



## **Highlights of 1999 CDFI Program Funding** *Core & Intermediary Components*

### **Amount and Type of Assistance**

The CDFI Fund selected 66 community development financial institutions (CDFIs) to receive a total of \$68,165,185 in financial and technical assistance under its CDFI Program 1999 Core Component. This funding includes the following types and amounts of assistance:

Capital Grants	\$44,743,500
Equity Investments	\$14,035,185
Loans	\$ 8,020,000
Technical Assistance	\$ 1,366,500

The Fund also provided \$8,150,000 in financial assistance to four intermediary CDFIs under the Fund's 1999 Intermediary Component of the CDFI Program. The Intermediary Component provides support to those CDFIs that primarily finance and build the capacity of other CDFIs.

These awards represent the fourth round of funding of the Core Component and the third round of funding of the Intermediary Component.

### **Organizational Diversity of Awardees**

The Fund's awards will benefit a wide range of CDFIs, from groups that provide start-up capital to budding entrepreneurs in rural Minnesota to organizations that provide financing for affordable housing in inner-city Boston. 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. Among the 66 Core Component Awardees are the following:

- 26 community development loan funds that primarily provide affordable housing and/or community facilities loans;
- 15 community development loan funds that primarily provide business loans;
- 6 community development venture capital funds;
- 6 multi-bank community development corporations, CDFIs that are capitalized by banks to provide financing for affordable housing, small businesses, and/or community facilities;
- 5 community development credit unions;
- 4 banks or bank holding companies, including one start-up bank and another that has been in operation for less than three years; and
- 4 microenterprise loan funds;

Of the four recipients of Intermediary Component awards, one serves community development credit unions, one serves community development venture capital funds, and the other two principally serve community development loan funds.

Of the 66 CDFIs selected for funding under the Core Component, the median asset size is \$4.6 million. Large and small organizations are equally represented – 20 have total assets of over \$10 million, and 19 have total assets of under \$2 million.

### **Geographic Reach**

The CDFIs selected for awards are headquartered in 28 states as well as in Puerto Rico and the Virgin Islands. The 1999 round marks the Fund's first Core Component awards to CDFIs based in Indiana, Montana, Oklahoma, South Dakota, Puerto Rico, Utah, and the Virgin Islands.

Of the Fund's 66 Core Component awardees, 33 serve predominantly urban areas and 15 serve mostly rural markets. The remaining organizations serve a mix of urban and rural markets. Including the four Intermediary Program awardees, the selected CDFIs serve virtually the entire country.

### **Impact and Innovation**

Of the 66 organizations selected under the Core Component, 12 (18%) represent startups (awardees that began incurring operating expenses within the last two years).

The 1999 awardees represent the cutting edge of the community development financing industry. Among the initiatives that the Fund is supporting are

- the financing of child care centers (Local Initiatives Support Corporation; Nonprofit Facilities Fund);
- increased financing for African-American-owned small businesses in Dade County, Florida (BAC Funding Corporation);
- a start-up venture capital fund for small businesses in rural Oregon and Washington state (Cascadia Revolving Fund);
- the establishment of Individual Development Accounts (IDAs) for low-income individuals (Charlotte-Mecklenburg Housing Partnership, Florida Community Capital Corporation);
- a loan pool for individuals with disabilities (Colorado Enterprise Fund);
- an equity bridge loan program for nonprofit developers of projects financed with federal Low Income Housing Tax Credit monies (Indianapolis Neighborhood Housing Partnership); and
- the expansion of a rural small business loan program throughout the entire state of Oklahoma (Rural Enterprises of Oklahoma).