



Community Development Financial Institutions Fund Highlights of the FY 2000 CDFI Program Funding Technical Assistance Component

Amount of Assistance

The CDFI Fund selected 66 applicants to receive awards totaling \$3,035,640 million under its CDFI Program FY 2000 Technical Assistance Component. These awards are in the form of grants. The average grant size is approximately \$45,000. The aim of these awards is to enhance the capacity of the recipients to serve their target markets. The grants provided under the Technical Assistance Component may be used for support for staff or management training, the acquisition of technology to improve financial management or internal operations, and the use of outside experts to build organizational capacity in specific areas. These awards represent the third annual round of funding under the Technical Assistance Component. Together with the Fund's Training Program, the Technical Assistance Component is part of the Fund's strategy to build and strengthen the capacity of CDFIs to serve their Target Markets.

Organizational Diversity of Awardees

The Fund's awards will benefit a wide range of institutions, from a start-up organization that makes pre-development loans to developers of affordable housing in a four-state area (Iowa, Kansas, Nebraska and Wyoming), to a well established organization that provides loans and technical support throughout the country for community land trusts, and other vehicles of preserving housing affordability. The awardees tailor their services and products to the particular target markets that they serve, which may include economically distressed geographic areas and/or underserved individuals. The 66 FY 2000 Technical Assistance awardees are engaged in a variety of business activities. Business finance constitutes the primary activity of 40 of the awardees. Below is a list of the other key business activities in order of prevalence:

Housing finance:	37
Microenterprise finance:	29
Consumer Loans:	19
Facilities finance:	16
Consumer Checking/ Savings Accounts:	16
Other:	3

*These numbers reflect the awardees' multiple business activities.

In addition, the Technical Assistance awardees represent a variety of types of financial institutions including:

- 37 business loan funds;
- 16 community development credit unions;
- 4 housing or community facilities loan funds;
- 3 community development venture capital funds;

- 2 intermediary financial organizations;
- 1 bank or bank holding company;
- 1 multi-bank community development corporation;
- 1 economic and community development agency;
- 1 business and industrial development corporation

Geographic Reach

The organizations selected for awards are headquartered in 29 states. The 2000 round marks the Fund's first Technical Assistance Component awards to organizations based in Delaware, Georgia, Iowa, Michigan and Montana.

Of the Fund's 66 Technical Assistance awardees, 43 report that they serve urban areas, 36 report that they serve rural markets, and 15 report that they serve suburban areas. Many of the awardees serve a mix of urban, suburban and rural markets. One of the awardees serves Native American communities in Montana and Wyoming. One awardee largely serves Native Alaskans, and two awardees serve Native Hawaiians.

Impact and Innovation

Of the 66 organizations selected under the Technical Assistance Component, 15 (23 %) represent "start-ups" (awardees that began incurring operating expenses within the last two years).

A number of the FY 2000 awardees demonstrate particularly strong potential for impact and innovation as a result of the capacity building support that will be provided through the Technical Assistance Component. Examples of the benefits that are expected to accrue to awardees and communities served by awardees as a result of the Fund's technical assistance awards are:

- The ability to expand a field of membership, as recently approved by the National Credit Union Administration, for a credit union serving the Delta region of Mississippi (Quitman Tri-County Federal Credit Union);
- An expansion of home buyer education targeted to very low-income Latinos in the border region of Texas (McAllen Affordable Housing, Inc.);
- Enhanced service to a low-income Syracuse, New York neighborhood through the opening of a branch of an established community development credit union(Syracuse Cooperative Federal Credit Union);
- Increased flow of capital to producers of housing affordable to lower-income households through an extension of a service area from the Washington, DC metro area to the Baltimore, MD metro area (Unitarian-Universalist Affordable Housing Corp.); and
- Development of a financial product that allows equity or equity-like investment in microenterprises or other very small businesses started by or employing lower income people (ACEnet Ventures).