

# Overview of Awardees

## FY 2008 CDFI Program Overview of Awardees

### CDFI Program – FY 2008 Awardee Highlights

The Community Development Financial Institutions Fund (the CDFI Fund) has completed its FY 2008 funding round of the CDFI Program. The CDFI Fund received applications from 225 organizations requesting over \$205 million in Financial Assistance (FA) and Technical Assistance (TA) awards. The CDFI Fund made 89 awards totaling over \$54 million to 38 states and the District of Columbia.

### Key Statistics of Awardees<sup>1</sup> (for all award types combined)

89 CDFIs received \$54,181,733 in awards, which included 9 loans and 89 grants; (some Awardees received more than one form of assistance)

- 72 loan funds, 13 credit unions, 2 depository institutions/holding companies, and 2 venture capital funds were awarded
- 66 FA awards and 23 TA-Only awards were made
- 46 Awardees primarily serve major urban markets; 20 serve minor urban areas; and 23 serve rural areas

### Financial Assistance (FA) Component: 2008 Awardee Highlights

The CDFI Fund uses federal resources, through the FA Program, to invest in and build the capacity of CDFIs to serve low-income people and communities lacking adequate access to affordable financial products and services. The CDFI Fund provides these awards to CDFIs that demonstrate, through their proposed Comprehensive Business Plans, the ability and capacity to deploy credit, capital, and financial services to their Target Markets or to expand into new Investment Areas, Low-Income Targeted Populations, or Other Targeted Populations.

The CDFI Fund made 66 FA awards totaling over \$52 million to 38 states and the District of Columbia.

### Key Statistics of FY 2008 FA Program Awardees

- 66 CDFIs were awarded \$52,145,865 in FA awards, which included 9 loans and 66 grants; (some Awardees received more than one form of assistance);
- 54 loan funds, 8 credit unions, 2 depository institutions/holding companies, and 2 venture capital funds were awarded;
- 44 Core Applicant awards and 22 Small and Emerging Applicant (SECA) awards were made;

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<sup>1</sup> Detailed profiles of the FY 2008 CDFI Program Awardees are available at [www.cdfifund.gov](http://www.cdfifund.gov).

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- 36 Awardees primarily serve major urban markets; 13 primarily serve minor urban areas; and 17 primarily serve rural areas.

### FA Award Types

The CDFI Fund invests in CDFIs using flexible tools such as equity investments, loans, grants, and deposits, depending on institutional needs and available matching funds. Every dollar of the FA award must be matched with a dollar of private, non-federal funds. Thus FA awards enable CDFIs to leverage private capital to respond to demand for affordable financial products and services in economically distressed markets and by low-income families. Only Certified CDFIs are eligible to receive FA Awards.

### Organizational Diversity

The CDFI industry consists of a wide variety of financial institutions including banks, credit unions, loan funds and venture capital funds. Each provides a different mix of products geared to reach specific customers, such as the following:

- **Community development banks** are for-profit corporations that provide capital to rebuild economically distressed communities through targeted lending and investment;
- **Community development credit unions** are member-owned, non-profit cooperatives that promote ownership of assets and savings and provide affordable credit and retail financial services to low-income people;
- **Community development loan funds** (usually non-profits) provide financing and development services to businesses, organizations and individuals in low-income urban and rural areas and can be further categorized based on the type of client(s) served: micro-enterprise, small business, housing and community service organizations; and
- **Community development venture capital** funds may be for-profit or non-profit organizations that provide equity and debt-with-equity features to businesses in distressed communities.

The FY 2008 FA Program awardees include 54 loan funds, 8 credit unions, 2 depository institutions/holding companies, and 2 venture capital funds. CDFIs use FA awards to focus on different financial sectors, typically: affordable housing (housing development and homeownership); economic development (job creation, business development, and commercial real estate development). Some CDFIs serve as national or regional intermediaries, providing financial products and services to local CDFIs and other community development organizations.

The following chart demonstrates the breakdown of FY 2008 FA Program Applicants and Awardees by institution type.

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**Table 1-- 2008 FA Program  
Applications vs Awards by Institution Type**

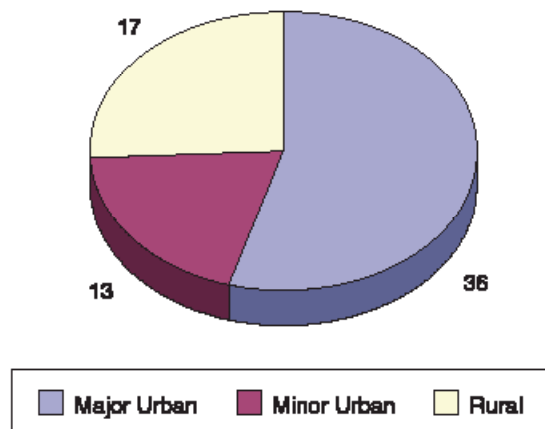
INSTITUTION TYPE	REQUESTS*	# AWARDS	\$ REQUESTED*	\$ AWARDED
Loan Fund	134	54	161,772,508	45,985,823
Credit Union	26	8	23,420,239	4,198,512
Depository Institutions/ Holding Companies	7	2	11,874,972	1,193,270
Venture Capital Funds	3	2	3,215,250	768,260
<b>Total</b>	<b>170</b>	<b>66</b>	<b>\$200,282,969</b>	<b>\$52,145,865</b>

\* The total number of requests reflects the FA Program Applications reviewed by the CDFI Fund, excluding the 55 TA-Only Program Applications. The total amount requested reflects the amount requested by FA/TA applicants, excluding the \$5.2 million requested by TA-Only Program applicants.

### Geographic Diversity Among FA Awards

FY 2008 FA Awardees are headquartered in 38 states and the District of Columbia. As shown in the following graph, 54 percent or 36 of the Awardees primarily serve major urban markets, 20 percent or 13 primarily serve minor urban areas, and 26 percent or 17 primarily serve rural areas.

**2008 FA Awardees by Primary Market Served**



### Awardee Categories

The CDFI Fund gave FA awards to both Core Applicants and Small and Emerging (SECA) Applicants (44 and 22 awards, respectively). The categories enable the CDFI Fund to support CDFIs at differing levels of capacity. SECA Applicants must have been in operation for five years or less or have assets of less than \$5 million; less than \$250 million for community development banks; and less than \$10 million for credit unions and venture capital funds. SECA Applicants may request up to \$500,000 in FA. All other applicants were considered Core Applicants.

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### Technical Assistance (TA) Component: FY 2008 Awardee Highlights

The TA Program offers grants to both established and emerging CDFIs for the purpose of enhancing their capacity to serve their Target Markets. The grants are awarded based on a competitive application process, requiring a review of the Applicant's Comprehensive Business Plan.

In FY 2008, the CDFI Fund made 23 TA Program awards totaling over \$2 million to 18 states.

- Key Statistics of FY 2008 TA-Only Program Awardees
- 23 CDFIs were awarded \$2,035,868 in TA awards
- 18 loan funds and 5 credit unions were awarded
- 10 Awardees primarily serve major urban markets; 7 primarily serve minor urban areas; and 6 primarily serve rural areas
- 12 out of 23 CDFIs were first-time awardees to the CDFI Program

In total, 55 organizations applied and requested over \$5.2 million in TA-Only Program funding under the FY 2008 funding round, which is the eleventh offering of the TA component since it was established in 1998. The CDFI Fund selected 23 organizations to receive \$2,035,868 in awards for FY 2008. Of the 23 TA awardees, 12 are first-time awardees to the CDFI Program. The remaining 11 awardees have received awards in prior years under one or more of the CDFI Programs. Awards ranged in size from \$22,808 to \$100,000, with the average being \$88,516. Awards include funds to pay for one or more of the following capacity-building activities: 1) professional services (consulting and contracting); 2) technology purchases; 3) operating expenses; and 4) staff and board training.

### Organizational Diversity

The CDFI Fund makes funds available to loan funds, credit unions, depository institutions, community development venture capital organization and other groups. For the FY 2008 round, TA Awards were given to credit unions and loan funds. Out of 23 organizations receiving TA Awards, 18 or 78 percent were loan funds and 5 or 22 percent were credit unions. The following chart shows the breakdown of the organizational diversity of the FY 2008 TA applicants and awardees.

**Table 1B - FY 2008 TA-Only Program Applications vs Awards by Institution Type**

Institution Type	# Requests	# Awards	\$ Requested	\$ Awarded
Loan Fund	41	18	3,861,486	1,635,553
Credit Union	10	5	980,790	400,315
Depository Institutions/Holding Companies	2	0	168,550	0
Venture Capital Funds	2	0	199,932	0
<b>Total</b>	<b>55</b>	<b>23</b>	<b>\$5,210,758</b>	<b>\$2,035,868</b>

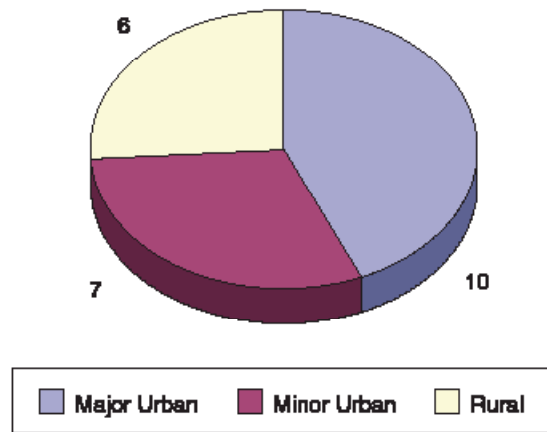
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### Geographic Diversity

The 23 TA awardees are headquartered within the United States and are located in 18 different states. The awardees reported serving major urban, minor urban and rural areas. The following graph and table show the breakdown of the 2008 TA Awardees by the primary market served.

**2008 TA Only Awardees by Primary Market Served**



**Table 1C - Breakdown of FY 2008 TA-Only Awardees by Primary Market Served**

Primary Market Served	Total \$ Requested by Awardees	Total \$ Awarded	% of Requested \$ Awarded	Awardees
Major Urban	1,394,974	902,410	65%	10
Minor Urban	690,986	643,449	93%	7
Rural	516,609	490,009	95%	6
<b>Total</b>	<b>\$2,602,569</b>	<b>\$2,035,868</b>	<b>78%</b>	<b>23</b>

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### Use of Funds Categories

The 23 TA awardees received TA funds in one or more categories. The seven TA categories are: 1) Personnel (Salary); 2) Personnel (Fringe Benefits); 3) Training, Travel; 4) Professional Services; 5) Materials/Supplies; 6) Equipment & Other Capital Expenditures; and 7) Other Costs. The following table shows the amounts and percentages funded for each category.

Category	\$ Amount	% of Total
Personnel (Salary)	852,276	42%
Personnel (Fringe Benefits)	184,663	9%
Training	42,390	2%
Travel	54,934	3%
Professional Services	566,831	28%
Materials/Supplies	50,694	2%
Equipment & Other Capital Expenditures	182,190	9%
Other Costs	101,890	5%
<b>Total</b>	<b>\$2,035,868</b>	<b>100%</b>