



FY 2021 Capital Magnet Fund Outreach Presentation

Module 6: Economic Development and CMF

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

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Economic Development Overview



- CMF Awards finance Affordable Housing Activities, as well as related Economic Development Activities (EDA), including the financing of Community Service Facilities.
- Recipients can use no more than 30% of their CMF Award for Economic Development Activities. CMF Awards may only be used for the financing of eligible projects and may not be used as grants or loans to businesses.



What is Eligible EDA



An eligible Economic Development Activity must:

- Develop, preserve, acquire and/or rehab Community Service Facilities and/or other physical structures in which neighborhood-based businesses operate;

AND

- In Conjunction With Affordable Housing Activities, implement a Concerted Strategy to stabilize or revitalize a Low-Income Area or Underserved Rural Area.

Examples of Eligible EDA



Some examples of eligible Economic Development Activities include, but are not limited to, the financing/supporting of:

- Day care centers and schools
- Grocery stores
- Health clinics
- Food banks
- Community centers
- Workforce Development Centers



Integrating EDA with Affordable Housing



EDA must be In Conjunction With Affordable Housing Activities, meaning that EDA must be:

1. Physically proximate:

- For a Metro Area, being located within the same census tract or within 1 mile of the Affordable Housing.
- For Non-Metro Area, being located in the same county or within 10 miles of the Affordable Housing.

AND

2. Reasonably available to residents of Affordable Housing.

EDA as Part of a Concerted Strategy



- Economic Development Activities, In Conjunction With Affordable Housing Activities, must implement a Concerted Strategy to stabilize or revitalize a Low-Income Area or Underserved Rural Area.
- Concerted Strategy: Formal planning document that evidences the connection between Affordable Housing Activities and Economic Development Activities.
- These documents include, but are not limited to, a comprehensive, consolidated, or redevelopment plan, or some other local or regional planning document adopted or approved by the jurisdiction.

EDA Example: Retail



- An FY 2010 Recipient combined affordable housing with retail in Chicago's historic Bronzeville neighborhood.
- A Walmart Neighborhood Market will be the anchor commercial tenant with a 41,000 square-foot store, providing greater access to jobs and fresh food to residents.
- The \$46.5 million complex is the first commercial and residential development in the area in more than 50 years.



Questions?



- Submit a Service Request in the CDFI Fund's Awards Management Information System (AMIS)
- E-mail cmf@cdfi.treas.gov
- Contact the CDFI Fund Help Desk at (202) 653-0421; Option 6