

Department of the Treasury
Community Development
Financial Institutions Fund

Congressional Budget
Justification and Annual
Performance Report and Plan

FY 2020

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Section I – Budget Request

A – Mission Statement

To expand economic opportunity for underserved people and communities by supporting the growth and capacity of a national network of community development lenders, investors and financial service providers.

B – Summary of the Request

The Community Development Financial Institutions (CDFI) Fund supports Treasury's Strategic Goal 1 (Boost U.S. Economic Growth) and Strategic Goal 4 (Transform Government-wide Financial Stewardship). The Budget requests the following for the CDFI Fund for FY 2020:

- \$14 million in administrative funding to support:
 - Management of the CDFI Bond Guarantee (GP) Program and the New Markets Tax Credit (NMTC) Program; and
 - Ongoing certification and compliance monitoring for all programs, including the Bank Enterprise Award (BEA) Program, CDFI Program, Native American CDFI Assistance (NACA) Program and Healthy Food Financing Initiative (HFFI).
- Cancellation of \$25 million in anticipated Bank Enterprise Award program carryover balances.
- The Budget eliminates funding for the CDFI Fund's four discretionary grant and direct loan programs (i.e. the CDFI Program, the BEA Program, the NACA Program, and HFFI) and includes a proposal to eliminate new funding for Capital Magnet Fund (CMF) effective in 2020. The CDFI industry has matured, and these institutions should have access to private capital needed to build capacity, extend credit, and provide financial services to the communities they serve.
- The Budget proposes to extend the CDFI BG Program, which offers CDFIs low-cost, long-term financing at no cost to taxpayers.
 - The CDFI BG Program provides CDFIs access to capital by providing guarantees of bonds issued by Qualified Issuers. CDFIs invest the bond proceeds into our nation's most distressed communities. CDFIs benefit by accessing long-term credit at below-market interest rates. The BG Program incentivizes and empowers CDFIs to execute large-scale projects, including the development of charter schools, commercial real estate, rental housing, senior living, daycare or healthcare centers, small businesses, and rural infrastructure, among others. The program requires no credit subsidy.
 - The BG Program was originally authorized in the Small Business Jobs Act of 2010 (P.L. 111–240) for a period of four years to provide a source of long-term capital in low-income and underserved communities. The Budget continues to propose reforms such as reducing the minimum bond size to increase participation. The Administration encourages the Congress to adopt these and other necessary reforms to promote further private sector participation in BG Program financing and support the growth of a self-sustaining CDFI industry.
 - The Budget proposes an annual commitment authority of \$500 million and program changes to (1) reduce the minimum bond issue size from \$100 million to \$50 million; and (2) correct a technical drafting error related to the calculation of the relending account maximum.

1.1 – Appropriations Detail Table

Dollars in Thousands

Community Development Financial Institutions Program										
Appropriated Resources	FY 2018		FY 2019		FY 2020		FY 2019 to FY 2020			
	Enacted *		Annualized CR		Request		Change		% Change	
New Appropriated Resources	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Community Development Financial Institutions Program	0	\$160,000	0	\$160,000	0	\$0	0	(\$160,000)	NA	-100.00%
Bank Enterprise Award Program *	0	\$25,000	0	\$25,000	0	(\$25,000)	0	(\$50,000)	NA	-200.00%
Native American CDFI Assistance Program	0	\$16,000	0	\$16,000	0	\$0	0	(\$16,000)	NA	-100.00%
Administration	66	\$27,000	66	\$27,000	42	\$14,000	-24	(\$13,000)	-36.36%	-48.15%
Healthy Food Financing Initiative	0	\$22,000	0	\$22,000	0	\$0	0	(\$22,000)	NA	-100.00%
Subtotal New Appropriated Resources	66	\$250,000	66	\$250,000	42	(\$11,000)	-24	(\$261,000)	-36.36%	-104.40%
Other Resources										
User Fees	0	\$700	0	\$1,000	0	\$1,200	0	\$200	NA	20.00%
Recovery from Prior Years	0	\$1,015	0	\$1,000	0	\$1,000	0	\$0	NA	0.00%
Unobligated Balances from Prior Years	0	\$32,544	0	\$33,000	0	\$223,000	0	\$190,000	NA	575.76%
Subtotal Other Resources	0	\$34,259	\$0	\$35,000	\$0	\$225,200	\$0	\$190,200	NA	543.43%
Total Budgetary Resources	66	\$284,259	66	\$285,000	42	\$214,200	-24	(\$70,800)	-36.36%	-24.84%

* FY 2018 FTE and Other Resources are Actuals. This column reflects levels appropriated in P.L. 115-141, the Consolidated Appropriations Act of 2018. For further details on the execution of these resources see the 2020 Budget Appendix chapter for the Department of the Treasury. This request reflects authorization of the Bond Guarantee Program thru December 31, 2020

1.3 – Operating Levels Table

Dollars in Thousands

Community Development Financial Institution Fund	FY 2018	FY 2019	FY 2020
Object Classification	Enacted	Annualized CR	Request
11.1 - Full-time permanent	9,324	9,324	4,589
11.9 - Personnel Compensation (Total)	9,324	9,324	4,589
12.0 - Personnel benefits	2,812	2,812	2,064
Total Personnel and Compensation Benefits	\$12,136	\$12,136	\$6,653
21.0 - Travel and transportation of persons	82	82	15
22.0 - Transportation of things	1	1	1
24.0 - Printing and reproduction	5	5	0
25.1 - Advisory and assistance services	3,252	3,252	0
25.2 - Other services from non-Federal sources	11	11	15
25.3 - Other goods and services from Federal sources	6,908	6,908	5,351
25.7 - Operation and maintenance of equipment	3,166	3,166	1,960
26.0 - Raw Materials	62	62	5
31.0 - Equipment	1,377	1,377	0
41.0 - Grants, subsidies, and contributions	223,000	223,000	0
Total Non-Personnel	\$237,864	\$237,864	\$7,347
New Budgetary Resources	\$250,000	\$250,000	\$14,000
FTE	66	66	42

FY 2018 FTE and Other Resources are Actuals. This column reflects levels appropriated in P.L. 115-141, the Consolidated Appropriations Act of 2018. For further details on the execution of these resources see the 2020 Budget Appendix chapter for the Department of the Treasury. FY 2018 are Actual.

D – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND <i>Federal Funds</i></p> <p>SALARIES AND EXPENSES <i>To carry out the Riegle Community Development and Regulatory Improvements Act of 1994 (subtitle A of title I of Public Law 103–325), including services authorized by section 3109 of title 5, United States Code, but at rates for individuals not to exceed the per diem rate equivalent to the rate for EX-3, \$14,000,000, to be used for administrative expenses, including administration of CDFI fund programs and the New Markets Tax Credit Program: Provided, That during fiscal year 2020, none of the funds available under this heading are available for the cost, as defined in section 502 of the Congressional Budget Act of 1974, of commitments to guarantee bonds and notes under section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4713a): Provided further, That commitments to guarantee bonds and notes under such section 114A shall not exceed \$500,000,000 through December 31, 2020: Provided further, That such section 114A shall remain in effect until December 31, 2020: Provided further, That of the unobligated balances from prior year appropriations available for the Community Development Financial Institutions Fund for the Bank Enterprise Award program under this heading, \$25,000,000 is hereby permanently cancelled: Provided further, That no amounts may be cancelled from amounts that were designated by the Congress as an emergency or disaster relief requirement pursuant to the concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.</i></p> <p>Note.—A full-year 2019 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2019 (Division C of P.L. 115-245, as amended). The amounts included for 2019 reflect the annualized level provided by the continuing resolution.</p>	

E – Legislative Proposals

The Budget proposes to extend the CDFI Bond Guarantee Program’s authorization, with an annual guarantee level not to exceed \$500 million. The Budget also proposes reforms to the CDFI BG Program to increase participation and ensure credit-worthy CDFIs have access to this important source of capital, while continuing to maintain strong protections against credit risk. The CDFI BG Program will continue to operate at no budgetary cost for new issuances. The Budget requests an extension of the BG Program through December 31, 2020 and elimination of new allocations into the Capital Magnet Fund effective in FY 2020.

Section II – Annual Performance Plan and Report

A – Strategic Alignment

The CDFI Fund's mission is to expand economic opportunity for underserved people and communities by supporting the growth and capacity of a national network of community development lenders, investors, and financial service providers. The CDFI Fund supports the following the Department of the Treasury's FY 2018-2022 strategic goals:

- Goal 1: Boost U.S. Economic Growth
 - Objective 1.2 - Strong Economic Fundamentals

- Goal 4: Transform Government-wide Financial Stewardship
 - Objective 4.1 - Financial Data Access and Use

The CDFI Fund's award recipients provide loans, investments, business counseling, basic banking services, and financial literacy training in some of the most distressed communities in the nation. These are the communities where job opportunities remain stagnant and that otherwise lack access to more mainstream forms of capital – the places in the United States that are not progressing economically as other parts of our economy have improved. CDFI Fund award recipients use their awards to increase access to capital and help to improve the quality of life and the local economy in these communities

The FY 2020 Budget will advance these goals by allowing the CDFI Fund to administer and fully staff the CDFI Fund's programs that are authorized by Congress but do not require appropriated funds to make awards, i.e., the NMTC Program and CDFI BG Program. In addition, the CDFI Fund will continue to conduct ongoing program compliance for prior-year award recipients for all programs.

The budget request is also intended to cover the cost to administer certification of CDFIs, as required by the Riegle Act, as well as Community Development Entities (CDEs), as required by the NMTC Program. CDFI certification is a prerequisite for eligibility for the CDFI Program, the NACA Program, the BG Program and the Capital Magnet Fund (CMF), as well as other federal programs outside of the CDFI Fund.

B – Budget and Performance by Budget Activity

2.1.1 – Administration- Resources and Measures

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Annualized CR	Request
Appropriated Resources	\$24,636	\$23,100	\$23,600	\$26,000	\$26,713	\$27,000	\$14,000
Budget Activity Total	\$24,636	\$23,100	\$23,600	\$26,000	\$26,713	\$27,000	\$14,000
FTE	76	76	77	74	66	66	42

Measure	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
ALL Award Cycle Time (Months)	7.9	8.3	7.6	6.3	5.8	7	6.5	6.5
All - Time to Initial Disbursement (#Months)	N/A	N/A	B	7.5	N/A	4.5	4.5	4.5
ALL- Number of Affordable Housing Units Developed or Produced	32,621	27,004	35,251	27,443	34,083	28,000	21,500	21,500

2A - Administration

(\$14,000,000 from direct appropriations):

This encompasses the CDFI Fund's operational support and management activities for each of its ongoing award programs. It includes, among other activities, developing notices of award availability and application materials; reviewing and evaluating certification and award applications; selecting awardees; finalizing the terms of award agreements; making disbursements; collecting and evaluating performance data; monitoring awardees' compliance; and award closeout processes.

Description of Performance:

The CDFI Fund's three administrative performance measures focus on organization-wide efficiency. They measure how quickly awards are made and funds are disbursed.

- The All Cycle Time measures the average time from the date when applications are received to the date of award announcement (calculated in months as an average across all programs). The Award Cycle Time in FY 2018 was 5.8 months, surpassing the target of 7 months. This achievement reflects improved efficiency in making awards, which is largely a function of the implementation of the Awards Management and Information system (AMIS). FY 2019 and FY 2020 Targets have been lowered to 6.5 months to reflect the improved efficiencies in the award making processes.
- The Time to Initial Disbursement indicates in months how quickly the CDFI Fund completes award agreements and makes the first disbursement of funds or issues tax credits. The FY 2018 results for this measure are tabulated after 4.5 months have elapsed from the end of FY 2018. The results are not yet available.
- The Number of Affordable Housing Units Developed or Produced metric measures the number of affordable housing units developed or produced as a result of CDFI Fund awards as reported by CDFI, NMTC, and CMF Program awardees and allocation recipients. The FY 2018 actual result of 34,083 affordable housing units was above the target of 28,000 affordable housing

units. The FY 2020 target was lowered to 21,500 units to reflect a potential decrease in program funding which may reduce projected outcomes for program investments.

2.1.2 – Community Development Financial Institutions Program Resources and Measures

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Annualized CR	Request
Appropriated Resources	\$146,364	\$152,400	\$153,423	\$161,500	\$164,215	\$160,000	\$0
Budget Activity Total	\$146,364	\$152,400	\$153,423	\$161,500	\$164,215	\$160,000	\$0

Measure	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
CDFI - Percentage of Loans & Investments Originated in Eligible Distressed or Underserved Communities by Dollar Amount of Loans (Annual %)	70.8	80.1	80.9	81.2	73.7	60	60	N/A
CDFI - Percentage of Loans & Investments Originated in Eligible Distressed or Underserved Communities by Number of Loans	60.7	80.5	81.5	83	72.1	60	60	N/A

2B - Community Development Financial Institutions Program

(\$0 from direct appropriations):

The Community Development Financial Institutions (CDFI) Program makes Financial Assistance (FA) awards to CDFIs that have comprehensive business plans for creating community development impact and that demonstrate the ability to leverage private sector sources of financing, as well as Technical Assistance (TA) grants to CDFIs and entities proposing to become CDFIs. CDFIs use FA awards to further goals such as:

- Economic development (job creation, business development, and commercial real estate development);
- Affordable housing (rental housing and homeownership); and
- Financial services (provision of basic banking services and financial literacy training to underserved people and communities).

Description of Performance:

The CDFI Program has two measures: (1) the percentage of loans and investments originated in eligible distressed communities or made to underserved populations, as measured against the total dollar amount of loans originated by awardees; and (2) the percentage of loans and investments originated in eligible distressed communities or to underserved populations, as measured against the total number of loans originated by awardees.

Certification criteria require that all certified CDFIs originate at least 60.0 percent of their loans and investments in eligible distressed census tracts or to underserved populations. The target is set at a level that allows CDFIs to balance their mission to serve distressed communities and underserved populations with their safety and soundness considerations.

In FY 2018, the CDFI Program surpassed the 60.0 percent threshold for the percentage of both the dollar amount (73.7 percent) and the number of CDFI loans (72.1 percent) made to eligible distressed communities and underserved populations. No target is set for the 2020 measures because no appropriation is proposed for the CDFI Program for this fiscal year.

2.1.3 – New Markets Tax Credit Resources and Measures

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Annualized CR	Request
Appropriated Resources	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Budget Activity Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Measure	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
NMTC - Percentage of Loans and Investments That Went Into Severely Distressed Communities	73.8	75.2	74.5	77.5	74	75	75	75

2C - New Markets Tax Credit Program

(\$0 from direct appropriations):

The New Markets Tax Credit (NMTC) Program stimulates capital investment in low-income communities nationwide by permitting individual and corporate taxpayers to receive a non-refundable tax credit against federal income taxes for making equity investments in vehicles known as Community Development Entities (CDEs). CDEs that receive the tax credit allocation authority under the program are domestic corporations or partnerships that provide loans, investments, or financial counseling in low-income urban and rural communities.

On December 18, 2015, Congress extended the authorization of the NMTC Program for \$3.5 billion per year through 2019.

Description of Performance:

The Calendar Year 2017 NMTC allocation authority was allocated in February 2018, in which the NMTC Program awarded \$3.5 billion in NMTC allocation authority to 73 CDEs, out of a pool of 230 applicants requesting \$16.2 billion.

In FY 2018, CDEs reported that 74 percent of NMTC investments were made in severely-distressed communities, falling slightly below the target of 75 percent. The expectation is that the NMTC investments performance report for FY2019 will meet or exceed the 75 target despite the slight downturn for FY 2018.

2.1.4 – Bank Enterprise Award Program Performance and Measures

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Annualized CR	Request
Appropriated Resources	\$18,000	\$18,000	\$19,000	\$23,000	\$25,000	\$25,000	\$0
Budget Activity Total	\$18,000	\$18,000	\$19,000	\$23,000	\$25,000	\$25,000	\$0

Measure	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
BEA - Increase in Community Development Activities Over Prior Year For All BEA Program Applicants (\$ million)	571	460	539	523	N/A	500	500	N/A

2D - Bank Enterprise Award Program

(\$0 from direct appropriations):

The Bank Enterprise Award (BEA) Program provides monetary awards to regulated banks and thrifts for increasing their investments in CDFIs through grants, stock purchases, loans, deposits, and other forms of financial and technical assistance, and for increasing their lending, investment, and service activities in economically-distressed communities where at least 30 percent of residents have incomes less than the national poverty level and where the unemployment rate is at least 1.5 times the national unemployment rate.

Description of Performance:

The BEA Program measures applicants' increase in qualified community development activities over the prior year. In FY 2018, the CDFI Fund awarded \$22.8 million from the FY 2017 appropriated BEA Program funds. The award round for FY 2018 opened in July 2018, with award announcements expected to be made in FY 2019.

BEA Program results for FY2018 have not yet been reported. No target is set for the FY 2020 measure because no appropriation is proposed for the BEA Program for this fiscal year.

2.1.5 – Native American CDFI Assistance Program Performance and Measures

Dollars in Thousands

Resource Level	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Annualized CR	FY 2020 Request
Appropriated Resources	\$15,000	\$15,000	\$15,500	\$15,500	\$15,117	\$16,000	\$0
Budget Activity Total	\$15,000	\$15,000	\$15,500	\$15,500	\$15,117	\$16,000	0

Performance Measure	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2018 Target	FY 2019 Target	FY 2020 Target
NACA - Percentage of NACA Loans and Investments in Native Areas (\$ Amount of Loans)	57.9	65	48.4	42.6	84.9	50	50	N/A
NACA - Percentage of NACA Loans and Investments in Native Areas (# of Loans)	87	95.9	94.9	94.5	94.4	50	50	N/A

2E - Native American CDFI Assistance Program

(\$0 from direct appropriations):

Through the Native American CDFI Assistance (NACA) Program, the CDFI Fund assists entities in overcoming barriers that prevent access to credit, capital, and financial services in American Indian, Alaska Native, and Native Hawaiian communities. The NACA Program makes monetary awards to increase the number and capacity of existing or new Native CDFIs (i.e., CDFIs that serve Native communities). In addition, the NACA Program provides training to help strengthen and develop Native CDFIs. Native CDFIs lend where other mainstream financial institutions do not and serve the poorest individuals, families, and businesses in Native communities.

Description of Performance:

The two measures of performance for the NACA Program are: (1) the percentage of the number of loans, and (2) the dollar amount of loans, made in tribal lands (based on Federal Designations of Tribal Areas) or to Native people. In accordance with their Financial Assistance agreements, NACA awardees are required to originate 50.0 percent or more of their loans and investments in Native areas or to Native populations. This threshold is set to allow the awardees to balance their mission of serving Native areas and populations with safety and soundness considerations.

In FY 2018, NACA recipients reported outcome data for their 2017 activities, which showed that 85 percent of loans by dollar amount and over 94 percent of the number of loans originated were in Native Areas or to Native borrowers. No target is set for the FY 2020 measures because no appropriation is proposed for the NACA Program for this fiscal year.

2.1.6 – Healthy Food Financing Initiative Performance and Measures

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Annualized CR	Request
Appropriated Resources	\$ 35,000	\$ 22,000	\$ 22,000	\$ 22,000	\$22,000	\$22,000	\$0
Budget Activity Total	\$35,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	0

Performance Measure	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Target	Target	Target
HFFI - Retail Outlets Created/Preserved	33	35	19	24	26	20	20	N/A

2F – Healthy Food Financing Initiative

(\$0 from direct appropriations):

The Healthy Food Financing Initiative (HFFI) aims to eliminate “food deserts” – low-income urban and rural areas in the United States with limited access to affordable and nutritious food – by financing interventions that expand the supply of, and demand for, nutritious foods. The objectives include increasing the distribution of agricultural products, developing and equipping grocery stores, and strengthening producer-to-consumer relationships.

Through the HFFI, the CDFI Fund awards CDFI Program funds to certified CDFIs to help address the need for healthy food in underserved and low-income communities. These organizations use federal grants, below market-rate loans, loan guarantees, and tax credits to attract private sector financing for projects that increase access to healthy food options.

Description of Performance:

The primary HFFI performance measure is the number of healthy food retail stores created and maintained in low-income areas that have been identified through detailed census tract analysis as having limited access to healthy food options. In FY 2018, the number of HFFI Retail outlets created was 26, thereby exceeding the target of 20 new retail outlets for FY 2018.

2.1.7 – Capital Magnet Fund Program Resource Detail Table

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual		Request
GSE Distribution	N/A	N/A	\$100,292	\$119,413	\$144,917	\$132,000	\$0
Budget Activity Total	N/A	N/A	\$100,292	\$119,413	\$144,917	\$132,000	\$0
FTE	0	0	0	4	4	5	6

Note: FY 2019/FY 2020 will require FTE for compliance monitoring

2G – Capital Magnet Fund Program

(\$0 from direct appropriations):

The Capital Magnet Fund (CMF) Program was authorized by the Housing and Economic Recovery Act of 2008, which calls for recurrent funding of the CMF through allocations from the Government-Sponsored Enterprises (GSEs) Fannie Mae and Freddie Mac. Through CMF, the

CDFI Fund provides grants to CDFIs and qualified non-profit housing organizations to finance affordable housing, community service facilities, and economic development. Award recipients can use funds to create financing tools such as loan loss reserves, revolving loan funds, risk-sharing loans, and loan guarantees. The Budget proposes to suspend new allocations into the CMF effective in FY 2020.

Description of Performance:

The primary performance measures of the CMF are the number of affordable housing units for which CMF funding was a source of financing, and the degree to which private funding sources were leveraged by CMF financing. Data are included in performance table 2.1.1.

Based on award recipients' projections, the FY 2017 round¹ of the CMF will leverage an estimated \$3.2 billion in public and private investment. The award recipients plan to develop more than 21,000 affordable housing units, including nearly 18,000 rental units and more than 3,000 homeownership units. Of these:

- 91 percent of all housing units will be developed for low-income families (80 percent of the area median income or below).
- 89 percent of the homeownership units will be developed for low-income families (80 percent of the area median income or below).
- 54 percent of the rental units will be developed for very low-income and extremely low-income families (50 percent of the area median income or below).

2.1.8 – Bond Guarantee Program Resource Detail Table

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Annualized CR	Request
Obligations	\$200,000	\$327,000	\$265,000	\$245,000	\$150,000	\$500,000	\$500,000
Loan Limitation							
Obligation Authority	\$750,000	\$750,000	\$750,000	\$500,000	\$500,000	\$500,000	\$500,000

2.1.9 – Financing Accounts - Non-Budgetary Summary

Dollars in Thousands

Resource Level	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
	Actual	Actual	Actual	Actual	Actual	Annualized CR	Request
Obligations	\$200,000	\$327,000	\$265,000	\$245,000	\$150,000	\$500,000	\$500,000
Collections*	\$356	\$2,966	\$9,377	\$18,693	\$33,700	\$39,324	\$44,993

*Includes the principal and interest repayments and a 10 basis point fee for administrative expenses pursuant to Section 1134 of the *Small Business Jobs Act of 2010*. These amounts assume a zero subsidy rate with bond loan disbursement of \$427 million and \$438 million in FY 2019 and FY 2020, respectively.

¹ Information on the 2018 round was not available at the time this document was prepared. GSE funds are not received until March of each year and the CMF round is not opened until funds are received.

2H - CDFI Bond Guarantee Program

Through the CDFI Bond Guarantee (BG) Program, Treasury provides a 100 percent guarantee of bonds (including principal, interest, and call premiums) issued by Qualified Issuers. Bonds issued through the program support CDFI lending and investment activity in underserved communities by providing a source of long-term capital. Qualified Issuers use bond proceeds to finance loans to eligible CDFIs for community and economic development purposes.

Since the inception of the program, the total amount of bonds guaranteed is \$1.512 billion. A total of 26 Eligible CDFIs and three Qualified Issuers participate in the CDFI Bond Guarantee Program. Upon the closing of each bond, the eligible CDFIs have five years to lend or disburse the bond proceeds.

The table below provides the year-to-date (YTD) and proposed disbursement for the top eight asset classes:

Asset Class	YTD Disbursements (\$ millions)	YTD Disbursements (%)	Proposed Disbursements (\$millions)	Proposed Disbursements (%)
Charter schools	\$242.1	30.4%	\$440.0	29.1%
Rental housing	\$214.6	27.0%	\$367.7	24.3%
Commercial real estate	\$125.6	15.8%	\$270.0	17.9%
Financing Entity	\$ 88.3	11.1%	\$153.2	10.1%
Healthcare Facilities	\$ 49.5	6.2%	\$101.9	6.7%
Not-for-profits	\$ 36.1	4.5%	\$ 79.6	5.3%
Small business	\$ 14.6	1.8%	\$ 34.5	2.3%
Senior Living and Long-Term Care Facilities	\$ 13.6	1.7%	\$ 42.5	2.8%
Daycare centers	\$ 11.0	1.4%	\$ 22.6	1.5%
Total	\$795.4	100%	\$1,512	100%

C – Changes in Performance Measures

With the publication of Treasury’s Strategic Plan for FY 2018-2022, the CDFI Fund will work this year to baseline the performance for the new strategic objectives. This could result in changes to performance measures in the FY 2020 budget.

Section III – Additional Information

A – Summary of Capital Investments

As part of its FY 2020 capital investment strategy, the CDFI Fund plans to spend approximately \$3.40 million for operations and maintenance of its Information Technology (IT). The CDFI Fund has no major IT investments, nor any capital investments other than IT.

Non-Major IT Investments:

For FY 2020, the CDFI Fund has identified two non-major IT investments: Awards Management Information System (AMIS) and the CDFI Fund public website. AMIS is an enterprise-wide commercial, cloud-based solution that supports CDFI Fund certification, tax credit allocation, bond guarantee, and grant programs. The CDFI Fund programs were fully deployed in AMIS by September 2018. The CDFI Fund public website, another cloud-based solution, provides access to general information about the CDFI Fund and is used to ensure the public can obtain information and guidance regarding CDFI Fund programs. For FY 2020, the CDFI Fund plans to provide Operations and Maintenance (O&M) support for these two IT investments.

IT Infrastructure Investments:

A summary of capital investment resources, including major information technology and non-technology investments can be found at:

<http://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>

This website also contains a digital copy of this document.