



COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

UNITED STATES DEPARTMENT OF THE TREASURY

CDFI Fund • 601 Thirteenth Street, NW • Suite 200, South • Washington, DC 20005 • (202) 622-8662

FY 2010 Capital Magnet Fund Application

POST-CLEARANCE DRAFT



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OMB No.

CDFI-

Paperwork Reduction Act Notice

This submission requirements package is provided to Applicants for awards under the Capital Magnet Fund.. The estimated average burden associated with this collection of information is 50 hours per respondent, depending on individual circumstances. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Department of the Treasury, Community Development Financial Institutions Fund, 601 Thirteenth Street, N.W., Suite 200-South, Washington, DC 20005.

All materials are available on the CDFI Fund Website: www.cdfifund.gov.

Catalog of Federal Domestic Assistance Number:

FY 2010 CAPITAL MAGNET FUND

APPLICATION

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INTRODUCTION AND INSTRUCTIONS

NOTE: Capitalized terms (other than titles) are defined in the Notice of Funds Availability (NOFA) for the FY 2010 funding round. Certain terms used throughout the Application have meanings unique to the Capital Magnet Fund. Applicants should make sure that they are familiar with these meanings by consulting the NOFA.

CDFI Fund: Mission and Programs

The mission of the Community Development Financial Institutions Fund (the CDFI Fund) is to expand the capacity of financial institutions to serve populations and communities lacking adequate access to Financial Products and Financial Services. The CDFI Fund achieves its mission by directly investing in and supporting Community Development Financial Institutions (CDFIs), Community Development Entities (CDEs), and other financial institutions through the following programs and initiatives:

- CDFI Program (includes Financial Assistance (FA) and Technical Assistance (TA)).
- Bank Enterprise Award (BEA) Program.
- New Markets Tax Credit (NMTC) Program.
- Native Initiatives
- Financial Education and Counseling (FEC) Pilot Program
- Capital Magnet Fund (CMF)

Information on the CDFI Fund's programs can be found on the CDFI Fund's website at www.cdfifund.gov. From the home page, click on "What We Do" then "Information for Applicants." Click on the link for the various programs of interest.

Overview of the Capital Magnet Fund

Through the Capital Magnet Fund (CMF), the CDFI Fund will provide competitively awarded grants to CDFIs and qualified nonprofit housing organizations to finance Affordable Housing Activities and related Economic Development Activities or Community Service Facilities. CMF awardees will leverage their awards such that the CMF award funds are reasonably expected to result in eligible Affordable Housing Activities and related Economic Development Activities or Community Service Facilities, whose aggregate project costs total at least 10 times the CMF award amount. Capital Magnet Fund awards may be used for the following purposes:

- To provide Loan Loss Reserves;
- To capitalize a Revolving Loan Fund;
- To capitalize an Affordable Housing Fund;

- To capitalize a fund to support Economic Development Activities or Community Service Facilities;
- For Risk-Sharing Loans;
- For Loan Guarantees; and
- To support administrative expenses pertaining to the above activities, but only to the extent that no more than 5% of the award may be used for this purpose.

Requirements relating to the process for applying for these award dollars, the eligible use of award dollars, and awardee compliance are further outlined in the CMF FY10 Notice of Funding Availability (NOFA) and these Application materials. These documents are available at the CDFI Fund's website at www.cdfifund.gov.

Applicant Eligibility

At the time that an entity submits its Application, it must be a duly organized and validly existing legal entity under the laws of the applicable jurisdiction (including a Tribal jurisdiction), in which it is incorporated or otherwise established. Further, in order to be deemed eligible to apply for a CMF award, an organization must either: (1) be currently certified as a CDFI by the CDFI Fund; (2) have an application for CDFI certification pending with the CDFI Fund, provided such application was submitted on or before 30 days prior the date of publication of the 2010 CMF NOFA; or (3) be a Non-Profit Organization for which one of its principal purposes is the development or management of affordable housing.

All applicants (regardless of entity type) must demonstrate that they have operated as an ongoing concern for a period of at least three years prior to the Application due date.

In order to be deemed to be an eligible Non-Profit Organization, the organization must be able to demonstrate that:

- (a) It has been designated as a non-profit or not-for-profit entity under the laws of the organization's State of formation;
- (b) It is exempt from Federal income taxation pursuant to the Internal Revenue Code of 1986;
- (c) Its incorporating documents, mission statements or other board-approved documents evidence that the organization is involved in the development or management of affordable housing; and
- (d) At least 33 percent of its resources (i.e., budget or staffing) are dedicated to the development or management of affordable housing.

The CDFI Fund reserves the right to collect additional information from the Applicant in order to verify that it has satisfied these requirements.

NOTE: The Applicant entity must meet the eligibility requirements on its own behalf. While it may, for example, look to the activities of subsidiary entities that it Controls, it may not rely upon the track record of any other Affiliated entities, including its parent company.

Please refer to the FY 2010 Capital Magnet Fund NOFA for additional information regarding Application eligibility factors described above.

Application Submission Requirements

All Applicants must register User and Organization accounts in myCDFI Fund, the CDFI Fund’s Internet-based interface, and submit their Application materials through this interface. As the myCDFI Fund account is the CDFI Fund’s primary means of communication with Applicants and Awardees, organizations must make sure that they update the contact information in their myCDFI Fund accounts before the applicable Application deadline. For more information on myCDFI Fund accounts, please see the “Frequently Asked Questions” link posted at <https://www.cdfifund.gov/myCDFI/Help/Help.asp>.

Application Material Checklist

Table 1 - Application Checklist		
Application Component	Prepare In...	Submit via...
Standard Form (SF) 424	MyCDFI Fund Online Form	MyCDFI Fund upload under “Attachments”
Documentation of EIN	PDF	MyCDFI Fund upload under “Attachments”
Audited Financial Statement (most recent year)	PDF or MS Word	MyCDFI Fund upload under “Attachments”
Application Form (includes Proposal and Certifications)	PDF Form	MyCDFI Fund

The Applicant is required to complete and submit, through its myCDFI Fund account, all documents listed above by 5:00 p.m. EST on April 8, 2010.

Applications submitted to the CDFI Fund in any form or fashion other than through the process described above will be deemed ineligible for consideration.

The CDFI Fund will only consider information contained in documents listed in Table 1 – Application Material Checklist in its review of an Application. It will not consider attachments that have not been specifically requested (such as organizational strategic plans, marketing plans, or letters of support).

NOTE: MyCDFI Fund is the primary vehicle through which the CDFI Fund communicates with its constituent awardees and applicants. It allows users to update contact information, including address and e-mails as staff changes occur. Data submitted through MyCDFI Fund do not automatically create a MyCDFI Fund account for Applicants. Applicants must establish a personal and organization account by clicking on the link that reads “Log onto MyCDFI Fund” from the CDFI Fund’s website, www.cdfifund.gov. All Application decisions are communicated through e-mails established in the MyCDFI Fund accounts. Because an Applicant will be notified via e-mail, it is essential that the e-mail addresses identified in the SF 424 and Signature page documents are the same as the ones provided in the MyCDFI Fund account. If an Applicant’s e-mail system has a spam blocker function, please ensure that the CDFI Fund’s main e-mail addresses (cdfihelp@cdfi.treas.gov, cme@cdfi.treas.gov) are listed as acceptable sources. **Otherwise, the award notification e-mail may not be received.**

TIP Do not wait until the last minute to obtain a DUNS or EIN documentation. The CDFI Fund strongly encourages Applicants to allow sufficient time to obtain the necessary numbers or documentation.

Application Form

The Application Form is a fillable PDF form made up of the following components:

Application Sections
Part I: Applicant Information and Eligibility Questionnaire
Part II: Capital Magnet Fund Proposal
Executive Summary
Business Strategy
Leveraging Strategy
Community Impact
Organizational Capacity
Part III: Certifications and Assurances

The Applicant will use the specified fillable Adobe pdf form provided in the Application documents available from MyCDFI Fund to respond to all questions. All

tables required to complement and supplement the narrative are detailed within each section of the Capital Magnet Fund Proposal. Make sure all the charts completed appropriately. Applicants are encouraged to pay close attention each section’s instructions, each question, as well as every Tip.

An Applicant will be able to submit the narrative document even if there are no responses to the questions or the responses are incomplete. However, the lack of information will impact the way that reviewers score the Application. If the CDFI Fund determines that there is insufficient information in the narrative section to evaluate the Application, it will not forward the Application for review. No Applicant will be provided an opportunity to supplement the narrative document.

Each Capital Magnet Fund Proposal question has character limitations. The application template will not permit applicants to submit responses longer than the specified character limitation contained in the question.

TIP The Proposal must be written from the Applicant’s perspective. An Applicant may reference the activities of its Affiliates (such as a parent organization) to the extent they are relevant to the Applicant’s ability to carry out its proposed plan.

In certain cases, the CDFI Fund will allow a limited window of two (2) business days to submit missing attachments or certifications including a missing Environmental Review Form. This grace period does not include the Applicant Information and Eligibility Questionnaire or the Capital Magnet Fund Proposal.

Contacting the CDFI Fund

The CDFI Fund will respond to questions between the hours of 9:00 a.m. and 5:00 p.m. ET, through April 6, 2010. The CDFI Fund will not respond to phone calls or e-mail inquiries received after 5:00 p.m. ET on said date, until after the funding Application deadline. NOTE: These are not toll-free numbers.

Table 2 - CDFI Fund Contact List			
Main Office:	(202) 622-8662 (202) 622-7754 (fax)	www.cdfifund.gov	General inquiries; phone numbers for individual CDFI Fund staff; access to MyCDFI Fund and program webpage.
Program Support:	(202) 622-6355	cdfihelp@cdfi.treas.gov	CMF Application questions, how to complete tables, certification.
Compliance and Monitoring Support	(202) 622-6330 (202) 622-7754 (fax)	cme@cdfi.treas.gov	Status of compliance with other CDFI Fund awards including outstanding reports.
IT Support	(202) 622-2455	ithelpdesk@cdfi.treas.gov	Registering and creating accounts on MyCDFI Fund.
Legal Support	If you have any questions or matters that you believe require response by the CDFI Fund’s Office of Legal Counsel, please refer to the document titled “How to Request a Legal Review, “found on the CDFI Fund’s web site at www.cdfifund.gov.		

Additional Information To Be Found in the NOFA & Proposed Regulations

Please be aware that the FY 2010 Capital Magnet Fund NOFA and Proposed Regulations contain additional information not contained in this Application. The CDFI Fund strongly encourages all potential applicants to thoroughly review the NOFA and regulations before beginning their Application.

PART I: APPLICANT INFORMATION AND ELIGIBILITY QUESTIONNAIRE

1. Organization Information:

(a) Organization Name: _____

Mailing Address:

(b) Street 1: _____

(c) Street 2: _____

(d) City: _____

(e) State: _____

(f) Zip Code (nine-digits) : _____

(g) Applicant Employer Identification Number (EIN):

(h) Applicant DUNS Number: _____

(i) Applicant's date of incorporation or formation (month/year): _____

NOTE: As specified in the FY 2010 CMF NOFA, only Applicants that have been in operation for at least three years prior to the Application due date are eligible to apply for funding. [In order to be deemed eligible to apply for a CMF award in the FY10 round, the Applicant must have been in existence as a legal entity since at least April 8, 2007.](#)

(j) Applicant's fiscal year end (month): _____

(k) Applicant's total assets as of the date of this Application: \$ _____

2. Authorized Representative Information:

(a) First Name: _____

(b) Last Name: _____

(c) Title: _____

(d) Email: _____

(e) Phone: _____

(f) Fax: _____

Mailing Address:

(g) Street: _____

(h) City: _____

(i) State: _____

(j) Zip Code (nine-digits): _____

3. **Contact Person Information** (if different from Authorized Representative):

- (a) First Name: _____
- (b) Last Name: _____
- (c) Title: _____
- (d) Email: _____
- (e) Phone: _____
- (f) Fax: _____

Mailing Address:

- (g) Street: _____
- (h) City: _____
- (i) State: _____
- (j) Zip Code (nine-digits): _____

4. **Complete an Applicant Profile** (which will be made public in the event the Applicant is selected to receive an award). Be sure to include the Applicant's name, the year the organization was established, the proposed products and services offered, and the target geographies served. Please follow the sample template below:

Sample Profile Template:
 Affordable Housing Fund (AHF) is a certified CDFI established in 1973. AHF provides loans to affordable housing developers in Washington, DC. It will use its 2010 CMF award to capitalize a loan fund which supports construction loans for mixed-income, multi-family housing projects located in areas of high housing need. AHF will ensure that at least 75% of the units developed with the CMF award are targeted towards low-income persons, and that at least 40% are targeted towards very-low income households. AHF will also use 20% of its award dollars to help finance child-care centers on-site at its affordable housing developments.

5. **Applicant Eligibility Criterion**

(a) Type of Organization (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> CDFI | <input type="checkbox"/> Government-Controlled Entity |
| <input type="checkbox"/> Non-profit Organization | <input type="checkbox"/> Faith-Based Institution |
| <input type="checkbox"/> For-Profit Organization | <input type="checkbox"/> Minority-Owned or Controlled |
| <input type="checkbox"/> Public Housing Authority (PHA) | <input type="checkbox"/> Tribal Entity |
| <input type="checkbox"/> State Housing Finance Agency (HFA) | <input type="checkbox"/> Credit Union |
| <input type="checkbox"/> HUD-certified Community Housing Development Organization (CHDO) | <input type="checkbox"/> Thrift or Bank |
| | <input type="checkbox"/> Bank Holding Company |

___ USDA Section 523 Grant Recipient
(Current Awardee)

NOTE: As specified in the FY 2010 CMF NOFA, an Applicant must be certified as a CDFI; have an application for CDFI certification pending with the CDFI Fund; or else meet the criteria of an eligible Non-Profit Organization. In order to be deemed an eligible Non-Profit Organization, an entity will be required to demonstrate that: (i) it has been designated as a non-profit or not-for-profit entity under the laws of the organization’s State of formation; (ii) its is exempt from Federal income taxation pursuant to the Internal Revenue Code of 1986; (iii) its has articles of incorporation, mission statements or other board-approved documents demonstrating that it undertakes, as one of its principal purposes, the development or management of affordable housing; and (iv) at least 33 percent of its resources (either staffing or budget) is dedicated to the development or management of affordable housing. The CDFI Fund reserves the right to collect additional information (e.g., articles of incorporation; charter information; audited financial statements; Agency documentation) to verify that the Applicant is properly classified as satisfying the necessary requirements.

(b) Does the Applicant have any Affiliates that are applying for a FY 2010 CMF Award?

(check one): ___ Yes ___ No

NOTE: The answer to question 3 must be “No.” An Applicant and its Affiliates may collectively submit only one Application under this CMF round. If separate Applications are received from multiple Affiliated entities, the CDFI Fund reserves the right to reject all such Applications. For purposes of this requirement, in addition to assessing whether Applicants are Affiliates or Subsidiaries, the CDFI Fund will consider whether Applicants constitute a common enterprise. A common enterprise may exist: (i) where the activities described in Applications submitted by separate entities are, or will be, operated and/or managed such that, in fact or effect, they may be viewed as a single entity; (ii) where the Applications submitted by separate entities contain significant narrative, textual or other similarities; or (iii) where the strategies and/or activities described in Applications submitted by separate entities are so closely related, in fact or effect, they may be viewed as substantially identical Applications. In such cases, the CDFI Fund reserves the right to reject all Applications received from such entities, to select a single Application as the only one that will be considered for an award, and/or, in the event that an Application is selected to receive an award, to deem certain activities ineligible.

(c) Identify the type of service area that the Applicant will serve with this Award:

- ___ National service area
- ___ Multi-state service area
- ___ Statewide (or territory-wide) service area
- ___

Local service area (e.g., neighborhoods, cities, a county or contiguous counties, or metropolitan areas) within a state or territory

NOTE: An Applicant serving a metropolitan area that crosses multiple states (e.g., the Los Angeles or Philadelphia metropolitan areas) should check "Multi-state service area."

(d) Identify the particular geographical areas that the Applicant will serve with this Award. An Applicant that is serving a national service area must identify the seven states with the largest amount of projected activities:

State(s): _____

County(ies): _____

6. Requested Award Amount and Anticipated Activities:

(a) Total dollar amount of award requested in this Application: \$

TIP: Applicants are encouraged to request an amount for which they believe can be used to finance activities with total costs at least 10 times greater than award amount; and which they believe can be committed within two years of award and fully expended (and projects placed in service) within five years of the Assistance Agreement. The maximum amount an Applicant can request under the FY 2010 funding round is \$12 million. However, the CDFI Fund reserves the right to make awards smaller than this amount. In **Question #15**, the Applicant will be permitted the opportunity to describe the minimum award amount that it would accept, in the event that the CDFI Fund were to award less than the full amount.

(b) Please estimate the percentage of the CMF award dollars (including leveraged funds) that will be directed towards each of the following types of activities (numbers should add up to 100%):

- ___ Single Family Housing (new construction)
- ___ Single Family Housing (rehabilitation)
- ___ Single Family Housing (mortgage finance, refinance)
- ___ Multifamily Housing (new construction)
- ___ Multifamily Housing (rehabilitation)
- ___ Multifamily Housing (preservation)
- ___ Other (please identify): _____

(c) Please estimate the percentage of CMF award dollars (including leveraged funds) that will be used for each of the following types of financing (numbers should add up to 100%):

- ___ Pre-Development
- ___ Acquisition and Site Development
- ___ Construction
- ___ Bridge Loans or similar
- ___ Permanent Finance (1st Lien)
- ___ Permanent Finance (2st Lien or similar)
- ___ Refinance
- ___ Loan Guarantee/Credit Enhancement
- ___ Secondary Market Purchase

(d) Please estimate the percentage of CMF award dollars (including leveraged funds) that will be used for each of the following eligible uses (numbers should add up to 100%):

- ___ To Provide Loan Loss Reserves
- ___ To Capitalize a Revolving Loan Fund
- ___ To Capitalize an Affordable Housing Fund
- ___ For Risk Sharing Loans
- ___ For Loan Guarantees
- ___ To Capitalize a Fund to Support Economic Development Activities or Community Service Facilities
- ___ For Operations

7. Estimate the number of hours required to complete the entire Application package: _____ hours

NOTE: For the purpose of estimating hours, Applicants should focus only on the amount of time it took to complete the questions asked in the Application materials. Other activities that are carried out in the normal course of business and are only indirectly related to the completion of this Application (e.g., developing a business strategy or marketing plan; etc.) should not be included in this estimation.

PART II: CAPITAL MAGNET FUND PROPOSAL

EXECUTIVE SUMMARY

This section will not be scored.

Narrative

8. **Executive Summary:** Summarize the key elements of the CMF Proposal, including:
 - The amount of the CMF Award request;
 - The strategy for leveraging the CMF Award, and the amount of Eligible Project Costs that the applicant anticipated that it will be able to finance with the award;
 - Proposed uses of the CMF Award;
 - Primary markets or populations that will be served;
 - Key products and services that will be offered; and
 - Anticipated outcomes in the community

BUSINESS STRATEGY

25 points

The CDFI Fund will evaluate the Applicant's business strategy for its ability to achieve CMF goals. The Applicants will generally be scored more favorably to the extent to which it: proposes activities that are consistent with the Applicant's track record; utilizes the CMF Award to provide products better than those on the market; and illustrates a viable and high-quality pipeline of potential activities.

Tables

- Table A (Activities)
- Table B (Production)

Narrative

9. **Proposed Activities:** Complete Table A and Table B. Describe what the Applicant will finance with an Award and the funds it will raise. Specifically:
- Describe the types of housing activities, or housing-related activities, in which the Applicant intends to engage (e.g., multifamily construction or rehabilitation; single family mortgage financing; single family acquisition and rehabilitation; development of child care facilities; etc.).
 - Describe the financing tools that the applicant intends to use (e.g., a revolving loan fund; an affordable housing fund or economic development fund; loan loss reserves; risk sharing loans; loan guarantees), and when the financing will be provided (e.g., pre-development; construction; take-out financing; permanent financing; re-financing of an existing loan; etc.).
 - Describe the specific debt or equity products that will be offered by the Applicant, including: the dollar range, rates and terms of these offerings; and the extent to which the Applicant will be able to use its CMF award to offer better products than would otherwise be available (e.g., more favorable interest rates; flexible underwriting criteria, nontraditional forms of collateral, low down payment requirements, closing cost assistance, etc.).

TIP: No more than 30% of the CMF Award may be used in support of Economic Development Activities and Community Service Facilities. In addition, costs attributable to units of housing that are not affordable to persons making less than 120% of area median income cannot be financed by the CMF Award or counted toward Eligible Project Costs.

10. **Track Record:** Describe the Applicant's track record of financing each type of activity it intends to pursue with its CMF award, including the communities and populations that it has traditionally served, and the impacts that it has achieved.

11. **Pipeline of Activities:** Provide a narrative description of the Applicant's proposed activities, including:
- The information or data used to develop the activity projections (e.g., historical levels of activity; letters of interest from borrowers; current referrals);
 - The number and dollar amount of transactions that have already been identified, for which underwriting is completed or underway;
 - Of those underway please describe a sample of transactions (up to three) that can reasonably be expected to close within 24 months. Provide the amount of CMF financing and total activity or project costs. Provide the status of the activity, including the status of total financing; and
 - The Applicant's strategy for identifying potential borrowers, investees or activities, including the extent to which the Applicant has utilized or will be utilizing community alliances or strategic partners (including banks, credit unions, CDFIs, local governmental or tribal agencies, etc.) to identify activities.
 - If the Applicant is proposing a significant increase in activities over what it has historically provided, be sure to describe why this increase is anticipated to occur (e.g., a larger number of activities will be financed; larger investments will be made into a similar number of activities; etc.).

LEVERAGING STRATEGY

25 points

The CDFI Fund will evaluate the Applicant's ability to leverage CMF award funding. The Applicant will generally be scored more favorably to the extent to which it: commits to financing projects with Eligible Project Costs significantly higher than the dollar amount of the CMF award; utilizes strategies for leveraging funds at the Investment Level (Pre-Investment Stage and Reinvestments), as opposed to solely at the Project Level; utilizes the CMF Award to raise private capital; and provides financing that represents a significant proportion of the total costs of each activity or otherwise plays a critical role in project financing.

Tables

None

Narrative

TIP: For compliance monitoring purposes, the CDFI Fund will be evaluating the size of the CMF Award as compared with the Eligible Project Costs (which includes the CMF Award amount and the resulting Leveraged Costs). For example, if an Applicant requests an award of \$5 million and commits to financing Eligible Project Costs totaling at least \$75 million, then it will have committed to a 15 times leveraging multiplier.

Each Awardee that uses CMF funding to support Affordable Housing Activities shall ensure that:

- (1) 100% of Eligible Project Costs are attributable to housing units that meet the CMF affordability qualifications for families whose annual income does not exceed 120% of area median family income.
- (2) Greater than 50% of Eligible Project Costs are attributable to housing units that meet CMF affordability qualifications for Extremely Low-Low, Very Low-, and Low-Income Families.
- (3) No funds used for awardee Operations are reported as leverage; and
- (4) At least 20% of all units (regardless of their affordability status or source of funding) in any multi-family rental project funded in part or in whole with CMF funding must meet CMF affordability qualifications for Extremely Low-Low, Very Low-, or Low-Income Families.

12. Leveraging Chart: Quantify the Applicant’s model for using a Capital Magnet Fund Award to achieve leverage in its activities.

In the space provided below, indicate the total amount of capital that the Applicant anticipates it will be able to secure under each type of leveraging strategy, expressed in terms of total dollars.

The Pre-Investment Stage includes all funds raised prior to investment in projects, and includes the CMF Award (minus any Operations costs).

The Reinvestments Strategy includes funds that are revolved after the original investment and invested in eligible activities that are completed within 5 years of the Allocation Agreement. The amount is not inclusive of any funds counted toward the Pre-Investment Stage. If the Applicant does not anticipate revolving funds, the amount should be zero.

The Project Level Strategy includes total Eligible Project Costs for all projected activities. This amount is what is used to calculate the Total Combined Leveraging Projection.

Strategy	Amount	Multiplier
a. Pre-Investment Stage	\$ _____	Auto-calculated
b. Reinvestments	\$ _____	Auto-calculated
c. Investment Level Subtotal	Auto-calculated	Auto-calculated
d. Project Level (cost)	\$ _____	Auto-calculated
e. Total Leveraging Projection		Auto-calculated

Indicate the minimum combined leveraging multiplier that the Applicant will commit to achieving if it were to receive a CMF Award.

f. Minimum Leveraging Commitment	\$ _____	Auto-calculated
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TIPS: It is extremely important that the Applicant consult the CMF Application Q&A document regarding the meaning of and calculation for each strategy. In general, the higher the leverage amount the Applicant commits to achieve, the higher the Applicant will likely be scored. However, the number itself will not be the sole determining factor. The CDFI Fund will also consider the extent to which there is a mix of leveraging strategies. For example, an Applicant that provides all of its leveraging at the project level (e.g., by providing pre-development grants) will not be scored as favorably as an Applicant which achieves leveraging at the Investment Level (Pre-Investment Stage and Reinvestments) as well as the Project Level.

The Applicant will be required to satisfy the minimum threshold indicated in (f) as part of its Assistance Agreement with the CDFI Fund.

13. **Leveraging Narrative:** Describe the methodology and status for achieving the leveraging approach described above. Discuss whether other sources of capital have been identified, are projected, or are committed. Be sure to address the following means of achieving leverage:
- For the Pre-Investment Stage strategy, indicate how the CMF Award will be used to attract third-party capital; the total amount of funds that are expected to be leveraged from the CMF Award; the current status of the Applicant's efforts to secure the leveraged funds (i.e. in-hand, committed, speculative), including the names of those third-party investors (if not confidential); the timeline for raising the third-party capital; and the Applicant's prior relevant experience in raising funds in this manner.
 - For Reinvestment strategy, indicate the Applicant's strategy for re-investing the CMF Award; the timeline for such reinvestments; and the Applicant's prior experience in reinvesting funds in this manner.
 - For Project Level strategy, indicate the minimum and maximum size of investments the Applicant will make in a single project or activity (both in terms of total dollars and as a percentage of total projected Eligible Project Costs); the anticipated average size of investments across the applicant's total portfolio of activities (both in terms of total dollars and as a percentage of total projected Eligible Project Costs); the status of other funding sources; and the applicant's prior relevant experience in leveraging funds in this manner.
14. **Need for Award:** Describe why a Capital Magnet Award is needed for the proposed Activities.
- Explain why the proposed projects or activities could not be undertaken without a Capital Magnet Award.
 - Describe efforts that the Applicant has undertaken, or will undertake, to attract private sector capital in support of its activities - either at the pre-investment stage, or at the project level.

TIP: Applicants that can generate leveraged investments through private capital, as opposed to just through other government supported contributions, will be scored more favorably.

15. Minimum Award Amount

- a. Is there an absolute minimum amount below which the Applicant would be unwilling to accept a CMF Award?
 Yes No
- b. If yes, provide the amount \$ _____
- c. If yes, describe how this amount was determined. Be sure to address why the Applicant could not administer a smaller award.

TIP: The answers to **Question #15** will not affect the scoring of the Application. At the conclusion of the Fund's review process, if the Applicant is recommended to receive less than the minimum amount identified in **Question #15(b)**, the Fund will not provide a CMF Award to the Applicant. An Applicant with a high minimum request will need to demonstrate that it can raise and deploy the capital requested in a timely manner; that it will likely achieve its proposed impacts; and that it could not successfully implement its business strategy without this minimum award amount.

16. Minimum Investment Commitment

- a. Is the Applicant willing to commit that the CMF Award funding will constitute, at a minimum, 5% of the total costs of each CMF activity?
 Yes No
- b. If no, explain how the Applicant's contribution to the activities it finances will play significant role in the activity.

TIP: The Applicant will be required to satisfy this obligation as part of its Assistance Agreement with the CDFI Fund.

COMMUNITY IMPACT

25 points

The CDFI Fund will review the extent to which the Applicant's strategy will have positive community development and economic impacts. The Applicant will generally be scored more favorably to the extent to which it: commits to reaching targeted areas and populations; works to reduce concentrations of poverty and coordinates its activities local plans; and achieves community benefits through clear strategies that are consistent with its track record.

Tables

None

Narrative

17. **Communities Served:** Describe the persons and communities that the Applicant intends to serve, as well as its track record of providing affordable housing or related community development activities in the geographies and to the populations. Discuss the nature and extent of housing need among these communities. Address the extent to which the Applicant will focus on; (i) Low-Income Communities; (ii) communities of High Housing Needs; or (iii) Low-Income, Very-Low Income, or Extremely Low-Income Families.

TIP: High Housing Need is defined by census tracts that have a score of at least 18 (out of 20) on the vacancy index or foreclosure index in HUD's Neighborhood Stabilization Data. For more information on High Housing Need, see the FY2010 CMF Application Question and Answer document as well as the list of High Housing Need census tracts on the CDFI Fund's website.

18. **Housing Need:** Of the total dollar amount of financing provided to the Applicant through its CMF award, indicate the percentage of dollars that the Applicant **will commit to finance units of housing which are:**
- ___% Located in communities of High Housing Need
 - ___% Available and affordable to Low-Income Families (50-80% AMI)
 - ___% Available and affordable to Very Low-Income Families (30-50% AMI)
 - ___% Available and affordable to Extremely Low-Income Families (less than 30% AMI)
- Note: Subparts (b), (c), and (d) are mutually exclusive; they cannot add up to more than 100%.

TIP: The Applicant will be required to satisfy these obligations as part of its Assistance Agreement with the CDFI Fund. Note that greater than 50% of the total Eligible Project Costs must be attributable to housing units that meet the CMF affordability qualifications for Low-Income, Very Low-Income, or Extremely Low-Income Families. Generally an Applicant will score better to the extent that it commits to serving lower-income families **or** high housing need areas. It need not commit to both to receive highest consideration. For example, an organization that proposes to provide mortgage financing in areas of high housing need could score as well as an organization that proposes to serve extremely low-income families.

19. **Housing Outcomes:** Describe how the Applicant will work to: (i) ensure that housing funded by CMF awards exists in mixed-income developments or communities; (ii) reduce geographic concentrations of poverty; and (iii) ensure that any residents dislocated from housing as a result of the Applicant’s activities are provided with alternative housing solutions.

20. **Activities Coordinated With Local Plans:**

a. Describe how the Applicant will ensure that its activities are part of a Concerted Strategy.

b. **Concerted Strategy Commitment:** Will the Applicant commit that all multi-family Affordable Housing Activities, Economic Development Activities and/or Community Service Facilities financed with the CMF Award will be certified by a government agency, HOME participating jurisdiction or other relevant entity as being part of a Concerted Strategy?

Yes No

Not Applicable (Applicant will only be financing single-family initiatives).

TIP: The Applicant will be required to satisfy this obligation as part of its Assistance Agreement with the CDFI Fund.

21. **Additional Community Impacts:**

a. Check all additional community impacts the Applicant intends to achieve (check all that apply):

1. Utilize housing activities to stabilize neighborhoods by targeting foreclosed or vacant homes
2. Require project or activity sponsors to support living wage jobs or prevailing wage rates
3. Provide economic opportunities for Extremely Low-, Very Low-

- or Low-Income residents in connection with jobs or activities in their neighborhood
- 4. Require project or activity sponsors to use minority or women-owned contractors or subcontractors
- 5. Support transit-oriented development or other smart-growth principals
- 6. Adhere to principals of sustainable environmental design and development, such as those established through LEED certification.
- 7. Support Community Development Activities that provide valuable goods or services to residents of Low-Income Communities
- 8. Other (explain below)

b. For each item checked above, describe the Applicant’s experience achieving the particular community impact with its CMF funding.

22. Economic Development Activities and Community Service Facilities: To the extent the Applicant intends to use any of its CMF award to finance Economic Development Activities or Community Service Facilities, describe: (i) the types of activities that will be financed; (ii) how these activities will be coordinated with Affordable Housing activities; (iii) how these activities implement a Concerted Strategy to stabilize or revitalize a Low-Income Area or Underserved Rural Area; (iv) the amount of CMF financing and role that the CMF Award will play in the overall facility or activity financing; and (v) the extent to which these activities will result in valuable goods or services to be made available to residents of the affordable housing activities, or other Low-Income Community residents.

23. Non-Metropolitan Areas:

TIP: The answers to **Question #23** will not affect the scoring of the Application.

Indicate the minimum and maximum percentage of investments that the Applicant is willing to commit to deploy in Non-Metropolitan Areas:

- a. % minimum investment in Non-Metropolitan Areas
- b. % maximum investment in Non-Metropolitan Areas
- c. If the responses to Q.28 (a) or (b) are greater than zero percent, briefly describe the Applicant’s track record of serving Non-Metropolitan Areas. Be sure to indicate, both in real dollars and as a percentage of the Applicant’s overall activities, the amount of loans, investments or related activities the Applicant has undertaken in Non-Metropolitan Areas.

TIP: The CDFI Fund will use the information from Question# 22 (a)-(c) to help ensure that at least 20 percent of the total CMF Award funding is invested in Non-Metropolitan Areas. Applicants are required to provide two target estimates: the minimum percentage of dollars that they are likely to invest in Non-Metropolitan Areas (i.e., minimum commitment); and the maximum percentage that the Applicant is willing to commit to providing to Non-Metropolitan Areas (i.e., maximum commitment). At the discretion of the CDFI Fund, the Applicant may be required to deploy a percentage of its award at or above the minimum indicated, but not more than the maximum percentage indicated; and such requirement shall become a condition of its Assistance Agreement with the CDFI Fund.

Estimate the percentage of activities (by dollar amount of financing provided) that will be directed to each of the following markets:

- d. ___% Major urban areas (Counties in metropolitan area with a population equal to or greater than 1 million, including both central city and surrounding suburbs)
- e. ___% Minor Urban areas (Counties in metropolitan area with a population less than 1 million, including both central city and surrounding suburbs)
- f. ___% Non-Metropolitan Counties

ORGANIZATIONAL CAPACITY

25 points

The CDFI Fund will evaluate the Applicant’s capacity to achieve the objectives set forth in its CMF Proposal. The Applicant will generally be scored more favorably to the extent to which it: demonstrates that its staff, Board members and other personnel have the requisite skills and experience to administer the award and maintain compliance with its Assistance Agreement; involves low-income persons or low-income community representatives in its decision-making process; and demonstrates a strong portfolio and stable financial position.

Tables

- Table C (Key Personnel)
- Table D (Loan Portfolio Quality Chart)
- Table E (Financial Data Input Chart)

Narrative

24. **Management Team and Key Staff:** Describe the capacity, skills, and experience of the Applicant’s management team and key staff.
- Complete Table C (Key Personnel) for up to five persons (from the management team, the governing board, staff, consultants, or contractors) who are integral to implementation of the Applicant’s proposal.
 - Describe what roles these staff persons will play in support of your CMF award activities, and their time commitment (e.g., hours per week) with respect to carrying out these activities.
 - For any vacancies or new positions, describe the status of filling the position and the strategy for doing so, as well as the expected date of filling the position.
25. **Governing Board or Advisory Boards.** Describe the role of the governing board or any advisory boards in advising the Applicant’s strategy, identifying and approving investments, and/or overseeing the Applicant’s loan and/or investment portfolio; including the extent to which individuals representing low-income communities or low-income persons are involved in these activities.
26. **Previous Awards:**
- a. **Previous Award Chart** (if applicable): Complete the table below for all federal government awards that the Applicant and/or any Affiliates have received over the past three years.

Name of Award	Awarding Agency	Award \$ Amount	Award Date	Control Number (if applicable)

b. **Previous Award Narrative** (if applicable):

- Describe the extent to which the Applicant has been successful in administering these awards, including monitoring for housing affordability requirements, and how this will likely translate into success in administering the CMF Award. If the Applicant failed to meet a performance measure or financial requirement with respect to any award, describe what caused the failure and whether issues leading to the failure have been addressed or resolved.
- Discuss any other experience that the Applicant has in administering awards from other entities (e.g., state or local governments, foundations), particularly large monetary awards with substantial compliance requirements.

27. **Timelines:** Discuss the timelines for committing funding from the CMF Award and how these are feasible given the Applicant's track record and capacity. Include major milestones and key dates on which the timelines are contingent, keeping in mind that CMF Awards must be Committed for use within 2 years and the projects or facilities placed in service within 5 years from the date of execution of an Assistance Agreement with the CDFI Fund.

28. **Loan Portfolio:** Complete Table D (Loan Portfolio Quality Chart). Discuss the quality of the Applicant's loan portfolio. Explain any weaknesses, especially those related to delinquencies or net loan loss ratios and discuss how the applicant is trying to improve on those areas.

29. **Financial Health:** Complete Table E (Financial Data Input Chart). Have any of the Applicant's completed auditor reports within the past three years (or, if shorter, for the period from inception) indicated any of the following:

- a. Negative net income (or negative change in net assets)? Yes No
- b. An opinion other than qualified? Yes No
- c. A going-concern paragraph? Yes No
- d. Repeated findings of reportable conditions? Yes No
- e. Material weaknesses in internal control? Yes No
- f. If yes to any of the above, indicate the fiscal years of the occurrence and describe the circumstances and corrective action taken.

g. **Financial Health Narrative:**

- Has the Applicant ever filed for bankruptcy or otherwise defaulted on financial obligations to a third party? If yes, please explain the circumstances, indicate the fiscal year in which they occurred, and describe the corrective action being taken.
- Acknowledge any other areas of significant weakness in the Applicant's financial health and viability capacity and discuss how the applicant is trying to improve on those areas.

NOTE: The CDFI Fund reserves the right to contact other governmental organizations to review an Applicant's award status, and reserves the right to obtain additional audited financial statements from an Applicant to review its financial conditions, prior to making an award determination. Failure on the part of the Applicant to acknowledge issues related to the financial health of the organization in **Question #29** above or elsewhere in the application could result in the Application being dismissed in a subsequent stage of review, or in termination of an award.

PART III: FORMS AND CERTIFICATIONS

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ENVIRONMENTAL REVIEW FORM

Applicant Name: _____

The CDFI Fund’s environmental review requirements are set forth in 12 CFR Part 1815. The Applicant should review such regulations carefully before completing this section. In order to assure compliance with those regulations and other requirements related to the environment, the Applicant shall provide the following information:

	YES	NO
1. Are there any actions proposed in the Application that do not constitute a “categorical exclusion” as defined in 12 CFR 1815.110?	_____	_____
If YES, would any of these actions normally require an environmental impact statement (see 12 CFR 1815.109)?	_____	_____
2. Are there any activities proposed in the Application that involve:		
(a) Historical or archeological sites listed on the National Register of Historic Places or that may be eligible for such listing?	_____	_____
(b) Wilderness areas designated or proposed under the Wilderness Act?	_____	_____
(c) Wild or scenic rivers proposed or listed under the Wild and Scenic Rivers Act?	_____	_____
(d) Critical habitats of endangered or threatened species?	_____	_____
(e) Natural landmarks listed on the National Registry of Natural Landmarks?	_____	_____
(f) Coastal barrier resource systems?	_____	_____
(g) Coastal Zone Management Areas?	_____	_____
(h) Sole Source Aquifer Recharge Areas designated by EPA?	_____	_____
(i) Wetlands?	_____	_____
(j) Flood plains?	_____	_____
(k) Prime and unique farmland?	_____	_____
(l) Properties listed or under consideration for listing on the Environmental Protection Agency’s List of Violating Facilities?	_____	_____

**If YES to any of the above questions, attach a detailed description of each action, clearly identifying the category in which the action falls.

NOTIFICATION

As stated in 12 CFR 1815.105, if the CDFI Fund determines that the Application proposes actions which require an environmental assessment or an environmental impact statement, any approval and funding of the Application will be contingent upon:

1. The Applicant supplying to the CDFI Fund all information necessary for the CDFI Fund to perform or have performed any required environmental review;
2. The Applicant not using any CDFI Fund Financial Assistance to perform any of the proposed actions in the Application requiring an environmental review until approval is received from the CDFI Fund; and
3. The outcome of the required environmental review.

In addition, as stated in 12 CFR 1815.106, if the CDFI Fund determines that an Application, or any part thereof, is not sufficiently definite to perform a meaningful environmental review

prior to approval of the Application, final approval and funding of the Application shall require supplemental environmental review prior to the taking of any action directly using CDFI Fund Financial Assistance for any action that is not a categorical exclusion.

ASSURANCES AND CERTIFICATIONS

SIGNING THE CERTIFICATION ON THE SF 424 CERTIFIES THAT THE APPLICANT WILL COMPLY WITH THE ASSURANCES AND CERTIFICATIONS LISTED BELOW IF AN AWARD IS MADE. CERTAIN OF THESE ASSURANCES AND CERTIFICATIONS MAY NOT BE APPLICABLE TO THE APPLICANT. AN APPLICANT MAY NOT MODIFY ANY OF THE ASSURANCES AND CERTIFICATIONS.

A. Standard Form 424B: Assurances -- Non-Construction Programs

As the duly authorized representative of the Applicant, I certify that the Applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this Application.
2. Will give the Awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the Award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work (activities in Application) within the applicable time frame after receipt of approval of the Awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specifies in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 CFR 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L.88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C.1681-1683, 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C.794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C.6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L.91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) Sections 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C.3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which Application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statutes which may apply to the Application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply with the provisions of the Hatch Act (5 U.S.C.1501-1508 & 7324-7328) which limit the political activities of

- employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. 276a to 276a-7), the Copeland Act (40 U.S.C. 276c and 18 U.S.C. 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), regarding labor standards for federally assisted construction subagreements.
 10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
 11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L.91-190) and Executive Order 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451et seq.); (f) conformity of Federal actions to State Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L.93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L.93-205).
 12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
 13. Will assist the Awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
 14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this Award of assistance.
 15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this Award of assistance.
 16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
 17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984.
 18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

B. Additional Certifications

In addition to the assurances and certifications provided by the Applicant pursuant to OMB Standard Form 424B, the Applicant hereby assures and certifies that:

1. It is duly organized and validly existing under the laws of the jurisdiction in which it was incorporated or otherwise established, and is (or within 30 days will be) authorized to do business in any jurisdiction in which it proposes to undertake activities specified in this Application;
2. Its Board of Directors (or similar governing body) has by proper resolution or similar action authorized the filing of this Application, including all understandings and assurances contained herein, and directed and authorized the person identified as the authorized representative of the Applicant to act in connection with this Application and to provide such additional information as may be required;
3. It will comply with all applicable requirements of the Community Development Banking and Financial Institutions Act of 1994 (the Act) [12 U.S.C. 4701 et seq.], regulations implementing the Act and all other applicable Department of the Treasury regulations and implementing procedures (and any regulations or procedures which are later promulgated to supplement or replace them);

4. It will comply, as applicable and appropriate, with the requirements of OMB Circulars (e.g., A-110 and A-133) and any regulations and circulars which are later promulgated to supplement or replace them, including standards for fund control and accountability;
5. It has not knowingly and willfully made or used a document or writing containing any false, fictitious or fraudulent statement or entry as part of this Application or any related document, correspondence or communication. (The Applicant and its authorized representative should be aware that, under 18 U.S.C. 1001, whoever knowingly and willfully makes or uses such document or writing shall be fined or imprisoned for not more than five years, or both); and
6. The information in this Application, and in these assurances and certifications in support of the Application, is true and correct to the best of the Applicant's knowledge and belief and the filing of this Application has been duly authorized.

C. Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions: Instructions for Certification

1. By signing and submitting this Application, the prospective primary participant (the Applicant) is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in the denial of participation in this covered transaction. The prospective Applicant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the Fund's determination whether to enter into this transaction (approval and funding of the Application). However, failure of the Applicant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. This certification is a material representation of fact upon which reliance is placed when the Fund determines to enter into this transaction. If it is later determined that the Applicant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the Fund may terminate this transaction for cause or default.
4. The Applicant shall provide immediate written notice to the Fund if at any time the Applicant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transactions," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal", and "voluntarily excluded," as used in this clause (certification), have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the Fund for assistance in obtaining a copy of those regulations (31 CFR part 19).
6. The Applicant agrees by submitting this Application that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the Fund.
7. The Applicant further agrees by submitting this Application that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," to be provided by the Fund, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions (see 31 CFR part 19, Appendix B).
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a

participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the Fund may terminate this transaction for cause or default.

D. Certification Regarding Debarment, Suspension, and Other Responsibility Matters -- Primary Covered Transactions

1. The prospective primary participant (the Applicant) certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - (b) have not within a three-year period preceding this Application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) Have not within a three-year period preceding this Application had one or more public transactions (Federal, State or local) terminated for cause or default.
2. Where the Applicant is unable to certify to any of the statements in this certification, such Applicant shall attach an explanation to this proposal.

E. Certification Regarding Drug-Free Workplace Requirements

1. The Applicant certifies that it will provide a drug-free workplace by:

- (a) publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employee for violations of such prohibition;
- (b) establishing a drug-free awareness program to inform employees about:
 7. (i) the dangers of drug abuse in the workplace;
 8. (ii) the Applicant's policy of maintaining a drug-free workplace;
 9. (iii) any available drug counseling, rehabilitation, and employee assistance program;
 10. (iv) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace
11. making it a requirement that each employee to be engaged in the performance of the Award be given a copy of the statement required by subparagraph (a);
12. notifying the employee in the statement required by subparagraph (a) that, as a condition of employment in such grant, the employee will:
 13. (i) abide by the terms of the statement; and
 14. (ii) notify the employer of any criminal drug use statute conviction for a violation occurring in the workplace no later than five calendar days after such conviction;
15. notifying the granting agency in writing, within ten calendar days after receiving notice of a conviction under subparagraph (d) (ii) from an employee or otherwise receiving actual notice of such conviction;
16. taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(ii), with respect to any employee who is so convicted:
 17. (i) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 18. (ii) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency; and
- (c) making a good faith effort to continue to maintain a drug-free workplace through implementation of

subparagraphs (a), (b), (c), (d), (e), and (f).

penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

2. The Applicant may insert in the space provided below the site(s) for the performance of work (activities carried out by the Applicant) to be done in connection with the Award (Place of Performance (Street Address, City, County, State and zip Code)): Not Applicable

F. Certification Regarding Lobbying

1. The Applicant certifies, to the best of its knowledge and belief, that:
 - (d) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the Awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
 - (e) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Application, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying, " in accordance with its instructions; and
 - (f) The Applicant shall require that the language of this certification be included in the Award documents for all sub-awards of all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
2. This certification is a material representation of fact upon which reliance is placed when this transaction is made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil

501(C)(4) QUESTIONNAIRE

This questionnaire is necessary for the CDFI Fund to determine whether an Applicant with a 501(c)(4) designation from the IRS is eligible to receive an award from the Fund (see 2 U.S.C. 1601 et al). Please read all definitions before responding to the questions and continue to refer to such definitions in responding to this questionnaire. If the answer to any question is yes, please describe in detail the facts and circumstances, subject matter, date(s), names and titles of all individuals and their employers and their organizations on a separate sheet(s) of paper. The CDFI Fund reserves the right to seek follow-up responses from an Applicant. Failure to complete this questionnaire and, if applicable, respond timely to follow-up questions, will delay the Fund's processing of the Application, and may result in the disqualification of the Application from further consideration. After submitting responses to this questionnaire, the Applicant is under a continuing obligation to: (1) supplement its responses upon a change in circumstances; and (2) revise or modify its responses within 10 business days of having actual or constructive knowledge that the responses previously submitted and certified are no longer complete, accurate, or true. You may call the CDFI Fund's Office of Legal Counsel at (202) 622-8662 if you have any questions about this form.

Scope: The scope of this questionnaire is limited to activities on or after January 1, 1996.

Questions

1. Has any officer, employee, director, partner, proprietor, or board member contacted¹ a Covered Executive Branch Official² with regard to the formulation, modification, or adoption of Federal legislation (including legislative proposals)	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has any officer, employee, director, partner, proprietor, or board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of a Federal rule, regulation, Executive Order, or any other program, policy, or position of the United States Government?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the administration or execution of a Federal program or policy (including the negotiation, award, or administration or a Federal contract, grant, loan, permit, or license)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the nomination or confirmation of a person for a position subject to confirmation by the United States Senate?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Has any officer, employee, director, partner, proprietor, or Board member engaged in efforts supporting and coordinating the contact by others of a Covered Executive Branch Official including preparation and planning activities, research and other background work that was intended, at the time performed, for a purpose described in Questions 1-4?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of Federal legislation (including legislative proposals)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the formulation, modification, or adoption of a Federal rule, regulation, Executive Order, or any other program, policy, or position of the United States Government?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Has any officer employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the administration or execution of a Federal program or policy (including the negotiation, award, or administration of a Federal contract, grant, loan, permit, or license)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Has any officer, employee, director, partner, proprietor, or Board member contacted a Covered Executive Branch Official with regard to the nomination or confirmation of a person for a position subject to confirmation by the United States Senate?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Has any officer, employee, director, partner, proprietor, or Board member engaged in efforts supporting and coordinating the contact by others of a Covered Legislative Branch Official³ including preparation and planning activities, research and other background work that was intended, at the time performed, for a purpose described	<input type="checkbox"/> Yes <input type="checkbox"/> No

in Questions 6-9?

Signature

Signing the certification on SF 424 certifies that the answers to the 501(c)(4) Questionnaire and the written explanations attached thereto are true, accurate, and complete to the best of its information, knowledge, and belief and that, since January 1, 1996, the Applicant has not engaged in Lobbying Activities as defined in Section 3 (7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

¹“Contacted” means any oral or written communication including an electronic communication.

²“Covered executive branch official” means: (a) the President; (b) the Vice President; (c) any officer or employee, or any other individual functioning in the capacity of such an officer or employee, in the Executive Office of the President; (d) any officer or employee serving in an Executive Level I-V position, a “Schedule C” position, or any official in a Senior Executive Service position; (e) any member of the uniformed services serving at grade 0-7 or above; or (f) any officer or employee serving in a position of a confidential, policy-determining, policy-making, or policy-advocating character.

³“Covered legislative branch official” means: (a) a member of Congress; (b) an elected officer of either House of Congress; and (c) any employee of the House or Senate, including employees of Members, committees, leadership and working groups or caucuses organized to provide legislative services or other assistance to Members of Congress.