



HOUSING PRODUCTION FINANCIAL ASSISTANCE (HP-FA) APPLICATION GUIDANCE

FY 2025 CDFI Program Financial Assistance Application

FEBRUARY 20, 2025
THE CDFI FUND
U.S. Department of the Treasury

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Paperwork Reduction Act Notice.

This submission requirements package is provided to Applicants for Awards under the Community Development Financial Institutions Program (CDFI Program) and Native American CDFI Assistance Program (NACA Program). Applicants are not required to respond to this collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. The estimated average burden associated with this collection of information per Applicant is 120 hours for the Base Financial Assistance (Base-FA) Application (including the Housing Production-Financial Assistance (HP-FA) Application), 0.5 hours for the supplemental Persistent Poverty County-Financial Assistance (PPC-FA) Application, 20 hours for the supplemental Disability Funds-Financial Assistance (DF-FA) Application, and 20 hours for the supplemental Healthy Food Financing Initiative-Financial Assistance (HFFI-FA) Application. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Program Manager, CDFI Program and NACA Program, Department of the Treasury, Community Development Financial Institutions Fund, 1500 Pennsylvania Avenue, Washington, D.C. 20220.

All materials are available on the CDFI Fund Website: www.cdfifund.gov.

Catalog of Federal Domestic Assistance Number: CDFI 21.020; NACA 21.012

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Introduction

The Housing Production-Financial Assistance (HP-FA) Application Guidance document (HP-FA Guidance) provides Applicants with guidance and tips on how to respond to the HP-FA narrative question and data table included in the Excel HP-FA Application. Capitalized terms not defined herein shall have the meaning specified in the applicable Fiscal Year (FY) 2025 Community Development Financial Institutions Program (CDFI Program) or Native American CDFI Assistance Program (NACA Program) Notice of Funds Availability (together, NOFAs), the Authorizing Statute, the Regulations, the Application materials, or the Uniform Requirements.

Responses to the narrative question and data table must be provided in the Excel HP-FA Application and submitted as an attachment to a Service Request in the Awards Management Information System (AMIS), as detailed in the corresponding NOFA.

The Excel HP-FA Application is posted on the CDFI Fund’s website at www.cdfifund.gov/cdfi and www.cdfifund.gov/native under Step 2: Apply.

Excel HP-FA Applications that are not submitted via AMIS Service Request **by the deadline specified in the NOFAs will not be considered by the CDFI Fund.** When submitting the Service Request, please enter a subject line of: “FY 2025 Excel HP-FA Application – [*Insert Applicant Organization Name from AMIS*],” select “CDFI Program” for the Program, and “Application” for the Program Topic.

Per the NOFAs, “The Excel HP-FA Application must be submitted via a Service Request in AMIS by an **Authorized Representative** of the Applicant or an **Application Point of Contact.**” If an Excel HP-FA Application is not submitted by an Authorized Representative or Application Point of Contact, the Application will be deemed ineligible.

About the HP-FA Awards

HP-FA Applicants must be Certified CDFIs that have at least a three-year track record of having financed Housing within HP-FA Income Eligible limits in each of the last three historic fiscal years and meet other eligibility requirements outlined in the corresponding NOFA. HP-FA Awards are intended to **increase the supply** of affordable housing by closing the financing gaps for creating rental housing units and/or Homeownership units. Competitive Applicants must have a demonstrated capacity to finance affordable housing beyond the historic production levels of their three-year track record.

Definitions

- **Affordable Housing:** for the purposes of HP-FA, Affordable Housing means housing that is the primary residence of, and affordable to, a household or family that qualifies as Low-Income (i.e., 80% Area Median Income (AMI)¹ or below), where affordable generally means that the household or family is paying no more than 30 percent of gross income for housing costs.

¹ For the purposes of these definitions, Area Median Income means Area Median Family Income, as adjusted for family size. See relevant datasets as prepared by the Department of Housing and Urban Development (HUD) at <https://www.huduser.gov/portal/datasets/il.html>.

- **HP-FA Income Eligible Housing:** housing that is the primary residence of a household or family with income (1) at or below 120% AMI for rental housing, or (2) at or below 150% AMI for Homeownership.
- **HP-FA Investment Period of Performance:** begins with the date of the Award announcement and includes a Recipient’s three full consecutive fiscal years after the date of the Award announcement, during which time the Recipient must meet the relevant Program Goals and Measures (PG&Ms) set forth in the Assistance Agreement.
- **HP-FA Affordability Period of Performance:** begins when the unit(s) is completed and ready for occupancy, through the end of the required period of affordability (10 years for rental units, five (5) years for Homeownership units).
- **HP-FA Period of Performance:** the HP-FA Investment Period of Performance plus the HP-FA Affordability Period of Performance.

Key Requirements

The HP-FA Awards have their own specific set of provisions and requirements, as outlined in the corresponding NOFAs and this document. Applicants who have funded housing projects through CDFI Program Financial Assistance Awards or NACA Program Financial Assistance Awards in the past should take note of the specific requirements that apply to HP-FA Awards, such as requirements regarding financing types and income restrictions. Similarly, Applicants who may be familiar with the Capital Magnet Fund (CMF), a separate grant program for housing administered by the CDFI Fund, should note that substantive differences exist between the HP-FA and the CMF program. **The following key requirements apply for rental units and Homeownership units supported with HP-FA Awards.**

Rental units:

- Financing to increase the production of rental HP-FA Income Eligible Housing units through either (1) new construction or (2) acquisition and rehabilitation of rental properties without existing affordability restrictions.
- Awards may NOT be used for preservation of rental housing with existing affordability restrictions.
- Income Eligible means at or below 120% Area Median Income (AMI), with a priority for Award selection to Applicants that commit to at least 51% of the HP-FA units being restricted to 80% AMI and below. This HP-FA requirement will become a PG&M in the Assistance Agreement and will not be subject to modification post-award.
- Units must be completed and ready for occupancy (as evidenced by a certificate of occupancy or equivalent) in three (3) years, i.e., by the end of the HP-FA Investment Period of Performance.
- Period of affordability for a minimum of 10 years, ensured through a title covenant or land-use restriction. (Example: if the Applicant used HP-FA funds to help finance a project that also included funds from another federal or state housing program, and that other program required an affordability period of 30 years, then this requirement for a minimum of 10 years would be met. However, if there is no other source of subsidy requiring at least 10 years of affordability at the required income levels under the HP-FA program, the Recipient must ensure this requirement is met through a recorded title covenant or land-use restriction on the property).

Homeownership units:

- Financing to increase the production of Homeownership HP-FA Income Eligible Housing units through either (1) new construction or (2) acquisition and rehabilitation of homes without existing affordability restrictions.
- Awards may **NOT** be used to provide mortgage assistance, including down payment assistance or closing cost assistance, to homebuyers.
- Income Eligible means at or below 150% AMI, with a priority that Applicants commit to at least 51% of the HP-FA units being restricted to 80% AMI and below. This HP-FA requirement will become a PG&M in the Assistance Agreement and will not be subject to modification post-award.
- Units must be completed and ready for occupancy (as evidenced by a certificate of occupancy or equivalent) in three (3) years, i.e., by the end of the HP-FA Investment Period of Performance.
- The initial sale of the home must be to an income eligible homebuyer (i.e., 150% AMI or below).
- If the initial homeowner lives in the house for less than five (5) years, the Recipient must either (a) ensure the property is resold to an income eligible homebuyer (at or below 150% AMI), (b) replace the unit with another Homeownership unit financed by the Recipient during the three-year HP-FA Investment Period of Performance, or (c) proportionally recoup the funds and deploy to other affordable housing financing activities.
- Period of affordability is five (5) years, pursuant to the above.

The following are **examples** of financial products and activities provided by CDFIs that **increase the supply** of affordable housing by closing the financing gaps in affordable Homeownership units and affordable rental units, that can be supported by an HP-FA Award:

- ✓ Financing for housing developers and builders for construction of Homeownership units;
- ✓ Financing for the acquisition and rehabilitation of vacant homes to be sold to income eligible homebuyers;
- ✓ Interim financing for construction of affordable multifamily rental housing;
- ✓ Bridge loans or other similar short-term financing to help fill the interim financing gaps in the affordable housing development cycle with low-/no-cost capital;
- ✓ Permanent subordinate financing for new construction of affordable rental housing, or for acquisition and rehabilitation of affordable rental housing without existing affordability restrictions in place;
- ✓ Loan loss reserves, loan guarantees, capital reserves (Regulated Institutions only), and other eligible financial activities as allowed in the FA Assistance Agreement.

Requested Award Amount

Under Section 108, the CDFI Fund may not award more than \$5 million of assistance, in the aggregate, during any three-year period to any one CDFI and its subsidiaries and/or affiliates; thus, the maximum HP-FA Award is capped at \$5 million.² The minimum HP-FA Award size is \$1 million. The estimated average Award size is \$2 million. The HP-FA Award will also impact the Award size cap the Recipient is eligible to receive going forward for subsequent three-year periods following the FY 2025 CDFI/NACA Award announcement.

Applicants should request an amount that they would be able to deploy within the first year of the HP-FA Investment Period of Performance, to ensure sufficient time for completion of construction and/or rehabilitation. In determining their Award request, Applicants should review their current pipeline of housing projects that meet the key requirements above, for which gap financing is needed. Recall that projects must be either new construction or acquisition and rehabilitation without existing affordability restrictions are in place, and all housing units must be complete and ready for occupancy by the end of the three-year HP-FA Investment Period of Performance.

Grants.gov, SAM.gov, SF-424, and Title VI Compliance Worksheet

All HP-FA Applicants (whether applying for a Base-FA Award with HP-FA as a supplemental Award, or HP-FA Only) must fulfill all requirements related to Grants.gov, SAM.gov, the Standard Form 424 (SF-424), and the Title VI Compliance Worksheet. Instructions are available in the *FY 2025 CDFI Program & NACA Program Financial Assistance Application Guidance* (available under “Financial Assistance Application Materials” on the [CDFI Step 2: Apply](#) page).

On the SF-424, Question 15 asks Applicants to input their “Estimated Funding.” The amount entered on the SF-424 is not binding. (Applicants applying for a Base-FA Award with HP-FA as a supplemental Award may choose whether to enter their estimated Base-FA request plus their estimated HP-FA request, or just their Base-FA request.) For HP-FA, the CDFI Fund will evaluate the Award amount requested in the Excel HP-FA Application submitted via Service Request.

² The funding cap in the Community Development Banking and Financial Institutions Act of 1994, Section 108, includes Awards for Base-FA, Technical Assistance (TA), Persistent Poverty Counties Financial Assistance (PPC-FA), and HP-FA. The following scenarios provide some examples of how the \$5 million cap over a three-year period plays out.

- Northwest CDFI received no FA or TA Awards in the past three years, and none of its subsidiaries or affiliates did either, so it could choose to apply for HP-FA Only and request the full \$5 million.
- Southeast CDFI received a FY 2024 FA Award of \$725,000 total (\$625,000 Base-FA plus \$100,000 PPC-FA). If Southeast CDFI requested and received a FY 2025 Base-FA Award of \$1 million, to conform to the \$5 million statutory cap, the maximum HP-FA amount it can receive is \$3,275,000 [\$5,000,000 - \$725,000 - \$1,000,000]. The HP-FA Award will also impact the Award size cap the Recipient is eligible to receive going forward for the next three-year period following the FY 2025 CDFI/NACA Award announcement.

HP-FA Questions and Data Tables in the Base-FA AMIS Application

After the *Applicant Level Information* section in AMIS (Section 3), comes the *HP-FA and Base-FA* section. Question 2 asks, “Would you like to apply for HP-FA funding?” All interested HP-FA Applicants should choose “Yes,” regardless of whether they are also applying for Base-FA. Applicants should then enter their HP-FA request amount in Question 2.1.

The AMIS Application will look different depending on whether an Applicant chooses to apply for Base-FA or not. HP-FA Applicants are required to fill out all Application sections shown in the AMIS interface. The *FY 2025 CDFI Program & NACA Program Financial Assistance Application Guidance* (available under “Financial Assistance Application Materials” on the [CDFI Step 2: Apply](#) page) includes instructions on how HP-FA Only Applicants should answer these questions, if different from Applicants applying for a Base-FA Award with HP-FA as a supplemental Award.

HP-FA Narrative Question and Data Table in the Excel HP-FA Application

The Excel HP-FA Application is posted on the CDFI Fund’s website at www.cdfifund.gov/cdfi and www.cdfifund.gov/native under Step 2: Apply.

Responses to the narrative question and data table must be provided in the Excel HP-FA Application and attached to a Service Request in the Awards Management Information System (AMIS), as detailed in the corresponding NOFAs. Applicants are asked to enter a subject line of: “**FY 2025 Excel HP-FA Application – [Insert Applicant Organization Name from AMIS]**,” select “CDFI Program” for the Program, and “Application” for the Program Topic.

Excel HP-FA Applications that are not submitted by an **Authorized Representative** or an **Application Point of Contact**, via AMIS Service Request, **by the deadline specified in the NOFAs** will not be considered by the CDFI Fund.

Basic Information (Enter in Excel HP-FA Application)

- **Applicant:** Enter your Organization Name, exactly as it appears in the associated AMIS Application.
- **FY 2025 FA App. Control Number:** Enter the Control Number of the corresponding FA Application in AMIS. (This number can be found in the Application interface, in the top left in a box with a blue background. It is an 11-digit item that starts with either 251FA (for CDFI Applicants) or 251NA (for NACA Applicants), followed by 6 numbers unique to the Application, e.g., 251FAxxxxxx or 251NAXxxxxx.)
- **HP-FA Award Amount Request:** Enter the dollar amount of your request, between \$1 million and \$5 million. (Note, if there is a difference between this dollar amount that you enter in the Excel HP-FA Application and the amount you enter in AMIS, the CDFI Fund will use the value from the Excel HP-FA Application.) **Important: Please observe the three-year, \$5 million cap provisions for financial assistance under Section 108 (see “Requested Award Amount” above).**

- **PG&M 6-1 Confirmation: HP-FA Units:** This PG&M comes from the data table in the Excel HP-FA Application (see table cell with red background). This PG&M indicates how many HP-FA units (i.e., units that meet the HP-FA key requirements outlined above) your CDFI commits to financing and that will be completed over the next three (3) years. (Note: If selected for an HP-FA Award at an amount less than the HP-FA requested amount in this workbook, the CDFI Fund will prorate³ the final PG&M based on the actual HP-FA Award amount.) **This PG&M will not be subject to modification post-award.**
- **PG&M 6-2 Confirmation: Minimum Total HP-FA Income Eligible Housing Units:** This PG&M comes from the data table in the Excel HP-FA Application (see table cell with yellow background). This PG&M equals your three-year historic baseline of all HP-FA Income Eligible Housing units financed (120% AMI or below for rental housing and 150% AMI or below for Homeownership) plus your HP-FA units. It indicates the minimum total units of housing (at the eligible income levels for HP-FA) that your CDFI commits to financing over the next three (3) years, to demonstrate you have increased the supply of HP-FA Income Eligible Housing units with your HP-FA Award. (The final PG&M will be prorated in the Assistance Agreement based on the final HP-FA Award amount.) **This PG&M will not be subject to modification post-award.**
- **PG&M 6-3 Confirmation: HP-FA Income Targeting:**
Of the HP-FA units in PG&M 6-1 above, the CDFI Fund will prioritize making Awards where at least 51% of these HP-FA units are for families at 80% AMI or below. **This PG&M will not be subject to modification post-award.**
- **Attestation:** An Authorized Representative must enter their name and title in this box before the Excel HP-FA Application is submitted to the CDFI Fund via a Service Request.

³ The HP-FA units will be prorated if an Applicant is awarded a smaller HP-FA amount than it requested. For example, say that an Applicant requested \$2 million and intended to finance 100 HP-FA units. If the Applicant received a \$1 million HP-FA Award (50% of its Award request), its PG&M would be prorated, and it would be required to finance 50 HP-FA units (50% of its proposed units).

Narrative Question

Question Text	Character Limit	Notes/Guidance
<p>Describe how the HP-FA Award will be deployed over the three-year Investment Period to increase your financing of affordable housing. What are the deployment risks and challenges your CDFI faces to invest this capital to increase the supply of affordable housing? How will these risks be mitigated?</p>	<p>2,000 characters</p>	<ul style="list-style-type: none"> • The HP-FA program is focused on <u>increasing the supply</u> of affordable housing, through financing activities that support either (1) new construction or (2) the acquisition and rehabilitation of housing without existing affordability restrictions in place. (HP-FA funds may NOT be used for preservation of housing with existing affordability restrictions in place, nor for mortgage assistance – including down payment assistance or closing cost assistance – for homebuyers.) • Applicants should therefore focus their narrative on how they will use an HP-FA Award to produce the number of HP-FA units entered in the data table. • Begin by briefly describing how your track record supports your ability to produce the HP-FA units by financing new construction and/or acquisition and rehabilitation of affordable housing units. • Briefly describe the types of financing mechanisms (i.e., construction loans, bridge loans, etc.) that your organization will use to <u>increase the supply</u> of affordable housing if you receive an HP-FA Award, and how these will target financing gaps in HP-FA eligible affordable housing projects. • Briefly discuss deployment risks and challenges to meeting your HP-FA production goals, and how your organization will mitigate these risks. Focus on risks and mitigating factors relevant to HP-FA key requirements, such as the requirement that the affordable housing units be completed and ready for occupancy by the end of the three-year HP-FA Investment Period of Performance. Also provide context on additional sources of capital that are identified to support your projected financing activities.

Data Table

The image of the table on the next page is provided for reference. All data must be entered in the Excel HP-FA Application, which is posted on the CDFI Fund’s website at www.cdfifund.gov/cdfi and www.cdfifund.gov/native under Step 2: Apply.

Applicants will use the same historic and projected fiscal years for the Excel HP-FA Application that they used in their FY 2025 AMIS FA Application.⁴ In Cell G30, select the most recent historic fiscal year (i.e., Historic Year 1), from the drop down list choices of 2023 or 2024. Excel will fill in the other historic and projected years for you. Note: the “Current Year” is not used in the HP-FA application.

As shown in the table, Applicants will report units in four categories throughout all years: rental units at 0-80% AMI, rental units at 81-120% AMI, Homeownership units at 0-80% AMI, and Homeownership units at 81-150% AMI.

For Historic Years 1, 2, and 3, Applicants will enter their total housing units financed (at the specified income levels) across their whole portfolio, for all housing financing categories, including preservation, construction, acquisition and rehabilitation, permanent financing, mortgage down payment and closing cost assistance, etc. The housing units should be recorded in the year that the loan or equity investment was closed. (These housing units may or may not have also been completed during the baseline period.) Only housing units supported by on-balance sheet loans or equity investments should be included.

For Projected Years 1, 2, and 3, Applicants will enter the number of HP-FA units projected to be financed by loans or equity investments closed in that year. These HP-FA units must meet program requirements indicated above, including the requirement to be completed and ready for occupancy at the end of the three-year HP-FA Investment Period. For example, if you anticipate closing the financing for all HP-FA units in Projected Year 1 and the units would be completed in Projected Year 3, you would enter the HP-FA units in Projected Year 1 and zeroes in Projected Years 2 and 3. The sum of the three-year projections, “Total HP-FA units produced by the end of the HP-FA Investment Period of Performance,” will become a PG&M (see table cell with red background⁵). **This PG&M will not be subject to modification post-award.**

A key objective of the HP-FA program is that it results in an increase in the supply of HP-FA Income Eligible Housing units. Therefore, at minimum, Applicants will need to finance the same number of units financed during their three-year baseline period (across their whole portfolio for all housing financing categories), plus the new HP-FA units, during the three-year HP-FA Investment Period of Performance. The purpose of this PG&M is to encourage Recipients to continue past housing activity while adding new HP-FA activity as well, increasing housing financing overall. This sum is noted in

⁴ For more information on what is your most recent historic fiscal year, see Table 12 of the FY 2025 FA Application Guidance, available on the CDFI Fund’s website at www.cdfifund.gov/cdfi and www.cdfifund.gov/native under Step 2: Apply.

⁵ In the Excel HP-FA Application, this is cell L40.

the spreadsheet as the “Minimum Total HP-FA Income Eligible Housing Units financed during the HP-FA Investment Period of Performance,” and it will also become a PG&M (see table cell with yellow background⁶). **This PG&M will not be subject to modification post-award.**

HP-FA Recipients will also have a PG&M requiring that at least 51% of their HP-FA units will be for families at 80% AMI or below. Note that this percentage will be measured by taking HP-FA units for families at 80% AMI or below (rental and Homeownership combined) and dividing that by all HP-FA units (rental and Homeownership combined). In the final row of the data table, the projected “Percentage of HP-FA units that are for 80% AMI or below” is calculated for Applicants, based on the data entered in the table.⁷ The Application will not be competitive for an HP-FA Award if the criterion that at least 51% of HP-FA units will be for families at 80% AMI or below is not met. **This PG&M will not be subject to modification post-award.**

⁶ In the Excel HP-FA Application, this is cell M40.

⁷ In the Excel HP-FA Application, this is cell L41.

REFERENCE COPY

Enter all data in the Excel HP-FA Application.

Housing Production Unit # by Income Level	Response	Response	Response	Calculation	Response	Response	Response	Calculation	Calculation
AMIS Field Name	Total Housing Units Financed Historic Year 3 (Actual)	Total Housing Units Financed Historic Year 2 (Actual)	Total Housing Units Financed Historic Year 1 (Actual)	3-Year Historic Baseline (sum)	HP-FA Units Projected Year 1 (Estimate)	HP-FA Units Projected Year 2 (Estimate)	HP-FA Units Projected Year 3 (Estimate)	Total HP-FA Units produced by end of HP-FA Investment Period of Performance	Minimum Total HP-FA Eligible Income Housing Units financed during the HP-FA Investment Period of Performance
	Historic 3 20xx	Historic 2 20xx	Historic 1 20xx		Projected 1 20xx	Projected 2 20xx	Projected 3 20xx		
Rental Housing									
0-80% AMI Units				0				0	0
81-120% AMI Units				0				0	0
Total Rental Housing Units	0	0	0	0	0	0	0	0	0
Homeownership Housing									
0-80% AMI Units				0				0	0
81-150% AMI Units				0				0	0
Total Homeownership Units	0	0	0	0	0	0	0	0	0
All Housing									
Total - All Housing Units	0	0	0	0	0	0	0	0	0
Percentage of HP-FA units that are for 80% AMI or below:								0.0%	

Example

- In the Historic columns, Southeast CDFI enters their rental units and Homeownership units in the respective income categories above, across all their housing financing categories (including preservation, construction, acquisition and rehabilitation, permanent financing, mortgage down payment and closing cost assistance, etc.). Its “3-Year Historic Baseline (sum)” is 500 units financed during that period that are HP-FA Income Eligible units.
- Southeast CDFI projects 100 HP-FA units, based on two multifamily rental projects, with maximum family income of 120% AMI. These are new construction projects that the CDFI will finance in the first year of the HP-FA Investment Period of Performance, with all 100 units to be complete and ready for occupancy in Projected Year 3. (Since the units are to be financed in Projected Year 1, the CDFI will record the units in the Projected Year 1 column in the table.)
- If Southeast CDFI receives the full amount of its HP-FA Award request, its first three (3) PG&Ms would be:
 - PG&M 6-1: HP-FA Units: 100 units
 - PG&M 6-2: Minimum Total HP-FA Income Eligible Housing Units (across all housing financing categories baseline + HP-FA units): 600 units
 - PG&M 6-3: HP-FA Income Targeting: 51% of HP-FA Units must be for 80% AMI or less; 51% * 100 units = 51 units for 80% AMI or less

HP-FA Matching Funds Requirements

There are no matching funds requirements for HP-FA awards.

HP-FA Application Review and Award Size

HP-FA Application Review

All Applicants will receive reviews for “Step 1: Eligibility” and “Step 2: Financial Analysis and Compliance Risk Evaluation.” Applicants who apply for a Base-FA with HP-FA as a supplemental Award will receive a “Step 3: Business Plan Review” from external reviewers for their Base-FA applications as indicated in the NOFAs. HP-FA Only Applications will receive a “Step 3: Business Plan Review” by CDFI Fund or other federal staff, using the same general criteria but with some modifications to reflect the fact that Applications requesting only HP-FA without Base-FA will not have an FA Objective. HP-FA Only Applications will be ranked following Step 3, and the CDFI Fund will forward the same percentage of HP-FA Only applications to Step 4 as the percentage of the CDFI Program Core Applicant pool.

Applicants who apply for a Base-FA Award with HP-FA as a supplemental Award will receive a “Step 4: Policy Objective Review” from CDFI Fund or other federal staff based on their Base-FA application, as indicated in the NOFAs. HP-FA Only Applications will receive a “Step 4: Policy Objective Review” from CDFI Fund or other federal staff, using the same general criteria but with some modifications to reflect the fact that Applications requesting HP-FA Only without Base-FA will not have an FA Objective. All Applicants also receive a due diligence review, as indicated in the NOFAs.

CDFI Fund or other federal staff will then conduct a review of the Excel HP-FA Application to assess housing production impact. Reviewers will evaluate the Application and assign a Total HP-FA Score on a scale of one (1) to three (3), with one (1) being the highest score, based on the Applicant’s projected financing activity supporting housing production, the extent it intends to target 51% or more of Homeownership and rental Housing to families with incomes at 80% AMI or below, its track record of financing Housing, its projected timeline for Housing to be completed, and the effectiveness of its strategy to mitigate any risks. Applicants are then grouped according to Total HP-FA Score. Applicants that would not qualify for an Award based on Step 4 Total Policy Objective Review Score and due diligence evaluation will not be considered for an HP-FA Award.

HP-FA Award Size

Award amounts will be determined based on the Total HP-FA Score, the Applicant’s requested amount, and on certain factors, including but not limited to, an Applicant’s deployment track record, total portfolio outstanding, minimum Award size, proximity to the \$5 million over three years Award cap, geographies served, and funding availability. The CDFI Fund may reduce an Applicant’s Award amount as a result of this analysis. The CDFI Fund will make Awards to the highest scoring Applicants first.

Note that HP-FA Awards, along with Base-FA, TA, and PPC-FA, are subject to the \$5 million Award cap to any one organization and its subsidiaries and affiliates during any three-year period.

Post Award Deployment Requirements

If awarded, HP-FA Award Recipients will be required to meet housing production and financial assistance performance goals as specified in the Assistance Agreement.

HP-FA Performance Goal and Measures (Draft PG&Ms)⁸

<p>6-1</p> <p>HP-FA Units</p>	<p>Housing Production-Financial Assistance (HP-FA) - Units: At the end of the HP-FA Investment Period of Performance, the Recipient must produce the number of HP-FA housing units specified below. These housing units must meet the requirements of the HP-FA program, including that they be completed and ready for occupancy by the end of the HP-FA Investment Period of Performance; the units meet income restrictions specified in the NOFA; and the units are new housing units that increase the supply of housing (e.g., product lines that finance the construction and/or acquisition and rehabilitation of housing without existing affordability restrictions).</p> <p>The Recipient may satisfy this goal using the HP Financial Assistance or other available funds on its balance sheet. Financial Products used for HP-FA housing units reported for Performance Goal 6-1 may not be reported for any other FA Performance Goal in this Assistance Agreement. Financial Products used for HP-FA housing units that are reported under any Performance Goal for a CDFI Rapid Response Program (CDFI RRP), Equitable Recovery Program (CDFI ERP), or a Small Dollar Loan Program (SDLP) Award may not be reported for this Performance Goal, and any Financial Products used for HP-FA housing units reported under any Performance Goal hereunder may not be reported for a CDFI RRP, CDFI ERP, or SDLP Award.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding: 5px;">HP-FA units produced over the 3-year HP-FA Investment Period of Performance</td> <td style="padding: 5px;">[AMIS to Populate]</td> </tr> </table>	HP-FA units produced over the 3-year HP-FA Investment Period of Performance	[AMIS to Populate]
HP-FA units produced over the 3-year HP-FA Investment Period of Performance	[AMIS to Populate]		

⁸ Disclaimer: These draft PG&MS are provided for illustrative purposes only and should not be relied upon or used for any other purpose. This draft provides projected and potential language for terms and conditions of the Assistance Agreement that may be entered into between the CDFI Fund and a Recipient under the CDFI Program or NACA Program. This language is subject to further modification by the CDFI Fund. The exact terms and conditions of each specific Award will be set forth in the Assistance Agreement that is executed by the CDFI Fund and each Recipient, which will be made available after Awards are announced.

<p>6-2</p> <p>Minimum Total HP-FA Income Eligible Housing Units</p>	<p>Minimum Total HP-FA Income Eligible Housing Units: At the end of the HP-FA Investment Period of Performance, the Recipient must have financed, at minimum, the total number of HP-FA Income Eligible Housing units (120% AMI or below for rental housing and 150% AMI or below for Homeownership) specified below. This number is determined by adding the housing units financed during the Recipient’s three-year baseline and its HP-FA units, and it shows that the Applicant has met a key requirement of the HP-FA program.</p> <table border="1" data-bbox="391 516 1096 653"> <tr> <td data-bbox="391 516 878 653">Total HP-FA Income Eligible Housing units financed over the 3-year HP-FA Investment Period of Performance</td> <td data-bbox="878 516 1096 653">[AMIS to Populate]</td> </tr> </table>	Total HP-FA Income Eligible Housing units financed over the 3-year HP-FA Investment Period of Performance	[AMIS to Populate]
Total HP-FA Income Eligible Housing units financed over the 3-year HP-FA Investment Period of Performance	[AMIS to Populate]		
<p>6-3</p> <p>HP-FA Income Targeting</p>	<p>HP-FA – Income Targeting: Of the HP-FA units in PG&M 6-1 above, at least 51% of these units must be for families at 80% AMI or below.</p> <table border="1" data-bbox="391 835 1096 936"> <tr> <td data-bbox="391 835 878 936">Percentage of HP-FA Housing units for 80% AMI or below</td> <td data-bbox="878 835 1096 936">Must be 51% or greater</td> </tr> </table>	Percentage of HP-FA Housing units for 80% AMI or below	Must be 51% or greater
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<p>6-4</p> <p>HP-FA Financial Products Closed Equivalent to HP-FA Award</p>	<p>Housing Production-Financial Assistance (HP-FA) Financial Products Closed Equivalent to HP-FA Award: At the end of the HP-FA Investment Period of Performance, the Recipient must have closed Financial Products supporting housing production that meets the program requirements, in an amount equal to or greater than 100% of the total HP-FA received (exclusive of Base-FA, PPC-FA, DF-FA, or HFFI-FA). The Recipient may satisfy this goal using the HP Financial Assistance or other available funds on its balance sheet. Financial Products reported for Performance Goal 6-4 may not be reported for any other Performance Goal. Financial Products reported under any Performance Goal for a CDFI Rapid Response Program (CDFI RRP), Equitable Recovery Program (CDFI ERP), or a Small Dollar Loan Program (SDLP) Award may not be reported for this Performance Goal and any Financial Products reported under any Performance Goal hereunder may not be reported for a CDFI RRP, CDFI ERP, or SDLP Award.</p> <p>In order to meet program requirements, Financial Products reported for this PG&M must support housing production where the units are completed and ready for occupancy by the end of the Period of Performance; the units meet income restrictions specified in the NOFA; and the units are new housing units that increase the supply of HP-FA Income Eligible Housing.</p> <table border="1" data-bbox="391 905 1305 1281"> <thead> <tr> <th></th> <th>Dollar Amount (\$)</th> <th>% of HP-FA</th> </tr> </thead> <tbody> <tr> <td>Total dollar amount of HP-FA:</td> <td>[AMIS to Populate]</td> <td>N/A</td> </tr> <tr> <td>HP-FA Financial Products Closed, by the end of the HP-FA Investment Period of Performance, Year 3 benchmark (100%):</td> <td></td> <td>100%</td> </tr> </tbody> </table>		Dollar Amount (\$)	% of HP-FA	Total dollar amount of HP-FA:	[AMIS to Populate]	N/A	HP-FA Financial Products Closed, by the end of the HP-FA Investment Period of Performance, Year 3 benchmark (100%):		100%
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Total dollar amount of HP-FA:	[AMIS to Populate]	N/A								
HP-FA Financial Products Closed, by the end of the HP-FA Investment Period of Performance, Year 3 benchmark (100%):		100%								
<p>6-5</p> <p>Deployment of HP-FA Award Dollars</p>	<p>Deployment of the HP-FA Award Dollars: By the HP-FA Investment Period of Performance End Date, the Recipient must expend the Housing Production-Financial Assistance (HP-FA) for authorized activities that meet program requirements.</p> <table border="1" data-bbox="391 1430 1305 1801"> <thead> <tr> <th></th> <th>Dollar Amount (\$)</th> <th>% of HP-FA</th> </tr> </thead> <tbody> <tr> <td>Total dollar amount of HP-FA:</td> <td>[AMIS to Populate]</td> <td>N/A</td> </tr> <tr> <td>HP-FA Award Dollars Deployed, by end of the HP-FA Investment Period of Performance, Year 3 benchmark (100%):</td> <td></td> <td>100%</td> </tr> </tbody> </table>		Dollar Amount (\$)	% of HP-FA	Total dollar amount of HP-FA:	[AMIS to Populate]	N/A	HP-FA Award Dollars Deployed, by end of the HP-FA Investment Period of Performance, Year 3 benchmark (100%):		100%
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