:

- Completed a revision of the escrow, custodial, legal and cash flow structure for CDFIs to effectively use Bond Guarantee Program for home mortgage loans.

FY 2018 Approach to Program:

- Outreach to Qualified Issuers to focus on building capacity for small and medium sized CDFIs to participate in the program.
- Easing the customer experience with technical assistance to explain the complexities of the program.
- Promoting awareness through conference calls and post-issuance mechanics meetings.