

#### FY 2024 Capital Magnet Fund Outreach Presentation

Module 6: Economic Development and CMF

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND www.cdfifund.gov

# **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 percent of their CMF Awards for Economic Development Activities. CMF Awards may only be used for the financing and/or support of 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.

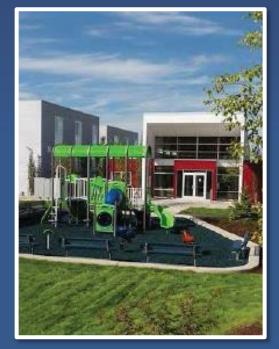
Per Section 1807.104 of CMF Interim Rule (12 CFR 1807).

## **Examples of Eligible Economic Development Activities**

Some <u>examples</u> of eligible Economic Development Activity structures and Community Service Facilities include, but not limited to:

- Day care centers and schools
- Grocery stores
- Health clinics
- Food banks
- Community centers
- Workforce development centers
- Facade improvements
- Revitalization of commercial buildings







# Integrating Economic Development with Affordable Housing



Economic Development Activities (EDA) must be developed <u>In</u> <u>Conjunction With Affordable Housing Activities</u>, meaning that the Community Service Facility or neighborhood-based business must be:

- **1)** Physically proximate:
  - For a Metropolitan Area, being located within the same census tract or within 1 mile of the Affordable Housing.
  - For a Non-Metropolitan Area, being located in the same county or within 10 miles of the Affordable Housing.
- AND

2) Reasonably available to residents of Affordable Housing.

## **Economic Development as Part of a Concerted Strategy**



Economic Development Activities, In Conjunction With Affordable Housing Activities, must implement a <u>Concerted Strategy</u> 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.



### 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.

# **EDA Example: Retail**

- An FY 2010 Recipient combined affordable housing with retail in Chicago's historic Bronzeville neighborhood.











- Submit a Service Request in the CDFI Fund's Awards Management Information System (AMIS) - <u>This method is strongly preferred and</u> <u>ensures the fastest routing.</u>
- E-mail <u>cmf@cdfi.treas.gov</u>
- Contact the CDFI Fund Help Desk at: (202) 653-0421; Option 6
- Current data sets may be found at: <u>https://www.cdfifund.gov/programs-</u> <u>training/programs/cmf/apply-step</u>