

**BILLING CODE: 4810-70-P**

**DEPARTMENT OF THE TREASURY**

**Community Development Financial Institutions Fund**

*Funding Opportunities:* Capital Magnet Fund; 2021 Funding Round

*Funding Opportunity Title:* Notice of Funds Availability (NOFA) inviting Applications for the fiscal year (FY) 2021 Funding Round of the Capital Magnet Fund (CMF).

*Announcement Type:* Announcement of funding opportunity.

*Funding Opportunity Number:* CDFI-2021-CMF.

*Catalog of Federal Domestic Assistance (CFDA) Number:* 21.011.

*Dates:*

<b>Table 1-FY 2021 Capital Magnet Fund Funding Round Critical Deadlines for Applicants</b>			
<b>Description</b>	<b>Deadline</b>	<b>Time (Eastern Time- ET)</b>	<b>Submission Method</b>
Last day to create an Awards Management Information System (AMIS) Account (if Applicant doesn't have one)	October 12, 2021	11:59 p.m. ET	Electronically via Awards Management Information System (AMIS)
Last day to enter or update the EIN and DUNS numbers in AMIS (all Applicants)	October 12, 2021	11:59 p.m. ET	Electronically via AMIS
Last day to submit SF-424 Mandatory Form (Application for Federal Assistance)	October 12, 2021	11:59 p.m. ET	Electronically via Grants.gov
Last day to contact Capital Magnet Fund Staff	November 4, 2021	5:00 p.m. ET	Submit Service Request via AMIS; call CDFI Fund Helpdesk: 202-653-0421; or email <a href="mailto:cmf@cdfi.treas.gov">cmf@cdfi.treas.gov</a>
Last day to submit CMF Application and Required Attachments	November 9, 2021	5:00 p.m. ET	Electronically via AMIS

*Executive Summary:* The Capital Magnet Fund (CMF) is administered by the Community Development Financial Institutions Fund (CDFI Fund). Through the CMF, the CDFI Fund provides financial assistance grants to Community Development Financial Institutions (CDFIs) and to qualified Nonprofit Organizations that have the development or management of affordable housing as one of their principal purposes. All awards provided through this Notice of Funds Availability (NOFA) are subject to funding availability.

### **I. Program Description:**

*A. Authorizing Statute and Regulation:* The CMF was established through the Housing and Economic Recovery Act of 2008 (HERA), which added section 1339 to the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. For a complete understanding of the program, the CDFI Fund encourages Applicants to review the CMF interim rule (12 CFR Part 1807) as amended February 8, 2016 (the CMF Interim Rule); this NOFA; the CDFI Fund's environmental quality regulation (12 CFR Part 1815); the CMF funding application (referred to hereafter as the "Application," meaning the application submitted in response to this NOFA); and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 1000), which is the Department of the Treasury's codification of the Office of Management and Budget (OMB) government-wide framework for grants management at 2 CFR Part 200 (Uniform Administrative Requirements or UAR). Each capitalized term used in this NOFA, but not defined herein, shall have the respective meanings assigned to them in the CMF Interim Rule, the Application, or the Uniform Administrative Requirements. Details regarding Application content requirements are found in the Application and related materials at [www.cdfifund.gov/cmfi](http://www.cdfifund.gov/cmfi).

*B. History:* The CDFI Fund was established by the Riegle Community Development Banking and Financial Institutions Act of 1994 to promote economic revitalization and community development through investment in and assistance to CDFIs. The CMF made its first awards in FY 2010, with subsequent funding rounds beginning in FY 2016 and occurring annually thereafter. To date, more than \$740 million has been awarded under the CMF Program.

*C. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 1000):* The Uniform Administrative Requirements codify financial, administrative, procurement, and program management standards that Federal award-making agencies must follow. Per the Uniform Administrative Requirements, when evaluating award Applications, awarding agencies must evaluate each Applicant's merits, eligibility, and any risks to the program posed by each Applicant. These requirements are designed to ensure that Applicants for Federal assistance receive a fair and consistent review prior to an award decision. This review will assess items such as the Applicant's financial stability, quality of management systems, history of performance, and single audit findings. In addition, the Uniform Administrative Requirements include guidance on audit requirements and other award compliance requirements for award Recipients.

*D. Priorities:* The purpose of the CMF is to attract private capital for and increase investment in the Development, Preservation, Rehabilitation, or Purchase of Affordable Housing for primarily Extremely Low-Income, Very Low-Income, and Low-Income Families, as well as Economic Development Activities, which, In Conjunction With Affordable Housing Activities, implement a Concerted Strategy to stabilize or revitalize a Low-Income Area or Underserved Rural Area. To pursue these objectives, the CDFI Fund has established the following priorities for the FY 2021 Funding Round: (i) Applications where at least 20% of all rental Affordable Housing units

that will be financed and/or supported with FY 2021 CMF Awards are targeted to Very Low-Income Families and/or at least 20% of all Homeownership Affordable Housing units that will be financed and/or supported with FY 2021 CMF Awards are targeted to Low-Income Families;

(ii) Applications where rental Affordable Housing units are located in either Areas of Economic Distress (AED)<sup>1</sup> or High Opportunity Areas (HOA)<sup>2</sup>; and (iii) Applications where Homeownership Affordable Housing is either located in an AED (targeted to Eligible-Income Families; 120% AMI and below) or is targeted to Low-Income Families (80% AMI or below); and (iv) Applications proposing to use the CMF Award to leverage private capital to finance and/or support Affordable Housing Activities and Economic Development Activities.

Additionally, the CDFI Fund seeks to fund Applications serving geographically diverse Areas of Economic Distress, including Metropolitan Areas and Underserved Rural Areas. In particular, the priority for geographic diversity includes funding highly qualified Applications that serve territories not included in the Service Areas of Recipients in the past two CMF rounds (FY 2019 and FY 2020): American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands.

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<sup>1</sup> Areas of Economic Distress: Areas of Economic Distress are census tracts: (a) where at least 20% of households that are Very Low-Income (50 % of AMI or below) spend more than half of their income on housing; or (b) that are designated Qualified Opportunity Zones under 26 U.S.C § 1400Z-1; or (c) that are Low-Income Housing Tax Credit Qualified Census Tracts; or (d) where greater than 20% of households have incomes below the poverty rate and the rental vacancy rate is at least 10%; or (e) where greater than 20% of the households have incomes below the poverty rate and the homeownership vacancy rate is at least 10%; or (f) are Underserved Rural Areas as defined in the CMF Interim Rule (as amended February 8, 2016; 12 CFR Part 1807). The CDFI Fund will publish a dataset on its website indicating which census tracts are designated as Areas of Economic Distress for the FY 2021 Round.

<sup>2</sup> High Opportunity Area: The CMF Program uses the definition of High Opportunity Area found in the Federal Housing Finance Agency's Duty to Serve Rule for this term: a) An area designated by the Department of Housing and Urban Development (HUD) as a "Difficult Development Area" during any year covered by an Enterprise's Underserved Markets Plan (Plan) or in the year prior to a Plan's effective date, whose poverty rate falls below 10% (for Metropolitan areas) or below 15% (for Non-Metropolitan areas); or b) an area designated by a state or local Qualified Allocation Plan (QAP) as a high opportunity area whose poverty rate falls below 10% (for Metropolitan areas) or 15% (for Non-Metropolitan areas). The CDFI Fund will publish a dataset on its website indicating which census tracts are designated as High Opportunity Areas for the FY 2021 Round.

*E. Funding limitations:* The CDFI Fund reserves the right to fund, in whole or in part, any, all, or none of the Applications submitted in response to this NOFA.

## **II. Federal Award Information**

*A. Funding Availability:* The CDFI Fund plans to award up to \$380.2 million in grants for the CMF FY 2021 Round under this NOFA. Eligible organizations of all sizes are encouraged to apply, including new and previous Applicants, past CMF Recipients, and Applicants focused on Homeownership, Rental housing, or both. HERA prohibits the CDFI Fund from obligating more than 15% of the aggregate available in CMF Awards to any Applicant, its Subsidiaries and Affiliates in the same funding round. In past rounds, the CDFI Fund has typically provided awards smaller than the statutory cap. For example, for the FY 2020 funding round, awards ranged from \$750,000 to \$8,000,000, with an average award of \$3.7 million. Given the larger amount of funding available for the FY 2021 CMF round compared with the FY 2020 CMF round, the CDFI Fund will consider award requests that significantly exceed the maximum award amounts made in past rounds. In addition, the CDFI Fund anticipates issuing more awards at various award sizes, including smaller awards. Given the administrative and compliance responsibilities for Recipients, the CDFI Fund will not accept Applications for the FY 2021 CMF Round that request less than \$500,000 and will not provide awards below \$500,000 to any CMF Award Recipient for the FY 2021 CMF Round.

The CDFI Fund reserves the right, in its sole discretion, to provide a CMF Award in an amount other than that which the Applicant requests. However, the Award amount will not exceed the Applicant's Award request as stated in its Application, nor will the Award amount be less than the Applicant's minimum Award request if one is provided in the Application. An Applicant may receive only one Award through the FY 2021 CMF Round, though one or more Affiliates of

an Applicant, if eligible, may separately apply and be awarded.

*B. Types of Awards:* The CDFI Fund will provide CMF Awards in the form of grants. CMF Awards must be used to support the eligible activities as set forth in 12 CFR 1807.301. A CMF Award Recipient may not distribute the CMF Award to any Affiliate, Subsidiary, or third-party entity in any manner that would create a Subrecipient relationship (as defined in the Uniform Administrative Requirements) without the CDFI Fund's prior written consent. The Recipient of a CMF Award must retain all obligations related to the Award. This restriction does not prevent a Recipient from using its CMF Award to loan to or invest directly in an Affiliate (separate legal entity) or in a specific Project being undertaken by an Affiliate, unless the Affiliate received a CMF Award in the same funding round.

*C. Limitations on using CMF Awards in conjunction with other CDFI Fund awards/allocations:*

1. A CMF Award Recipient may not use its CMF Award for any project that also receives funding from other CDFI Fund program awards or allocations the Recipient (or any of its Affiliates) has received, except when the CMF Award dollars are used to finance/support a different "phase" of development in the same Project than that financed by other CDFI Fund awards or allocations. The separate phases of development financing are: 1) predevelopment; 2) acquisition; 3) site work (preconstruction); 4) construction/rehabilitation; 5) permanent financing; and 6) bridge financing between two or more phases. Additionally, one or more Affiliated entities may not use CMF Award funds from the same funding round to finance/support the same Project, regardless of whether the funds are used in different phases of the Project.

The phase restriction above does not apply to the Recipient's prior CMF Awards. The Recipient may combine its multiple CMF Awards to provide financing on any Project, including financing

the same phase of any Project. However, the Recipient may not deem the same costs as Eligible Project Costs under multiple CMF Awards and must prorate the unit production performance across its multiple CMF Awards. Similarly, Affiliates with CMF Awards from different rounds may only use those Awards to finance the same Project if they prorate Eligible Projects and unit production performance among the Affiliates (i.e. Affiliates may not use the same Eligible Project Costs or housing units to meet Assistance Agreement requirements under separate CMF Awards).

If providing Homeownership assistance, a CMF Award may be used in conjunction with awards/allocations from other CDFI Fund programs only if the Project can be divided into such phases, and the CMF Award is used in a different phase from the other CDFI Fund program awards/allocations. To clarify, a CMF Award cannot be used for a Homeownership property that is permanently financed (or supported) by both the Recipient's (or any of its Affiliates') CMF Award and an award/allocation from another CDFI Fund program (e.g., down payment assistance funded from CMF Award may not be combined with a permanent mortgage funded from another CDFI Fund program).

2. Costs financed and/or supported by the Recipient's other awards/allocations from CDFI Fund programs, including awards from prior CMF rounds, may not be counted or reported as Leveraged Costs for the CMF Award pursuant to this NOFA as further set forth in the Assistance Agreement. While the Recipient may combine its CMF Award pursuant to this NOFA with prior issued CMF Awards to finance/support the same Project, each CMF Award must separately meet the program requirements as outlined in the applicable Assistance Agreement and the CMF Interim Rule (12 CFR Part 1807).

In all cases, the CMF Award remains subject to the following restriction imposed by the CDFI

Bond Guarantee Program: award funds received under any CDFI Fund program cannot be used by any participant of the CDFI Bond Guarantee Program, including Qualified Issuers, Eligible CDFIs, and Secondary Borrowers, to pay principal, interest, fees, administrative costs, or issuance costs (including Bond Issuance Fees) related to the CDFI Bond Guarantee Program, or to fund the Risk Share Pool for a Bond Issue (all capitalized terms used in this sentence, other than “CMF Award,” shall have the meanings ascribed to them in the CDFI Bond Guarantee Program regulations and applicable guidance).

*D. Anticipated Start Date and Period of Performance:* The CDFI Fund anticipates the period of performance for the FY 2021 CMF Round to begin in early 2022. The period of performance for each CMF Award begins with the date that the CDFI Fund announces the Recipients of FY 2021 CMF Awards and continues until the end of the ten-year period of affordability for all Projects financed and/or supported with the CMF Award, as set forth at 12 CFR 1807.401(d) and 12 CFR 1807.402, and as further set forth in the Assistance Agreement, during which time the Recipient must meet certain Performance Goals.

*E. Eligible Activities:* A CMF Award must support or finance activities that attract private capital for and increase investment in (i) the Development, Preservation, Rehabilitation, or Purchase of Affordable Housing for primarily Low-, Very Low-, and Extremely Low-Income Families, and (ii) Economic Development Activities. CMF Awards may only be used as follows: (i) to provide Loan Loss Reserves, (ii) to capitalize a Revolving Loan Fund, (iii) to capitalize an Affordable Housing Fund, (iv) to capitalize a fund to support Economic Development Activities, (v) for Risk-Sharing Loans, or (vi) to provide Loan Guarantees. No more than 30% of a CMF Award may be used for Economic Development Activities. For the FY 2021 CMF Round, the CDFI Fund will allow all Recipients to use up to 5% of their CMF Award for Direct Administrative

Expenses. The amount available for Direct Administrative Expenses may only be used for direct costs (as defined by the Uniform Administrative Requirements) incurred by the Recipient and related to the financing and/or support of a Project. The CDFI Fund considers the tracking of impacts and outcomes associated with Projects financed and/or supported by a CMF Award to fall under Direct Administrative Expenses. Any portion of the amount available for Direct Administrative Expenses may be used for direct costs related to the effective tracking and evaluation of program or evidence-based outcomes for Projects.

### III. Eligibility Information:

*A. Eligible Applicants:* In order to be eligible to apply for a CMF Award, an Applicant must either be a Certified CDFI or a Nonprofit Organization, as defined in 12 CFR 1807.104. Table 2 indicates the criteria that each category of Applicant must meet in order to be eligible for a CMF Award pursuant to this NOFA. Note: A Certified CDFI that is also a Nonprofit Organization only needs to meet the Certified CDFI eligibility criteria described in Table 2, below, in order to be eligible for a CMF Award.

<b>Table 2-Applicant Eligibility Requirements</b>	
<b>Category</b>	<b>Eligibility Requirements</b>
Certified CDFI	<ul style="list-style-type: none"> <li>• Has been in existence as a legally formed entity for at least 3 years prior to the AMIS Application deadline under this NOFA;</li> <li>• Has been determined by the CDFI Fund to meet the CDFI certification requirements set forth in 12 CFR 1805.201 and as verified in the CDFI’s AMIS account as of the publication date of this NOFA; and</li> <li>• Has not been notified in writing by the CDFI Fund that its certification has been terminated.</li> <li>• In cases where the CDFI Fund has provided a Certified CDFI with written notification that it no longer meets one or more certification standards and has been given an opportunity to cure, the CDFI Fund will continue to consider this Applicant to be a Certified CDFI until it has received a final determination letter that its certification has been terminated.</li> <li>• Has audited financial statements encompassing its two most recently completed fiscal years prior to the publication date of this NOFA. A Regulated Institution that files call reports to its regulator is exempt from this requirement and must attach call reports for its two most recently completed fiscal years in lieu of audited financial statements.</li> </ul>
Nonprofit Organization	<ul style="list-style-type: none"> <li>• Has been in existence as a legally formed entity for at least 3 years prior to the AMIS Application deadline under this NOFA;</li> <li>• Meets the definition of Nonprofit Organization set forth in 12 CFR 1807.104.</li> <li>• Demonstrates, through articles of incorporation, by-laws, or other board-approved documents, that the development or management of affordable housing are among its principal purposes; and</li> <li>• Demonstrates by providing an attestation in the Application that at least 33.3% of its total assets are dedicated to the development or management of affordable housing.</li> </ul>

	<ul style="list-style-type: none"> <li>• Has audited financial statements encompassing its two most recently completed fiscal years prior to the publication date of this NOFA. A Regulated Institution that files call reports to its regulator is exempt from this requirement.</li> </ul>
Debarment/Do Not Pay Verification	<ul style="list-style-type: none"> <li>• The CDFI Fund will conduct a debarment check and reserves the right, in its sole discretion, to not consider an Application submitted by an Applicant (or Affiliate of an Applicant) as eligible if the Applicant and/or Affiliate is delinquent on any Federal debt.</li> <li>• The Do Not Pay Business Center was developed to support Federal agencies in their efforts to reduce the number of improper payments made through programs funded by the Federal government. The Do Not Pay Business Center provides delinquency information to the CDFI Fund to assist with the debarment check.</li> </ul>
System for Award Management (SAM)	<ul style="list-style-type: none"> <li>• Each Applicant, including Affiliated Applicants, must have its own active SAM registration in order to submit the required Application materials through Grants.gov.</li> <li>• SAM is a web-based, government-wide application that collects, validates, stores, and disseminates business information about the federal government’s trading partners in support of the contract awards, grants, and electronic payment processes. See SAM.gov for more information.</li> <li>• Applicants must have a login.gov account to sign into SAM. Applicants must also have a DUNS number and an EIN in order to register in SAM.</li> <li>• Applicants must complete registration in SAM in order to be able to complete the Grants.gov registration and submit an SF-424.</li> <li>• The CDFI Fund reserves the right to deem an Application ineligible if the Applicant’s SAM account expires during the Application evaluation period, or is set to expire before March 1, 2022, and the Applicant does not re-activate or renew (as applicable) the account within the deadlines that the CDFI Fund communicates to affected Applicants during the Application evaluation period.</li> </ul>
Application type and submission method through Grants.gov and Awards Management Information System (AMIS)	<ul style="list-style-type: none"> <li>• Each Applicant must submit the required Application documents listed in Table 4.</li> <li>• The CDFI Fund will only accept Applications that use the official Application templates provided on the Grants.gov and AMIS websites. Applications submitted with alternative or altered templates will not be considered.</li> <li>• Applicants undergo a two-step process that requires the submission of Application documents by two separate deadlines in two different locations: 1) the SF-424 in Grants.gov and 2) all other Required Application Documents in AMIS.</li> </ul>

	<ul style="list-style-type: none"><li>• Grants.gov and the SF-424 Mandatory form:<ul style="list-style-type: none"><li>o Applicants must submit the Office of Management and Budget (OMB)-approved Standard Form (SF) 424 Mandatory (Application for Federal Assistance) form in Grants.gov.</li><li>o All Applicants must register in the Grants.gov system to successfully submit an Application. The Grants.gov registration process can take 30 days or more to complete. The CDFI Fund strongly encourages Applicants to register as early as possible to meet the deadlines in Table 1.</li><li>o The SF-424 must be submitted in Grants.gov before the other Application materials are submitted in AMIS. Applicants are strongly encouraged to submit their SF-424 as early as possible via the Grants.gov portal.</li><li>o Because the SF-424 is part of the Application, if the SF-424 is not accepted by Grants.gov by the applicable deadline, the Applicant will not be able to submit the AMIS Application.</li><li>o The SF-424 must be submitted under the FY 2021 CMF Funding Opportunity Number.</li><li>o The CDFI Fund will not extend the SF-424 application deadline for any Applicant that started the Grants.gov registration process on, before, or after the date of the publication of this NOFA, but did not complete it by the deadline, except in the case of a Federal government administrative or technological error that directly resulted in a late submission of the SF-424.</li></ul></li> <li>• AMIS:<ul style="list-style-type: none"><li>o Applicants must submit all other required Application materials in AMIS.</li><li>o AMIS is the CDFI Fund’s enterprise-wide information technology system that will be used to submit and store organization and Application information with the CDFI Fund.</li><li>o Applicants are only allowed one Capital Magnet Fund Application submission per funding round in AMIS.</li><li>o Affiliated entities must submit every component of the Application separate from its Affiliates.</li><li>o Each Application in AMIS must be signed by an Authorized Representative. The Authorized Representative is an employee or officer of the Applicant, authorized to sign legal documents on behalf of the organization.</li></ul></li></ul>
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	<p><i>Consultants working on behalf of the organization may not be designated as Authorized Representatives.</i></p> <ul style="list-style-type: none"> <li>o Only an Authorized Representative or Application Point of Contact included in the Application may submit the Application in AMIS.</li> <li>o All Required Application Documents must be submitted in AMIS on or before the deadline specified in Table 1.</li> <li>o The CDFI Fund will not extend the deadline for any Applicant except in the case of a Federal government administrative or technological error that directly resulted in the late submission of the Application in AMIS.</li> </ul>
Employer Identification Number (EIN)	<ul style="list-style-type: none"> <li>• Each Applicant must have a unique EIN assigned by the Internal Revenue Service (IRS).</li> <li>• The CDFI Fund will reject an Application submitted with the EIN of a parent or Affiliate of the Applicant.</li> <li>• The EIN in the Applicant’s AMIS account must match the EIN on the SF-424 submitted through Grants.gov and the EIN in the Applicant’s System for Award Management (SAM) account. The CDFI Fund reserves the right to reject an Application if the EIN in the Applicant’s AMIS account does not match the EIN on the SF-424 and/or its SAM account.</li> <li>• The EIN of the Applicant must be entered into the AMIS organization profile by the applicable deadline in Table 1.</li> </ul>
DUNS number	<ul style="list-style-type: none"> <li>• Pursuant to OMB guidance (68 FR 38402), an Applicant must apply using its unique DUNS number in Grants.gov.</li> <li>• The CDFI Fund will reject an Application submitted with the DUNS number of a parent or Affiliate of the Applicant.</li> <li>• The DUNS number of the Applicant must be entered into the AMIS organization profile by the applicable deadline in Table 1.</li> <li>• The DUNS number in the Applicant’s AMS account must match the Applicant’s DUNS number on the SF-424 submitted through Grants.gov and its SAM.gov account. The CDFI Fund reserves the right to reject an Application if the DUNS number in the Applicant’s AMIS account does not match the DUNS number on the SF-424 and/or SAM.gov accounts.</li> </ul>
AMIS Account	<ul style="list-style-type: none"> <li>• Each Applicant, including Affiliated Applicants, must register as an organization in AMIS and submit all required Application materials through the AMIS portal.</li> <li>• If the Applicant does not fully register its organization in AMIS by the deadline set forth in Table 1, its Application will be rejected without further consideration.</li> <li>• The Authorized Representative and Application Point of Contact must be included as “users” in the Applicant’s AMIS account.</li> </ul>

	<ul style="list-style-type: none"> <li>An Applicant that fails to properly register and update its AMIS account may miss important communications from the CDFI Fund or not be able to successfully submit an Application.</li> </ul>
501(c)(4) status	<ul style="list-style-type: none"> <li>Pursuant to 2 U.S.C. 1611, any 501(c)(4) organization that engages in lobbying activities is not eligible to apply for or receive a CMF Award.</li> </ul>
Compliance with Nondiscrimination and Equal Opportunity Statutes, Regulations, and Executive Orders	<ul style="list-style-type: none"> <li>An Applicant may not be eligible to receive an award if proceedings have been instituted against it in, by, or before any court, governmental agency, or administrative body, and a final determination, issued within the last 3 years as of the publication date of this NOFA, indicates the Applicant has violated any of the following laws: Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C.2000d); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107); Title VIII of the Civil Rights Act of 1968, as amended (42 U.S.C. 3601 et seq.); Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and Title IX of the Education Amendments of 1972.</li> </ul>
Depository Institution Holding Company Applicant	<ul style="list-style-type: none"> <li>In the case where a CDFI Depository Institution Holding Company Applicant intends to carry out the activities of its award through its Subsidiary CDFI Insured Depository Institution, the Application must be submitted by the CDFI Depository Institution Holding Company and reflect the activities and financial performance of the Subsidiary CDFI Insured Depository Institution.</li> <li>The Authorized Representative of the Depository Institution Holding Company Applicant must certify that the information included in the Application represents that of the Subsidiary CDFI Insured Depository Institution, and that the Award will be used to support the Subsidiary CDFI Insured Depository Institution for the eligible activities outlined in the Application.</li> </ul>
Regulated Institutions <sup>3</sup>	<ul style="list-style-type: none"> <li>To be eligible for an Award, each Regulated Institution Applicant must have a CAMELS/CAMEL composite rating (rating for banks and credit unions, respectively), by its Federal regulator of at least “3.”</li> <li>Organizations with CAMELS/CAMEL composite ratings of “4” or “5” will not be eligible for awards.</li> <li>Organizations with a Prompt Corrective Action directive from its regulator will not be eligible for awards.</li> <li>The CDFI Fund will also evaluate material concerns identified by the Appropriate Federal Banking Agency in determining eligibility of Regulated Institution Applicants.</li> </ul>

<sup>3</sup> Regulated Institutions include Insured Credit Unions, Insured Depository Institutions, State-Insured Credit Unions, and Depository Institution Holding Companies.

Any Applicant that does not meet the criteria in Table 2 is ineligible to apply for a CMF Award under this NOFA. Further, Section III.B describes additional considerations applicable to prior Recipients and/or allocatees under any CDFI Fund program.

*B. Prior Award Recipients:* Eligibility determinations in prior funding rounds have no bearing on and do not guarantee eligibility in this round. Prior CMF Award Recipients and prior award recipients of other CDFI Fund programs will be eligible to apply under this NOFA if they meet the eligibility criteria in Table 2, except as noted in Table 3.

<b>Table 3-Eligibility Requirements for Applicants which are Prior Award/Allocation Recipients</b>	
<b>Criteria</b>	<b>Description</b>
Pending resolution of noncompliance	<ul style="list-style-type: none"> <li>• If an Applicant (or Affiliate of an Applicant) that is a prior recipient or allocatee under any CDFI Fund program: (i) has demonstrated it has been in noncompliance with a previous assistance agreement, award agreement, allocation agreement, bond loan agreement, or agreement to guarantee and (ii) the CDFI Fund has yet to make a final determination as to whether the entity is in noncompliance with or default of its previous agreement, the CDFI Fund will consider the Applicant’s Application under this NOFA pending full resolution, in the sole determination of the CDFI Fund, of the noncompliance.</li> </ul>
Default or Noncompliance status	<ul style="list-style-type: none"> <li>• The CDFI Fund will not consider an Application submitted by an Applicant that is a prior CDFI Fund award recipient or allocatee under any CDFI Fund program if, as of the AMIS Application deadline of this NOFA, the CDFI Fund has made a final determination in writing that such Applicant (or Affiliate of such Applicant) is in noncompliance with or default of a previously executed assistance agreement, award agreement, allocation agreement, bond loan agreement, or agreement to guarantee.</li> <li>• Such entities will be ineligible to apply for an Award pursuant to this NOFA if the CDFI Fund has provided written notification that such entity is ineligible to apply for or receive any future CDFI Fund awards or allocations. Such entities will be ineligible to submit an application for such time period as specified by the CDFI Fund in writing.</li> </ul>

*C. Contacting the CDFI Fund:* Applicants that are prior Recipients and/or allocatees under any CDFI Fund program are advised to comply with requirements specified in an Assistance Agreement, allocation agreement, bond loan agreement, or agreement to guarantee, and to ensure their Affiliates are in compliance with any agreements. All outstanding reporting and compliance questions should be directed to the Office of Certification, Compliance Monitoring, and Evaluation help desk by AMIS Service Requests (select “Capital Magnet Fund” for “Program”), via email [CCME@cdfi.treas.gov](mailto:CCME@cdfi.treas.gov), or by telephone at (202) 653-0421. For general questions, organizations with an AMIS account are strongly encouraged to submit a Service Request in AMIS using “Capital Magnet Fund” for the Service Request program. Members of the public that do not have AMIS accounts can contact Capital Magnet Fund staff via e-mail at [CMF@cdfi.treas.gov](mailto:CMF@cdfi.treas.gov). The CDFI Fund will not respond to Applicants’ reporting, compliance, or disbursement telephone calls or e-mail inquiries that are received after 5:00 p.m. ET on November 4, 2021 until after the Application deadline. The CDFI Fund will respond to technical issues related to AMIS Accounts through 5:00 p.m. ET on November 9, 2021, via AMIS Service Requests, or at [AMIS@cdfi.treas.gov](mailto:AMIS@cdfi.treas.gov), or by telephone at (202) 653-0422.

*D. Cost sharing or matching funds requirements:* Not applicable.

*E. Other Eligibility Criteria:*

1. Affiliates: As part of the Application review process, the CDFI Fund considers whether Applicants are Affiliates, as such term is defined in 12 CFR1807.104. Affiliates may submit separate Applications under this NOFA. However, each Affiliate submitting an Application must meet all of the eligibility requirements on its own behalf and may not rely on any other organization for eligibility purposes. Moreover, an Applicant must propose a substantially different strategy than its Affiliate(s) applying under this NOFA. It must also present a distinct

project pipeline and rely on its own track record and not the track record of any Affiliate also submitting an Application under this NOFA. If the CDFI Fund deems that the Applications submitted by Affiliates contain overlapping or substantially similar pipelines or strategies, the CDFI Fund may, at its discretion, reject all such Applications received or select only one of the submitted Applications to deem eligible, assuming that Application meets all other eligibility criteria in Section III of this NOFA. Collectively, all Affiliates may not request more than 15% of the total amount available under this NOFA.

2. An Applicant will not be eligible to receive a CMF Award if the Applicant fails to demonstrate in the Application that its CMF Award would result in Eligible Project Costs (Leveraged Costs plus those costs funded by the CMF Award) that equal at least 10 times the amount of the CMF Award. Note that no costs attributable to Direct Administrative Expenses may be considered Eligible Project Costs.

#### **IV. Application and Submission Information**

*A. Address to Request Application Package:* Application materials can be found on Grants.gov and the CDFI Fund's website at [www.cdfifund.gov/cmfi](http://www.cdfifund.gov/cmfi). If an Applicant is unable to access Grants.gov or the CDFI Fund's website, an Applicant may request a paper version of any Application material by contacting the CDFI Fund Help Desk by e-mail at [cmfi@cdfi.treas.gov](mailto:cmfi@cdfi.treas.gov) or by phone at (202) 653-0421.

*B. Content and Form of Application Submission:* The CDFI Fund will post to its website, at [www.cdfifund.gov/cmfi](http://www.cdfifund.gov/cmfi), instructions for accessing and submitting an Application. Detailed Application content requirements are found in the Application and related guidance documents. All Applications must be prepared in English and calculations must be made in U.S. dollars. Table 4 lists the required funding Application documents for the FY 2021 CMF Round.

Applicants must submit all required documents for the Application to be deemed complete. Please be aware that an Applicant that fails to submit audited financial statements for its two most recently completed fiscal years will be deemed as not having a complete Application and will be considered ineligible. A Regulated Institution that submits call reports for its two most recently completed fiscal years is exempted from this requirement. The CDFI Fund reserves the right to request and review other pertinent or public information that has not been specifically requested in this NOFA or the Application. Information submitted by the Applicant that the CDFI Fund has not specifically requested will not be reviewed or considered as part of the Application. Information submitted must accurately reflect the Applicant’s activities and/or its Subsidiary Insured Depository Institution, in the case where the Applicant is an Insured Depository Institution Holding Company.

<b>Table 4-Funding Application Documents</b>		
<b>Application Document</b>	<b>Submission Format</b>	<b>Required?</b>
Standard Form (SF) 424 Mandatory Form	Fillable PDF in Grants.gov	Required for all Applicants
CMF Application	AMIS	Required for all Applicants
<b>ATTACHMENTS TO THE APPLICATION</b>		
Audited financial statements for the most <b>recently completed 2 fiscal years</b> . Regulated Institutions may submit call reports in lieu of audited financial statements.	PDF in AMIS	Required for all Applicants
Any Management Letters, if applicable, related to the audited financial statements for the most <b>recently completed 2 fiscal years</b> . The Management Letter is prepared by the Applicant’s auditor and provides communication on internal control over financial reporting, compliance, and other matters. <sup>4</sup> If no Management Letter was issued for either of the two most recently completed fiscal years, the Applicant must attach a document explicitly stating such.	PDF in AMIS	Required for all Applicants

State Charter, Articles of Incorporation, authorizing statute, or other establishing documents designating that the Applicant is a nonprofit or not-for-profit entity under the laws of the organization's State of formation.	PDF in AMIS	Required only for Applicants that are <u>not</u> Certified CDFIs
A certification demonstrating tax exempt status from the IRS. Only Applicants that are governmental instrumentalities, and are unable to provide such determination from the IRS and meet all other eligibility requirements, must submit a legal opinion from counsel, in form and substance acceptable to the CDFI Fund, opining that the Applicant is exempt from Federal income tax.	PDF in AMIS	Required only for Applicants that are <u>not</u> Certified CDFIs
Articles of incorporation, by-laws, authorizing statute, or other documents demonstrating that the Applicant has a principal purpose of managing or developing affordable housing.	PDF in AMIS	Required only for Applicants that are <u>not</u> Certified CDFIs

<sup>4</sup> The Management Letter may include suggestions for improving identified weaknesses and deficiencies and/or best practice suggestions for items that may not be considered to be weaknesses or deficiencies. The Management Letter may also include items that are not required to be disclosed in the annual audited financial statements. The Management Letter is distinct from the auditor's Opinion Letter, which is required by Generally Accepted Accounting Principles (GAAP). Management Letters are not required by GAAP and are sometimes provided by the auditor as a separate letter from the audit itself.

The CDFI Fund has a sequential, two-step process that requires the submission of Application documents in separate systems with two separate deadlines. The SF-424 must be submitted through Grants.gov and all other Application documents through the AMIS portal. The CDFI Fund will not accept Applications via e-mail, mail, facsimile, or other forms of communication, except in extremely rare circumstances that have been pre-approved by the CDFI Fund. The separate Application deadlines for the SF-424 and all other Application materials are listed in Tables 1 and 6. Only the Authorized Representative for the Organization or Application Point of Contact designated in AMIS may submit the Application through AMIS.

Applicants are strongly encouraged to submit the SF-424 as early as possible through Grants.gov in order to provide sufficient time to resolve any potential submission issues. Applicants should contact Grants.gov directly with questions related to the registration or submission process, as

the CDFI Fund does not administer the Grants.gov system.

The CDFI Fund strongly encourages Applicants to start the Grants.gov registration process as soon as possible, as it may take several weeks to complete (refer to the following link: <http://www.grants.gov/web/grants/register.html>). An Applicant that has previously registered with Grants.gov must verify that its registration is current and active. If an Applicant has not previously registered with Grants.gov, it must first successfully register in SAM.gov, as described in Section IV.D below.

*C. Dun and Bradstreet Data Universal Numbering System (DUNS):* Pursuant to the Uniform Administrative Requirements, each Applicant must provide as part of its Application submission a valid Dun & Bradstreet Data Universal Numbering System (DUNS) number. Any Applicant without a DUNS number will not be able to register in SAM or register and submit an Application in the Grants.gov system. Please allow sufficient time for Dun & Bradstreet to respond to inquiries and/or requests for DUNS numbers.

*D. System for Award Management (SAM):* Any entity applying for Federal grants or other forms of Federal financial assistance through Grants.gov must be registered in SAM before submitting its Application materials through that platform. When accessing SAM.gov, users will be asked to create a login.gov user account (if they don't already have one). Going forward, users will use their login.gov username and password every time when logging into SAM.gov. The SAM registration process can take four weeks or longer to complete so Applicants are strongly encouraged to begin the registration process upon publication of this NOFA in order to avoid potential Application submission issues. An original, signed notarized letter identifying the authorized entity administrator for the entity associated with the DUNS number is required by SAM and must be mailed to the Federal Service Desk. This requirement is applicable to new

entities registering in SAM or on existing registrations where there is no existing entity administrator. Existing entities with registered entity administrators do not need to submit an annual notarized letter. Applicants without DUNS and/or EIN numbers should allow for additional time as an Applicant cannot register in SAM without those required numbers.

Applicants that have previously completed the SAM registration process must verify that their SAM accounts are current and active.

Applicants are required to maintain a current and active SAM account at all times during which it has an active Federal award or an Application under consideration for an award by a Federal awarding agency.

The CDFI Fund will not consider any Applicant that fails to properly register or activate its SAM account and, as a result, is unable to submit the SF-424 in Grants.gov or the Application by the applicable Application deadline. Applicants must contact SAM directly with questions related to registration or SAM account changes, as the CDFI Fund does not maintain this system. For more information about SAM, please visit <https://www.sam.gov> or call 866-606-8220.

<b>Table 5-Grants.gov Registration Timeline Summary</b>		
<b>Step</b>	<b>Agency</b>	<b>Estimated Minimum Time to complete</b>
Obtain a DUNS number	Dun & Bradstreet	One Week*
Obtain an EIN Number	Internal Revenue Service (IRS)	Two Weeks*
Register in SAM.gov	System for Award Management (SAM)	Four Weeks*
Register in Grants.gov	Grants.gov	One Week**
<p>*Applicants are advised that the stated duration are estimates only and represent minimum timeframes. Actual timeframes may take longer. The CDFI Fund will not consider any Applicant that fails to properly register or activate its SAM account, has not yet received a DUNS number, and/or fails to properly register in Grants.gov.</p> <p>**This estimate assumes an Applicant has a DUNS number, an EIN number, and is already registered in SAM.gov.</p>		

*E. Submission Dates and Times:*

1. Submission Deadlines: Table 6 lists the deadlines for submission of the documents related to the FY 2021 CMF Funding Round:

<b>Table 6-FY 2021 CMF Deadlines for Applicants</b>			
<b>Document</b>	<b>Deadline</b>	<b>Time – Eastern Time (ET)</b>	<b>Submission Method</b>
<b>SF-424 Mandatory form</b>	October 12, 2021	11:59 pm ET	Electronically via Grants.gov
<b>Create AMIS Account (if the Applicant does not already have one)</b>	October 12, 2021	11:59 pm ET	Electronically via AMIS
<b>CMF Application and Required Attachments</b>	November 9, 2021	5:00 pm ET	Electronically via AMIS

2. Confirmation of Application Submission in Grants.gov and AMIS: Applicants are required to submit the SF-424 Mandatory Form through the Grants.gov system under the FY 2021 Capital Magnet Fund Funding Opportunity Number (listed at the beginning of this NOFA). All other required Application materials must be submitted through the AMIS website. Application materials submitted through each system are due by the applicable deadline listed in Table 6. Applicants must submit the SF-424 by an earlier deadline than that of the other required Application materials in AMIS. If a valid SF-424 is not submitted through Grants.gov by the corresponding deadline, the Applicant will not be able to submit the additional Application materials in AMIS, and the Application will be deemed ineligible. Thus, Applicants are strongly encouraged to submit the SF-424 as early as possible in the Grants.gov portal, given that potential submission issues may impact the ability to submit a complete Application. Applicants must also ensure that their AMIS account contains the correct EIN and DUNS numbers by the deadline listed in Table 1 of this NOFA.

(a) Grants.gov Submission Information: Each Applicant will receive an initial e-mail from Grants.gov immediately after submitting the SF-424, confirming that the submission has entered

the Grants.gov system. This e-mail will contain a tracking number for the submitted SF-424. Within 48 hours, the Applicant will receive a second e-mail which will indicate if the submitted SF-424 was either successfully validated or rejected with errors. However, Applicants should not rely on the e-mail notification from Grants.gov to confirm that their SF-424 was validated. Applicants are strongly encouraged to use the tracking number provided in the first e-mail to closely monitor the status of their SF-424 by checking Grants.gov directly. The Application materials submitted in AMIS are not accepted by the CDFI Fund until Grants.gov has validated the SF-424. In the Grants.gov Workspace function, please note that the Application package has not been submitted if you have not received a tracking number.

(b) AMIS Submission Information: AMIS is a web-based portal where Applicants will directly enter their Application information and add required attachments listed in Table 4. Each Applicant must register as an organization in AMIS in order to submit the required Application materials through this portal. AMIS will verify that the Applicant provided the minimum information required to submit an Application. Applicants are responsible for the quality and accuracy of the information in the Application and in the attachments included in the Application submitted in AMIS. The CDFI Fund strongly encourages the Applicant to allow sufficient time to confirm the Application content, review the material submitted, and remedy any issues prior to the Application deadline. Applicants can only submit one Application in AMIS. Upon submission, the Application will be locked and cannot be resubmitted, edited, or modified in any way. The CDFI Fund will not unlock or allow multiple AMIS Application submissions. Prior to submission, each Application in AMIS must be signed by an Authorized Representative. An Authorized Representative is an employee or officer that has the authority to legally bind and make representations on behalf of the Applicant; consultants working on behalf of the Applicant

cannot be designated as Authorized Representatives. The Applicant may include consultants as Application point(s) of contact, who will be included on any communication regarding the Application and will be able to submit the Application but cannot digitally sign the Application. The Authorized Representative and/or Application point(s) of contact must be included as “Contacts” in the Applicant’s AMIS account. The Authorized Representative must also be a “user” in AMIS. An Applicant that fails to properly register and update its AMIS account may miss important communications from the CDFI Fund or fail to submit an Application successfully. Only an Authorized Representative for the organization or an Application point of contact can submit the Application in AMIS. After submitting its Application, the Applicant will not be permitted to revise or modify its Application in any way.

3. Multiple Application Submissions: Each Applicant is only permitted to submit one complete Application in AMIS. However, the CDFI Fund does not administer Grants.gov, which does allow for multiple submissions of the SF-424. If an Applicant submits multiple SF-424 Applications in Grants.gov, the CDFI Fund will only review the SF-424 Application submitted in Grants.gov that is attached to the AMIS Application.

4. Late Submission: The CDFI Fund will not accept an Application if a valid SF-424 is not submitted by Grants.gov by the SF-424 deadline. Additionally, the CDFI Fund will not accept an Application if it is not signed by an Authorized Representative and submitted in AMIS by the Application deadline. In either case, the CDFI Fund will not review any material submitted and the Application will be deemed ineligible, except where the submission delay was a direct result of a Federal government administrative or technological error. This exception includes any errors associated with Grants.gov, SAM.gov, AMIS, or any other applicable government system. Please note that this exception does not apply to errors arising from obtaining a DUNS number

from Dun & Bradstreet, which is not a government entity. An Applicant unable to make timely submission of its Application due to any errors in the process of obtaining a DUNS number will not be allowed to submit its Application after the Application deadline has passed.

(a) SF-424 Late Submission: In cases where a Federal government administrative or technological error directly resulted in the late submission of the SF-424, the Applicant must submit a Service Request in AMIS for acceptance of the late SF-424 submission and include documentation of the error no later than two business days after the SF-424 deadline. The CDFI Fund will not respond to requests for acceptance of late SF-424 submissions after that time period. Applicants must submit late SF-424 submission requests to the CDFI Fund via an AMIS service request to the CMF Program with a subject line of “CMF Late SF-424 Submission Request.”

(b) Application Late Submission: In cases where a Federal government administrative or technological error directly resulted in a late submission of the Application in AMIS, the Applicant must submit a Service Request in AMIS for acceptance of the late Application submission and include documentation of the error no later than two business days after the Application deadline. The CDFI Fund will not respond to requests for acceptance of late Application submissions after that time period. Applicants must submit late Application submission requests to the CDFI Fund via an AMIS service request to the CMF Program with a subject line of “CMF Late Application Submission Request.”

5. Intergovernmental Review: Not Applicable.

6. Funding Restrictions: CMF Awards are limited by the following:

(a) A Recipient shall use CMF Award funds only for the eligible activities set forth in 12 CFR 1807.301 and as described in Section II.C and Section II.E of this NOFA and its Assistance

Agreement.

(b) A Recipient may not disburse CMF Award funds to an Affiliate, Subsidiary, or any other entity in any manner that would create a Subrecipient relationship (as defined in the Uniform Administrative Requirements) without the CDFI Fund's prior written approval.

(c) CMF Award dollars shall only be paid to the Recipient.

(d) The CDFI Fund, in its sole discretion, may pay CMF Awards in amounts, or under terms and conditions, which are different from those requested by an Applicant. However, the CDFI Fund will not grant an Award in excess of the amount requested by the Applicant.

## **V. Application Review Information**

*A. Criteria:* All complete and eligible Applications will be reviewed in accordance with the criteria and procedures described in the CMF Interim Rule, this NOFA, the Application guidance, and the Uniform Administrative Requirements. As part of the review process, the CDFI Fund reserves the right to contact the Applicant by telephone, email, mail, or through an on-site visit for the sole purpose of clarifying or confirming Application information at any point during the review process. The CDFI Fund reserves the right to collect such additional information from Applicants as it deems appropriate. If contacted, the Applicant must respond within the time period communicated by the CDFI Fund or its Application may be rejected. For the sake of clarity, specific Application evaluation criteria are described in the context of the overall Application review and selection process described in Section V.B. below.

### *B. Review and Selection Process:*

The CDFI Fund will evaluate each complete and eligible Application using the multi-phase review process described in this Section. For the first part of the review process, the External Review, the Applications will be grouped into two categories depending on their approach: (1)

financing entities and (2) affordable housing developers/managers. All Applicants will be able to select whether they are applying with a financing entity approach or with an affordable housing developer/manager approach. However, all eligibility requirements, as either a certified CDFI or Nonprofit Organization, must be met. In most cases, CDFIs will select the financing entity approach; however, a CDFI that is applying with a strategy to act as an affordable housing developer and has a track record as an affordable housing developer, can select the affordable housing developer/manager entity approach. The Applications of these two groups will be evaluated based on the criteria listed in this section. Where appropriate, the CDFI Fund will use different criteria in order to evaluate the financial health, capacity, portfolio performance, and projected activities of the Applicant based on these distinct approaches. These differences are noted in the following sections and the Application Instructions.

1. External Review and Quantitative Assessment: All eligible Applications will be evaluated through a Quantitative Assessment and External Review. The Quantitative Assessment evaluates the Application's quantitative factors and is performed automatically in AMIS. In the External Review, Applications will be separately scored by two or more external non-Federal reviewers who are selected based on criteria that include: a professional background in affordable housing or in community and economic development finance with experience with affordable housing. These reviewers must complete the CDFI Fund's conflict of interest process and be approved by the CDFI Fund. Reviewers will be assigned a set number of Applications to review, consisting of either Applicants with a financing entity approach or Applicants with an affordable housing developer/manager approach. The reviewer will provide a score for each of the Applications assessed in accordance with the scoring criteria outlined in Section V.B.2 of this NOFA and the Application materials.

The external reviewer's evaluation, in combination with the quantitative assessment factors, will result in the Application being awarded up to 100 points for each review scorecard. The majority of the score will be based on the external reviewer's evaluation. These points will be distributed across three sections: Business and Leveraging Strategy (40 possible points), Community Impact (35 possible points), and Organizational Capacity (25 possible points). As each Application is evaluated by two external reviewers, the maximum score each Application can receive is 200 points (100 points x 2 Reviewers).

(a) Business and Leveraging Strategy (40 points): In the Business and Leveraging Strategy section, the Applicant will address: (i) the needs of communities and persons in the areas it proposes to serve with a CMF Award and the extent to which the proposed strategy addresses these needs; (ii) the affordable housing, economic development, and financing gaps addressed by its business strategy; (iii) the projected CMF activities and relevant track record; (iv) the role CMF will play in its project financing strategy; (v) its strategy for leveraging private capital with a CMF Award; and (vi) its strategy for leveraging its CMF Award at the Enterprise-level, through re-investments, and/or at the Project-level (as applicable).

An Applicant will generally score more favorably in the criteria evaluated by the external review and by the quantitative assessment factors to the extent that it: (i) clearly aligns its proposed CMF Award activities with the affordable housing needs and financing gaps it identifies; (ii) demonstrates that its CMF Award activities will result in more favorable financing rates and terms to Projects; (iii) demonstrates that its projected activities are achievable based on the Applicant's strategy and track record; (iv) describes a process for selecting projects that have a clear need for CMF financing; (v) has a credible pipeline of projects or can demonstrate clear demand for its proposed financial products from borrowers; (vi) has a clear strategy for and track

record of leveraging private capital resulting in a higher multiplier of private leverage; (vii) has a clear strategy for attracting capital and demonstrates a track record of leveraging funds at the Enterprise-level, through re-investments, and/or at the Project-level (as applicable); and (viii) whether the Application is proposing to serve American Samoa, Guam, the Northern Mariana Islands, or the U.S. Virgin Islands.

(b) Community Impact (35 points): In the Community Impact Section, the Applicant will address: (i) the extent to which the Applicant's strategy is likely to result in the selected Affordable Housing and/or Economic Development Activities impacts and its plan to track relevant outcome metrics; (ii) for rental housing, a) its strategy for and track record of financing and/or supporting rental housing units located in Areas of Economic Distress or High Opportunity Areas; and b) its strategy for and track record of financing rental housing units targeted to Very Low-Income (VLI) Families (50% of AMI or below); (iii) for Homeownership housing, its strategy for and track record of financing Homeownership units targeted to Low-Income (LI) Families (80% of AMI or below) or units located in Areas of Economic Distress ; (iv) if applicable, its strategy for and track record of financing and/or supporting Economic Development Activities and how the projected activities will align with a Concerted Strategy and will benefit the residents of nearby Affordable Housing; and (v) commitment to and track record of serving Rural Areas.

An Applicant will generally score more favorably in the criteria evaluated by the external reviewer and by the quantitative assessment factors to the extent that it: (i) demonstrates a clear strategy for achieving the selected Affordable Housing and/or Economic Development Activities impacts identified in the Application and it presents a clear and effective plan to track metrics related to relevant outcomes; (ii) if rental housing is proposed, demonstrates a compelling

strategy for and track record of financing and/or supporting rental housing units located in Areas of Economic Distress and/or High Opportunity Areas; (iii) if rental housing is proposed, demonstrates a compelling strategy for and track record of financing and/or supporting rental housing units targeted to Very Low-Income (VLI) Families (50% of AMI or below), with the maximum score available to Applications that propose to target at least 45% of units to Very Low-Income Families; (iv) if Homeownership is proposed, demonstrates a compelling strategy for financing and/or supporting up to 100% of CMF Award to Homeownership units either targeted to Low-Income Families (80% of AMI or below) or Homeownership units targeted to Eligible-Income Families (120% of AMI or below) located in AEDs, with the Applicant's track record supporting their ability to execute this strategy; (v) if proposing Economic Development Activities, demonstrates how its proposed Economic Development Activities fit within a Concerted Strategy and will benefit the residents of the nearby Affordable Housing; and (vi) makes a commitment to invest at least 10% of the CMF Award in Rural Areas and presents a corresponding track record of serving Rural Areas.

(c) Organizational Capacity (25 points): In the Organizational Capacity section, the Applicant will discuss: (i) its management team and key staff; (ii) the roles and responsibilities of those staff in managing the proposed CMF Award; (iii) its past experience managing Federal awards; (iv) its financial health; and (v) lending or property portfolio (as applicable).

An Applicant will generally score more favorably in the criteria evaluated by the external reviewer and by the quantitative assessment factors to the extent that it demonstrates: (i) strong qualifications of its key personnel with respect to their skills and experience in identifying investments, underwriting or developing similar projects (as applicable), and managing a portfolio of similar activities and ensuring compliance with program requirements; (ii) a strong

ability to successfully manage Federal awards based on experience managing prior Federal Awards or administering state or local government awards, foundation grants, or other programs with complex compliance requirements; (iv) strong financial health, including but not limited to strong capitalization, sound operating performance, and strong liquidity; (iv) favorable audit results (e.g. opinion other than unqualified/unmodified) with no negative findings, including lack of a “going concern paragraph”, lack of repeat findings of reportable conditions, lack of material weaknesses in internal controls, lack of delinquencies on obligations to investors or lenders, and not having filed for bankruptcy or defaulted on financial obligations; and (iv) solid portfolio performance (property portfolio or loan/investment portfolio, as applicable). CMF Program encourages first-time Applicants. Prior CMF Recipients will not receive a scoring advantage solely for having received a prior CMF Award.

(d) Scoring anomaly: If, in the case of a particular Application, the reviewers’ total External Review scores vary significantly from each other, the CDFI Fund may, in its sole discretion, obtain the evaluation and numeric scoring of an additional reviewer to determine whether the anomalous score should be replaced with the score of the additional reviewer.

2. Internal Review: At the conclusion of the External Review phase, the CMF Program Manager will determine the overall number of Applications that will be initially forwarded for Internal Review. Each group of Applications (financing entity approach and affordable housing developer/manager approach) will be ranked separately based on their External Review score. The CMF Program Manager may initially forward an amount up to the highest scoring 50% of Applications from the External Review to the Internal Review, as long as the forwarded Applications reflect, within no more than 5% variance, the proportion of financing entity approach Applications to affordable housing developer/manager approach Applications in the

overall Application Pool. Such Applications will be forwarded for Internal Review in descending order of External Review score. The forwarded Applications will be drawn from the financing entity approach and affordable housing developer/manager approach groups in proportion to each group's representation in the overall Application pool. This approach will ensure that the percentage of Applicants with a financing entity approach and affordable housing developer approach forwarded to Internal Review reflects the proportion of these entity strategies within the overall Application pool, with no more than 5% variance.

These forwarded Applications will constitute the highly qualified pool. During the Internal Review, CDFI Fund staff will prioritize the Applications in the highly qualified pool for an Award based on a combination of the following criteria: (i) final External Review score; (ii) alignment with CMF statutory and policy priorities; (iii) the overall quality of the Applicant's strategy; and (iv) the Applicant's organizational capacity and financial health. The CDFI Fund will not attempt to ensure any specific balance of Applicants with a financing entity approach and Applicants with an affordable housing developer approach in the final Award pool.

In assessing the Applicant's organizational capacity, CDFI Fund staff will consider the following factors, including, but not limited to the Applicant's overall organizational and financial capacity, including a) its financial strength and ability, and its resources to weather changing conditions and risks; b) its organizational strength as demonstrated by good management practices, risk management, and internal controls; c) key personnel with relevant experience and capacity; and d) relevant experience and capacity demonstrating ability to meet federal award management standards (including performance with prior CDFI Fund awards). The CDFI Fund will also review OMB-designated repositories of government-wide eligibility qualification and financial integrity information, as part of the assessment of organizational capacity. In the case of

an Applicant that has received awards from other Federal programs, the CDFI Fund reserves the right to contact officials from the appropriate Federal agency or agencies to determine whether the Recipient is in compliance with current or prior award agreements as well as to review the results of any Federal Single Audit, and to take such information into consideration before making a CMF Award.

In assessing the Application's alignment with CMF statutory and policy priorities, CDFI Fund staff will consider the following factors, including, but not limited to: a) the likelihood of the Applicant to reach a minimum overall leverage multiplier of 10 times the Award amount or more; b) the amount of private capital it will leverage relative to the CMF Award; c) if rental housing is proposed, the Applicant's approach, track record and ability to finance/support a significant portion (up to 45%) of its rental housing for Very Low-Income Families; d) if rental housing is proposed, the Applicant's approach, track record and ability to finance/support a significant portion of rental housing located in Areas of Economic Distress (AED) and/or High Opportunity Areas (HOA) as a percentage of its CMF rental portfolio; e) if Homeownership is proposed, the Applicant's approach, track record and ability to successfully finance/support up to 100% of its Homeownership units for Low-Income Families (80% AMI or below) and/or in Areas of Economic Distress as a percentage of its CMF Homeownership portfolio; and f) the number of Affordable Housing units expected to be generated as a result of the Award.

In assessing the quality of the Applicant's strategy, the CDFI Fund staff will consider the following factors, including, but not limited to: a) the effectiveness and cohesiveness of the Applicant's strategy; b) how well the proposed financing activities will help close the financing gaps in their market, including more favorable rates and terms than are currently available in its Service Area; c) the Applicant's ability to execute its strategy and support its projections; d) how

adaptable the Applicant's strategy is to changing market conditions; e) the alignment between the proposed activities and strategy and the selected impacts and outcomes; and f) for Applicant's proposing Economic Development Activities (EDA), the extent the activities are part of a Concerted Strategy, whether activities will benefit affordable housing residents, and the track record and capacity of the Applicant to carry out EDA.

In addition to the criteria outlined above, the Applicant's ability to deploy the CMF Award in a timely manner will be a key determinant in funding recommendation. Deployment considerations may include the Applicant's track record of activities compared with projections, the Applicant's progress in committing and/or deploying past CMF Awards, and whether the Applicant received a FY 2021 CDFI/NACA Program award for a similar business strategy as the proposed use of the CMF Award. The CDFI Fund may also consider the number of geographies served when determining funding recommendations.

3. Selection: Once Applications have been internally evaluated and preliminary award determinations have been made, the Applications will be forwarded to a selecting official for a final award determination. After preliminary award determinations are made, the selecting official will review the list of potential Recipients to determine whether the Recipient pool meets the following statutory objectives:

- (a) The potential Recipients' proposed Service Areas collectively represent broad geographic coverage throughout the United States; and
- (b) The potential Recipients' proposed activities equitably represent both Metropolitan Areas and Rural Areas. For the purposes of the FY 2021 CMF Round, the term Rural Areas is defined per 12 CFR § 1282.1 (Enterprise Duty To Serve Final Rule) as (i) A census tract outside of a Metropolitan Statistical Area as designated by the Office of Management and Budget; or (ii) A

census tract in a Metropolitan Statistical Area as designated by the Office of Management and Budget that is outside of the Metropolitan Statistical Area's Urbanized Areas, as designated by the U.S. Department of Agriculture's (USDA) Rural-Urban Commuting Area (RUCA) Code #1, and outside of tracts with a housing density of over 64 housing units per square mile for USDA's RUCA Code #2.

As Rural Areas data for the Enterprise Duty to Serve Rule is not available for American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands, all census tracts in these territories will be deemed as Rural census tracts for Awards issued under this NOFA. The CDFI Fund will publish a dataset indicating which census tracts are designated as Rural Areas for the FY 2021 Round on its website.

In the event the preliminary Recipient pool does not reflect the geographic coverage or representation of Metropolitan and Rural Areas present in the overall Applicant pool, the CDFI Fund reserves the right to modify CMF Award amounts and/or the CMF Recipient pool if deemed necessary to achieve either of these statutory objectives. For the purposes of conducting this analysis, the CDFI Fund will classify Applications as addressing Rural Areas if they propose to use 20% or more of their award in Rural Areas, and as addressing Metropolitan Areas if they propose to use less than 20% of their Award in Rural Areas.

In order to evaluate the geographic coverage of the potential CMF Recipient pool, Applicants will be asked to designate one of the following two Service Area types in their Applications:

Statewide or Multi-State. These Service Area types are further defined in the Application.

Applicants planning to serve communities below the state level (cities and municipalities, counties, regions) and within one state should designate their Service Area as Statewide.

Similarly, an Applicant that is planning to serve communities below the state level, but in more

than one state, should designate their Service Area as Multi-State. The smallest Service Area an Applicant can request is one state or U.S. territory; the largest Service Area an Applicant can propose is a 15 state Multi-State Service Area. Applicants should indicate in the narrative portions of their Application if they plan to concentrate their CMF activities in a subset (e.g. a county or a Metropolitan Area) of their broader Service Area. If necessary to achieve proportional activity in Rural Areas and/or broader geographic coverage, the CDFI Fund may award Applications not in the preliminary Recipient pool, including Applications outside of the highly qualified pool, in the order of their Internal Review scoring ranking. During the selection process, the CDFI Fund also reserves the right to modify or place restrictions on the Service Area requested in any Application in order to further these statutory objectives.

In cases where the selecting official's award determination varies significantly from the initial CMF Award amount recommended by the CDFI Fund staff review, the CMF Award recommendation will be forwarded to a reviewing official for final determination. The CDFI Fund, in its sole discretion, reserves the right to reject an Application and/or adjust CMF Award amounts as appropriate, based on information obtained during the review process.

4. Insured Depository Institution Applicants: In the case of Applicants that are Insured Depository Institutions or Insured Credit Unions, the CDFI Fund will consider safety and soundness information from the Appropriate Federal Banking Agency or Appropriate State Agency, as applicable. If the Applicant is a CDFI Depository Institution Holding Company, the CDFI Fund will consider information provided by the Appropriate Federal Banking Agency and Appropriate State Agency about both the CDFI Depository Institution Holding Company and the CDFI Insured Depository Institution that will expend and carry out the Award. If the Appropriate Federal Banking Agency or Appropriate State Agency identifies safety and soundness concerns,

the CDFI Fund will assess whether the concerns warrant that the Applicant is incapable of undertaking the activities for which funding has been requested.

5. **Right of Rejection:** The CDFI Fund reserves the right to reject an Application if information (including administrative errors) comes to the attention of the CDFI Fund that adversely affects an Applicant's eligibility for an Award, adversely affects the CDFI Fund's evaluation or scoring of an Application, or indicates fraud or mismanagement on the Applicant's part, including mismanagement of another Federal award. If the CDFI Fund determines that any portion of the Application is incorrect in any material respect, the CDFI Fund reserves the right, in its sole discretion, to reject the Application. The CDFI Fund reserves the right to change its eligibility and evaluation criteria and procedures, if the CDFI Fund deems it appropriate. If said changes materially affect the CDFI Fund's Award decisions, the CDFI Fund will provide information regarding the changes through the CDFI Fund's website. There is no right to appeal the CDFI Fund's Award decisions. The CDFI Fund's Award decisions are final.

6. **Anticipated Award Announcement:** The CDFI Fund anticipates making CMF Award announcements in early 2022.

## **VI. Federal Award Administration Information**

*A. Award Notification:* Each successful Applicant will receive notification from the CDFI Fund stating that its Application has been approved for an Award. Each Applicant not selected for an Award will receive notification and be provided a debriefing document in its AMIS account.

*B. Administrative and Policy Requirements Prior to Entering into an Assistance Agreement:* The CDFI Fund may, in its discretion and without advance notice to the Recipient, terminate the Award or take other actions as it deems appropriate if, prior to entering into an Assistance Agreement, information (including an administrative error) comes to the CDFI Fund's attention

that adversely affects the following: the Recipient's eligibility for an Award; the CDFI Fund's evaluation of the Application; the Recipient's compliance with any requirement listed in the Uniform Requirements; or indications of fraud or mismanagement on the Recipient's part, including mismanagement of another Federal award.

If the Recipient's certification status as a CDFI changes prior to entering into an Assistance Agreement, the CDFI Fund reserves the right, in its sole discretion, to re-evaluate the CMF Award, or modify the Assistance Agreement based on the Recipient's non-CDFI status.

By receiving notification of a CMF Award, the Recipient agrees that, if the CDFI Fund becomes aware of any information (including an administrative error) prior to the Effective Date of the Assistance Agreement that either adversely affects the Recipient's eligibility for an CMF Award, adversely affects the CDFI Fund's evaluation of the Recipient's Application, or indicates fraud or mismanagement on the part of the Recipient, the CDFI Fund may, in its discretion and without advance notice to the Recipient, rescind the notice of award or take other actions as it deems appropriate.

The CDFI Fund reserves the right, in its sole discretion, to rescind an Award if the Recipient fails to return the Assistance Agreement, signed by an Authorized Representative of the Recipient, and/or provide the CDFI Fund with any other requested documentation, within the CDFI Fund's deadlines.

In addition, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the Assistance Agreement and the award made under this NOFA for any criteria described in Table 7:

**Table 7-Requirements Prior to Executing an Assistance Agreement**

Requirement	Criteria
<p>Failure to meet reporting requirements</p>	<ul style="list-style-type: none"> <li>• If an Applicant received a prior award or allocation under any CDFI Fund program and is not current on the reporting requirements set forth in the previously executed assistance, award, allocation, bond loan agreement(s), or agreement to guarantee, as of the date of the notice of award, the CDFI Fund reserves the right, in its sole discretion, to delay entering into an Assistance Agreement and/or to delay making a Payment of CMF Award, until said prior Recipient or allocatee is current on the reporting requirements in the previously executed assistance, award, allocation, bond loan agreement(s), or agreement to guarantee.</li> <li>• If such a prior Recipient or allocatee is unable to meet this requirement within the timeframe set by the CDFI Fund, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the notice of award and the CMF Award made under this NOFA.</li> <li>• Please note that automated systems employed by the CDFI Fund for receipt of reports submitted electronically typically acknowledge only a report's receipt; such acknowledgment does not warrant that the report received was complete, nor that it met reporting requirements. If said prior Recipient or allocatee is unable to meet this requirement within the timeframe set by the CDFI Fund, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the notice of Award and the CMF Award made under this NOFA.</li> </ul>
<p>Failure to maintain CDFI Certification (if applicable) or eligible Nonprofit Organization status (if applicable)</p>	<ul style="list-style-type: none"> <li>• A Recipient must be a Certified CDFI or an eligible Nonprofit Organization, as each is defined in the CMF Interim Rule and this NOFA, prior to entering into an Assistance Agreement.</li> <li>• If, at any time prior to entering into an Assistance Agreement under this NOFA, an Applicant that is a Certified CDFI has submitted reports (or failed to submit an annual certification report as instructed by the CDFI Fund) to the CDFI Fund that demonstrate noncompliance with the requirements for certification, but the CDFI Fund has yet to make a final determination regarding whether or not the entity is Certified, the CDFI Fund reserves the right, in its sole discretion, to delay entering into an Assistance Agreement and/or to delay making a Payment of CMF Award, pending full resolution, in the sole determination of the CDFI Fund, of the noncompliance.</li> <li>• If the Applicant is unable to meet this requirement, in the sole determination of the CDFI Fund, the CDFI Fund reserves the</li> </ul>

	<p>right, in its sole discretion, to terminate and rescind the notice of award and the CMF Award made under this NOFA.</p>
Pending resolution of noncompliance	<ul style="list-style-type: none"> <li>• The CDFI Fund will delay entering into an Assistance Agreement with a Recipient that has pending noncompliance issues with any of its previously executed CDFI Fund award(s), allocation(s), bond loan agreement(s), or agreement(s) to guarantee.</li> <li>• If said prior Recipient or allocatee is unable satisfactorily resolve the compliance issues, the CDFI Fund reserves the right, in its sole discretion, to terminate and rescind the notice of award and the CMF Award made under this NOFA.</li> </ul>
Default or Noncompliance status	<ul style="list-style-type: none"> <li>• If, at any time prior to entering into an Assistance Agreement, the CDFI Fund determines that an Applicant (or an Affiliate of the Applicant) that is a prior CDFI Fund Recipient or allocatee under any CDFI Fund program is noncompliant or found in default with any previously executed CDFI Fund award or Assistance agreement(s) and the CDFI Fund has provided written notification that the Applicant is ineligible to apply for or receive any future awards or allocations for a time period specified by the CDFI Fund in writing, the CDFI Fund may, in its sole discretion, delay entering into an Assistance Agreement with Applicant until the Recipient has cured the noncompliance by taking actions the CDFI Fund has specified in writing within such specified timeframe. If the Recipient is unable to cure the noncompliance within the specified timeframe, the CDFI Fund may modify or rescind all or a portion of the CMF Award made under this NOFA.</li> </ul>
Compliance with Federal civil rights requirements	<ul style="list-style-type: none"> <li>• The CDFI Fund will terminate and rescind the Assistance Agreement and the CMF Award made under this NOFA if, prior to entering into an Assistance Agreement under this NOFA, the Recipient receives a final determination, made within the last 3 years of the publication date of this NOFA, in any proceeding instituted against the Recipient in, by, or before any court, governmental, or administrative body or agency, declaring that the CMF Award Recipient has violated the following laws: Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107); Title VIII of the Civil Rights Act of 1968, as amended (42 U.S.C. 3601 et seq.); Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and Title IX of the Education Amendments of 1972.</li> </ul>

Debarment/Do Not Pay	<ul style="list-style-type: none"> <li>• The CDFI Fund reserves the right, in its sole discretion, to rescind an award if the Recipient (or Affiliate of Recipient) is identified as being delinquent on any Federal debt in the Do Not Pay database.</li> <li>• The Do Not Pay Business Center was developed to support Federal agencies in their efforts to reduce the number of improper payments made through programs funded by the Federal government. The Do Not Pay Business Center provides delinquency information to the CDFI Fund to assist with the debarment check.</li> </ul>
Safety and soundness	<ul style="list-style-type: none"> <li>• If it is determined that the Recipient is or will be incapable of meeting its CMF Award obligations, the CDFI Fund will deem the Recipient to be ineligible or require it to improve safety and soundness conditions prior to entering into an Assistance Agreement.</li> </ul>

*C. Assistance Agreement:* Each Applicant that is selected to receive an award under this NOFA must enter into an Assistance Agreement with the CDFI Fund in order to become a Recipient and receive Payment. Each CMF Award under this NOFA generally will have a period of performance that begins with the announcement date of the Award and continues until the end of the period of affordability, as set forth at 12 CFR 1807.401(d) and 12 CFR 1807.402, and as further set forth in the Assistance Agreement.

1. The Assistance Agreement will set forth certain required terms and conditions of the CMF Award, which will include, but not be limited to:
  - (a) The amount of the award;
  - (b) The approved uses of the award;
  - (c) The approved Service Area in which the award may be used. Applicants selected for a CMF Award will be allowed to use up to 15% of the award amount outside of their approved Service Area at their discretion. Moreover, they will be able to reinvest Program Income from the CMF Award anywhere in the United States, including the U.S. territories.
  - (d) Performance goals and measures;

- (e) Reinvestment requirements for Program Income; and
- (f) Reporting requirements for all Recipients.

2. Prior to executing the Assistance Agreement, the CDFI Fund may, in its discretion, allow Recipients to request changes to the Service Area of the Award and certain performance goals and measures. The CDFI Fund, in its sole determination, may approve or reject these requested changes or propose other modifications, including a reduction in the Award amount. The CDFI Fund will only approve performance goals and measures or Service Area changes if it determines that such requested changes do not undermine the competitive process upon which the CMF Award determination was made. The CDFI Fund may also, in its discretion, provide Recipients the opportunity to add states to their Service Area in order to serve states not already covered in the Award pool and to further HERA's goal that the CMF serve geographically diverse areas of every state. The CDFI Fund may also, in its discretion, provide Recipients the opportunity to add states to its approved Service Area in order to serve geographies for which: (i) the President issued a "major disaster declaration," and (ii) the major disaster declaration makes such geographies eligible for both "individual and public assistance." The major disaster declaration must be made after the publication date of this NOFA and prior to the execution of the Recipient's Assistance Agreement. In these cases, the CDFI Fund may allow a Recipient to exceed the maximum 15 state Service Area, if applicable. Any modifications agreed upon prior to the execution of the Assistance Agreement will become a condition of the Award.

3. The Assistance Agreement shall provide that, prior to any determination by the CDFI Fund that a Recipient has failed to comply substantially with the Act, the CMF Interim Rule, or the environmental quality regulations, the CDFI Fund shall provide the Recipient with reasonable

notice and opportunity to be heard. If the Recipient fails to comply substantially with the Assistance Agreement, the CDFI Fund may:

- (a) Require changes in the performance goals set forth in the Assistance Agreement;
- (b) Reduce or terminate the CMF Award; or
- (c) Require repayment of any CMF Award that has been distributed to the Recipient.

4. The Assistance Agreement shall also provide that, if the CDFI Fund determines noncompliance with the terms and conditions of the Assistance Agreement on the part of the Recipient, the CDFI Fund may:

- (a) Bar the Recipient from reapplying for any assistance from the CDFI Fund; or
- (b) Take such other actions as the CDFI Fund deems appropriate or as set forth in the Assistance Agreement.

5. In addition to entering into an Assistance Agreement, each Applicant selected to receive a CMF Award must furnish to the CDFI Fund a certificate of good standing from the jurisdiction in which it was formed. The CDFI Fund may, in its sole discretion or in lieu of a certificate of good standing, also require the Applicant to furnish an opinion from its legal counsel, the content of which may be further specified in the Assistance Agreement, and which, among other matters, opines that:

- (a) The Recipient is duly formed and in good standing in the jurisdiction in which it was formed and the jurisdiction(s) in which it transacts business;
- (b) The Recipient has the authority to enter into the Assistance Agreement and undertake the activities that are specified therein;
- (c) The Recipient has no pending or threatened litigation that would materially affect its ability to enter into and carry out the activities specified in the Assistance Agreement;

(d) The Recipient is not in default of its articles of incorporation or formation, bylaws or operating agreements, other organizational or establishing documents, or any agreements with the Federal government;

(e) The CMF affordability restrictions that are to be imposed by deed restrictions, covenants running with the land, or other CDFI Fund approved mechanisms that are recordable and enforceable under the laws of the State and locality where the Recipient will undertake its CMF activities;

(f) If applicable, the Recipient is exempt from Federal Income taxation pursuant to the Internal Revenue Code of 1986; and

(g) If applicable, the Recipient is designated as a nonprofit or not for profit entity under the laws of the organization's State of formation.

6. Closing and Payment of the Award: Pursuant to the Assistance Agreement, there will be an initial closing at which point the Assistance Agreement and related documents will be properly executed and delivered, and a Payment of the CMF Award is made. Recipients of CMF FY 2021 Awards will have the option to choose Payment of the Award in a single, lump sum payment or in two payment tranches, each no more than one year apart, and as set forth in the Assistance Agreement. If the Applicant is electing to receive Payment in two tranches, the first Payment amount will be based on the Applicant's estimated amount of the Award that will be Committed in the first year, though the first Payment amount can be modified at the Recipients request prior to closing the Assistance Agreement. The date of Payment will affect the required date of Commitment of the Award, two years subsequent to each Payment, but will not affect or change any other performance goal or requirement set forth in the Assistance Agreement, including the

requirement that all Projects must achieve Project Completion within five years of the effective date of the Assistance Agreement.

Following the initial closing of the Assistance Agreement, there may be subsequent closings involving additional award Payments. Any documentation in addition to the Assistance Agreement that is connected with such subsequent closings and Payments shall be properly executed and timely delivered by the Recipient to the CDFI Fund.

*D. Paperwork Reduction Act:* Under the Paperwork Reduction Act (44 U.S.C. chapter 35), an agency may not conduct or sponsor a collection of information, and an individual is not required to respond to a collection of information, unless it displays a valid OMB control number. If applicable, the CDFI Fund may inform Applicants that they do not need to provide certain Application information otherwise required. Pursuant to the Paperwork Reduction Act, the Capital Magnet Fund Application has been assigned the following control number: 1559-0036.

*E. Reporting:* The CDFI Fund will require each Recipient that receives a CMF Award through this NOFA to account for and report to the CDFI Fund on the use of the CMF Award. This will require Recipients to establish administrative controls, subject to the Uniform Administrative Requirements and other applicable OMB guidance. The CDFI Fund will collect information from each such Recipient on its use of the CMF Award annually, following Payment and more often if deemed appropriate by the CDFI Fund in its sole discretion. The CDFI Fund will provide guidance to Recipients outlining the format and content of the information required to be provided to describe how the funds were used.

The CDFI Fund may collect information from each Recipient including, but not limited to, an annual report with the components listed in Table 8:

<b>Table 8-Reporting Requirements<sup>5</sup></b>
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<b>Criteria</b>	<b>Description</b>
<b>Single Audit (if applicable)</b>	A non-profit Recipient must complete an annual Single Audit pursuant to the Uniform Requirements (2 CFR 200.501) if it expends \$750,000 or more in Federal awards in its fiscal year, or such other dollar threshold established by OMB pursuant to 2 CFR 200.501. If a Single Audit is required, it must be submitted electronically to the Federal Audit Clearinghouse (FAC) (see 2 CFR Subpart F-Audit Requirements in the Uniform Requirements) and optionally through AMIS.
<b>Financial Statement Audit</b>	For-profit and nonprofit Recipients must submit a Financial Statement Audit (FSA) report in AMIS, along with the Recipient’s statement of financial condition audited or reviewed by an independent certified public accountant.
<b>Performance Report</b>	<p>The Recipient must submit a performance report not less than annually, which is a progress report on the Recipient’s use of the CMF Award towards meeting its performance goals, Affordable Housing outcomes, and the Recipient’s overall performance. The CMF Performance Report covers the Announcement Date through the Investment Period for the CMF Award and the ten-year Affordability Period for each Project. The Investment Period shall mean the period beginning with the Effective Date of the Assistance Agreement and ending not earlier than the fifth year anniversary of the Effective Date, or as otherwise established in the Assistance Agreement. The Affordability Period shall mean, for each Project, the period beginning on the date when the Project is placed into service and consisting of the full ten consecutive years thereafter, or as otherwise established in the Assistance Agreement.</p> <p>If the Recipient fails to meet a performance goal or reporting requirements, it must submit an explanation of noncompliance via AMIS.</p>
<b>Environmental Review</b>	The Recipient shall submit the Environmental Review Notification Report each time the Recipient identifies a new proposed CMF project for which (i) a categorical exclusion does not apply and/or (ii) the Recipient determines that the proposed project does involve actions that normally require an Environmental Impact Statement, as described in 12 CFR Part

	1815. The Environmental Review Notification Report must be submitted to the CDFI Fund no later than one hundred eighty (180) days prior to the date that the funds are Committed to a Project.
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<sup>5</sup> Personally Identifiable Information (PII) is information, which if lost, compromised, or disclosed without authorization, could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual. Although Applicants are required to enter addresses of homes and other properties in AMIS, Applicants should **not** include the following PII for the individuals who received the financial products or services in AMIS or in the supporting documentation (i.e. name of the individual, Social Security Number, driver’s license or state identification number, passport number, Alien Registration Number, etc.). **This information should be redacted from all supporting documentation (if applicable).**

Each Recipient is responsible for the timely and complete submission of the annual reporting documents. The CDFI Fund will use such information to monitor each Recipient’s compliance with the requirements set forth in the Assistance Agreement and to assess the impact of the CMF. The CDFI Fund reserves the right, in its sole discretion, to modify these reporting requirements if it determines it to be appropriate and necessary; however, such reporting requirements will be modified only after notice to Recipients.

*F. Financial Management and Accounting:* The CDFI Fund will require Recipients to maintain financial management and accounting systems that comply with Federal statutes, regulations, and the terms and conditions of the CMF Award. These systems must be sufficient to permit the preparation of reports required by general and program specific terms and conditions, including the tracing of funds to a level of expenditures adequate to establish that such funds have been used in accordance with the Federal statutes, regulations, and the terms and conditions of the CMF Award.

The cost principles used by Recipients must be consistent with Federal cost principles, must support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the CMF Award. In addition, the CDFI Fund will require Recipients to: maintain effective internal controls; comply with applicable statutes and

regulations, the Assistance Agreement, and related guidance; evaluate and monitor compliance; take action when not in compliance; and safeguard personally identifiable information.

## **VII. Agency Contacts**

*A. Availability:* The CDFI Fund will respond to questions and provide support concerning this NOFA and the Application between the hours of 9:00 a.m. and 5:00 p.m. ET, starting on the date of the publication of this NOFA until the close of business on the third business day preceding the Application deadline. The CDFI Fund will not respond to questions or provide support concerning the Application that are received after 5:00 p.m. ET on said date, until after the Application deadline. CDFI Fund IT support will be available until 5:00 p.m. ET on date of the Application deadline. Applications and other information regarding the CDFI Fund and its programs may be obtained from the CDFI Fund's website at <http://www.cdfifund.gov/cmfi>. The CDFI Fund will post on its website responses to questions of general applicability regarding the CMF.

B. The CDFI Fund’s contact information is listed in Table 9:

<b>Table 9-Contact Information</b>			
<b>Type of Question</b>	<b>Preferred Method</b>	<b>Telephone number (not toll free)</b>	<b>Email addresses</b>
CMF	Submit a Service Request in AMIS	202-653-0421	cmf@cdfi.treas.gov
CDFI Certification	Submit a Service Request in AMIS	202-653-0423	ccme@cdfi.treas.gov
Compliance Monitoring and Evaluation	Submit a Service Request in AMIS	202-653-0423	ccme@cdfi.treas.gov
Information Technology Support	Submit a Service Request in AMIS	202-653-0422	AMIS@cdfi.treas.gov

The preferred method of contact is to submit a Service Request within AMIS. For a CMF Application question, select “Capital Magnet Fund” for the program. For a CDFI Certification question, select “Certification.” For a Compliance question, select “Compliance & Reporting.” For Information Technology, select “Technical Issues.” Failure to select the appropriate program for the Service Request could result in delays in responding to your question.

C. *Communication with the CDFI Fund:* The CDFI Fund will use AMIS to communicate with Applicants and Recipients, using the contact information maintained in their respective AMIS accounts. Therefore, the Recipient and any Subsidiaries, signatories, and Affiliates must maintain accurate contact information (including contact persons and Authorized Representatives, email addresses, fax numbers, phone numbers, and office addresses) in its AMIS account(s). For more information about AMIS please see the Help documents posted at <https://amis.cdfifund.gov/s/Training>.

D. *Civil Rights and Diversity:* Any person who is eligible to receive benefits or services from the CDFI Fund or Recipients under any of its programs is entitled to those benefits or services without being subject to prohibited discrimination. The Department of the Treasury’s Office of Civil Rights and Diversity enforces various Federal statutes and regulations that prohibit

discrimination in financially assisted and conducted programs and activities of the CDFI Fund. If a person believes that s/he has been subjected to discrimination and/or reprisal because of membership in a protected group, s/he may file a complaint with: Associate Chief Human Capital Officer, Office of Civil Rights, and Diversity, 1500 Pennsylvania Ave, NW, Washington, DC 20220 or (202) 622-1160 (not a toll-free number).

*E. Statutory and National Policy Requirements:* The CDFI Fund will manage and administer the Federal award in a manner so as to ensure that Federal funding is expended and associated programs are implemented in full accordance with the U.S. Constitution, Federal Law, statutory, and public policy requirements: including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

#### **VIII. Other Information**

None

Authority: Pub. L. 110-289. 12 U.S.C. 4701, 12 CFR part 1805, 12 CFR part 1807, 12 CFR part 1815, 12 U.S.C. 4502.

Jodie L. Harris

Director, Community Development Financial Institutions Fund