

Supporting Statement for the New Markets Tax Credit Program
Allocation Application (1559-0016)

A. Justification

1. Circumstances necessitating collection of information

Title I, subtitle C, section 121 of the Community Renewal Tax Relief Act of 2000 (the Act), as enacted by section 1(a)(7) of the Consolidated Appropriations Act, 2001 (Public Law No. 106-554, December 21, 2000), amended the Internal Revenue Code (IRC) by adding IRC Section 45D, New Markets Tax Credit. Pursuant to IRC section 45D, the Community Development Financial Institutions (CDFI) Fund implements the New Markets Tax Credit (NMTC) Program which will provide an incentive to investors in the form of a tax credit, which is expected to stimulate investment in private capital that, in turn, will facilitate economic and community development in low-income communities. In order to qualify for an allocation of tax credits under the NMTC Program an entity must be certified as a qualified community development entity and submit an allocation application to the CDFI Fund. Upon receipt of such applications, the CDFI Fund will conduct a competitive review process to evaluate applications for the receipt of NMTC allocations.

2. Method of collection and use of data

The data will be collected by voluntary submission of entities seeking tax credit allocations. The collected data will be used by the CDFI Fund to evaluate applicants based on specific criteria to select certain applicants for receipt of tax credit allocations.

3. Use of Information Technology

Applications will be made available on the CDFI Fund's website. The CDFI Fund will require that applicants submit allocation applications in an electronic format.

4. Efforts to identify duplication

The allocation application does not duplicate any other CDFI Fund or Federal program information-gathering tool.

5. Impact on small entities

This collection of information does not have a significant impact on small entities and it is voluntary.

6. Consequences of less frequent collection and obstacles to burden reduction

The CDFI Fund cannot provide tax credit allocations to CDEs and fulfill its statutory obligations without the submission of this application. The submission of the allocation application is voluntary.

7. Circumstances requiring special information collection

Not applicable.

8. Solicitation of comments on information collection

Pursuant to the notice and request for comments published in the Federal Register on January 14, 2014, at 79 FR 2509; the CDFI Fund has received thirteen sets of comments. Most of the comments propose changes to policy, requested changes to agency guidance other than the application form, require changes to Internal Revenue Service regulations or statute. Other matters were considered and either accepted or the agency decided not to take further action. Some policy matters or proposed changes to the application are being taken under advisement for further consideration and possible adoption in future versions of the application. A detailed break-down of the comments and decisions made as a result of evaluation is attached as Appendix 1.

The CDFI Fund is in the process of acquiring new data systems and will look for opportunities to reduce data collection burden through the enhanced capabilities of the software. For example, it may be possible to pre-populate forms to a greater extent.

9. Provision of payment to respondents

No payments or gifts will be made to respondents.

10. Assurance of confidentiality

The CDFI Fund is subject to all Federal regulations with respect to confidentiality of information provided by NMTC Program allocation applicants. No other assurances of confidentiality have been provided.

11. Justification of sensitive questions.

No personally identifiable information (PII) is collected.

12. Estimate of the hour burden of information collection.

The burden for this information collection is broken-down into categories of affected public with the total estimated burden of 81,722 hours. The same application (collection instrument) is used by both categories.

Affected Pubic	# Respondents	# Responses Per Respondent	Annual Responses	Hours Per Response	Total Hours
Private Sector	252	1	252	261	65,772
State, Local, & Tribal	58	1	58	275	15,950
Totals	310	1	310	264	81,722

13. Estimate of total annual cost burden to respondents

There are no cost burdens to respondents to this collection of data. No purchase of equipment or services will need to be made by respondents for this information collection other than as required as a part of customary and usual business practices.

14. Estimate of annualized cost to the Government

The cost to the Government is the CDFI Fund staff and contractor time required to review the submitted applications, maintain the electronic application system and collect follow-up information from applicants.

15. Any program changes or adjustments

The CDFI Fund has not made significant changes to the application such as eliminating questions and tables. Where it was deemed informative, the CDFI Fund provided clarifying instructions and “tips” to guide applicants.

The 264 burden hours per respondent is based on the responses to a burden question included in the 2013 application.

16. Plans for information tabulation and publication

Confidential or proprietary information collected through the allocation application will not be published.

17. Reasons for not displaying expiration date of OMB approval

The display of the OMB expiration date would cause confusion by respondents due to the limit duration of application period compared to the approved period of use of the forms, which would span multiple application rounds. It is requested not to display this expiration date.

18. Explanation of exceptions to certification statement

Not applicable.

B. Collections of Information Employing Statistical Methods

This section is not applicable.

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Appendix 1 – Details on comments and response

Commenter Name	Date Received	Comment Topic	Application Question Number	Comment Summary	Response	Additional Justification
Action housing Inc.	3/19/2014	General Program Comment	N/A	Provide additional emphasis on FCOS	No Action - FCOS is an authorized activity but not a requirement	
Enterprise	3/17/2014	General Program Comment	N/A	Ensure guidance is consistent across documents	No Action - Commenter did not provide any actual examples of inconsistency.	
Enterprise	3/17/2014	Application - Unnecessary Burden	Parts 3 and 4 of application	Consider stream-lining sections. Non-specific	No Action - Commenter did not provide any actionable examples excess data collection. Will revisit in 2015.	
Enterprise	3/17/2014	Application - Collect New or Different Information	Q.14	Restructure financial products question to allow for less redundancy and more logical discussion of products	No action this year, revisit in 2015.	This is under consideration by the staff but is not ready for deployment in this application.

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Enterprise	3/17/2014	Application - Collect New or Different Information	Table A4	Permit controlling entity data in this table even if applicant data is used in the other tables.	No action - Applicants are already able to use Controlling Entity data at their discretion.
Enterprise	3/17/2014	Application - Collect New or Different Information	Table D1	Collapse Table D-1 to combine real estate and non-real estate QALICBs	No Action - Break-out of table is useful in seeing the distribution of any financial issues into broad asset classes.
Enterprise	3/17/2014	Application - Unnecessary Burden	Table E1 and investment letters	Eliminate requirement to obtain and submit investment letters and associated table	Only applicants that are not prior awardees will be required to submit this information. Prior awardees will continue to be asked to provide information on source and amount of prior investments from the last five years.
Gary Gambrell	3/17/2014	General Program Comment	N/A	Include language in the allocation agreement clarifying the meaning of general consistency with the application, for compliance purposes	No Action - Comment not relevant to Application burden. Refers to post-award activities.

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Gary Gambrell	3/17/2014	General Program Comment	N/A	Providing an example of what the commenter considered an abusive practice, suggestion is made to "fix 3.3(h) of the allocation agreement and make it clear in various documents that abuses of the use of Allocation "will suffer severe consequences at the sole discretion of the Fund".	No Action - Comment not relevant to Application burden. Refers to post-award activities.	
Gary Gambrell	3/17/2014	Application - Request for Guidance	Q.14 and CCME FAQ	Additional guidance is requested to define and restrict how CDEs calculate market rate equivalents. Commenter essentially proposes calculation of an APR	No action at this time.	This issue should be tabled as it primarily has to do with CCME FAQ guidance and compliance measurement.
Gary Gambrell	3/17/2014	Application - Collect New or Different Information	Q.19	Require a "but for" test and define such a test	No action this year, revisit in 2015. Concerns about feasibility.	The proposal for a "but for" test would not only require a definition of the test but also require a speculative guess on the part of applicants. The commenter doesn't indicate what the CDFI Fund should do with information such as the percentage of investments that are made to projects that would not go forward "but for" NMTC. The preparation of economic studies would add underwriting expense and time to investment decisions. Plus there would be an implication that the CDFI Fund would enforce such an initiative through its own compliance and evaluation efforts. Resources do not exist to perform this function.

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Gary Gambrell	3/17/2014	Application - Collect New or Different Information	Q.19 or Q.44	Require applicants to indicate whether they intend to engage in one-day loan structures and cap use	No action at this time.	CDFI Fund, Office of Tax policy, and IRS are considering whether IRS regulations could and should be changed to curtail one-day loans.
Gary Gambrell	3/17/2014	Application - Request for Guidance	Q.34(e) and table D2	In Application Tip and FAQ, discourage requirement for pre-payment of fees. Reintroduce the requirement for fees paid by phase (front, on-going, exit) to be disclosed.	No action - this is a policy issue unrelated to burden of information collection in the current application.	The existing fee table requires all fees to be disclosed. A fee disclosure is now also required but isn't collected. Discouragement of pre-payment of fees will have little practical effect. CDEs may be less willing to invest in risky businesses if the risk of having cash to pay program-related expenses is shifted to the CDE.
Gary Gambrell	3/17/2014	Application - Request for Guidance	Q.34(e) and table D2	Additional guidance for reporting of exit fees and providing a scoring preference for a preference for increasing the % QLICs from QELs above 85%	Will revisit Q&A to ensure that guidance on exit fees is clear.	Believe that current guidance includes all fees. Fees will continue to be evaluated during Phase 2 of the evaluation process and will not be taken into consideration for ranking purposes. (This question was never considered as part of rank score.)
Gary Gambrell	3/17/2014	Application - Request for Guidance	Q.40	Prohibit fees paid by QALICB to be included as QLICs	No action - this is a policy decision with IRS implications. It's not relevant to the burden of the current Application.	While the commenter raises an important issue, the issue is governed most directly in IRS regs - specifically the substantially all test. The incentive to inflate the QLICI by taking fees after the QLICI is made should be reduced because the question will not be considered for minimum eligibility and fees are required to be disclosed regardless of whether the transfer is made before or after the QLICI.

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Gary Gambrell	3/17/2014	Application - Collect New or Different Information	Table D2	Require strict reporting of legal and accounting fees paid by QALICB and provide a preference for lower fees paid to these service providers out of the QEI	No Action - This information is already collected in the aggregate. Adding a distinct line item would be an undue burden.	This policy would create a bias in favor of large applicants that could afford to maintain in-house accounting and legal staff and thereby recharacterize legal and accounting fees as something else.
Housing Alliance of Pennsylvania	3/17/2014	Application - Request for Guidance	Q.13	Revise the Tip above Q.13 to include FCOS	Revise Tip above Q. 13 to include FCOS.	
Housing Alliance of Pennsylvania	3/17/2014	Application - Request for Guidance	Q.20(c)	Add FCOS to list of Innovative Activity examples	Rejected suggestion.	It was decided that FCOS would not be considered an innovation for purposes of the application.
Housing Alliance of Pennsylvania	3/17/2014	Application - Request for Guidance	Q.29	Add language that makes clear that CDEs can contract for FCOS	No action required - Additional guidance may be added to Q & A document. There will not be an application change made.	
Julia Sass Rubin	3/17/2014	Application - Collect New or Different Information	N/A	Require disclosure of state lobbying in support of proposed or enacted legislation that references Treasury, CDFI Fund, or the NMTC Program.	No Action - State lobbying activities aren't relevant to determining qualifications to participate in the federal program.	
Julia Sass Rubin	3/17/2014	Application - Collect New or Different Information	N/A	Require disclosure of contributions to intermediary organizations that lobby for state legislation or provide awards to state legislators for support of legislation that references Treasury, CDFI Fund, or the NMTC Program.	No Action - State lobbying activities aren't relevant to determining qualifications to participate in the federal program.	

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Julia Sass Rubin	3/17/2014	General Program Comment	N/A	Disqualify applicants for three years or recapture previous NMTC allocations made for making false statements etc. about role of Treasury in proposed state legislation.	No Action - Additional discussion will be had with legal staff about adding language to the Allocation Agreement.	
Julia Sass Rubin	3/17/2014	General Program Comment	N/A	The CDFI Fund should talk directly to multiple state officials to obtain promotional materials from applicants and testimony about lobbying	No Action - State lobbying activities aren't relevant to determining qualifications to participate in the federal program.	
Julia Sass Rubin	3/17/2014	Application - Collect New or Different Information	Q.25	Require key assumptions and methodology to support job creation and economic impact data and require reconciliations with any state reports	No action - Application already request information on methodology. Federal govt doesn't not have jurisdiction over state programs.	The tip in Q. 25 already includes an assumptions and methodology disclosure. CIIS is used to collect outcome data for NMTC investments that have been made.
Larry Jablonski	2/14/2014	Legislative Change	N/A	Change the NMTC Program so that every state received allocation based on a formula.	No Action - This is a policy decision that would require Congressional action.	
NMTC Coalition	3/17/2014	General Program Comment	N/A	Provide reviewer instructions to Applicants.	No Action - This does not impact overall burden of the Application. Currently the Application requires disclosure of all fees.	This would let people game the system.
NMTC Coalition	3/17/2014	General Program Comment	N/A	Pre-populate data for Applicant's that have applied in the past.	We will follow up with IT about this. It may not be capable given the current system. Certain items are prepopulated.	Additional opportunities to pre-populate forms may be possible upon implementation of new data systems as a part of AMIS.
NMTC Coalition	3/17/2014	Application - Collect New or Different Information	Part V	Ask about three most recent transactions in Q. 44 instead of 3 largest. Or let the CDEs pick three.	No action	

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NMTC Coalition	3/17/2014	Application - Collect New or Different Information	Q.20(b)	Commenter suggests this question disadvantages CDFIs and CDCs who have historically made riskier investments.	No action - Question 20(b) was clarified.	This question is not required.
NMTC Coalition	3/17/2014	Application - Request for Guidance	Q.20(c)	Provide guidance on how non-listed innovative activities will be evaluated.	Consider augmenting guidance in Application Q&A.	
NMTC Coalition	3/17/2014	Application - Collect New or Different Information	Q.24	Expand Areas of higher distress to include BRAC areas and community affected by manufacturing job losses	Rejected based on administerability concerns. Change would not increase areas eligible under the program.	
NMTC Coalition	3/17/2014	Application - Collect New or Different Information	Q.25	Add a bullet allowing applicants to discuss their investment into manufacturing businesses and operating businesses	No action - The insertion suggested by the commenter is not germane to community outcomes.	The impacts of these types of businesses already seemed to be covered in the Jobs categories. Will consider changes to application Q & A.
NMTC Coalition	3/17/2014	Application - Collect New or Different Information	Q.25(a)(6)	Add women and veteran owned businesses to minority businesses.	No action - This is a policy call. Will consider for 2015 which will allow for deeper feasibility analysis.	Comment is unrelated to burden.
NMTC Coalition	3/17/2014	Application - Request for Guidance	Q.25(b)	Add a Tip indicating that applicants who document their prior impacts be scored more favorably	Tip added.	Would not increase the burden of the current Application.
NMTC Coalition	3/17/2014	Application - Request for Guidance	Q.39	It's unclear whether Q. 39 looks only at the value of the tax credit equity or a benefit of the entire QEI. They recommend basing the distribution of benefit on the entire QEI.	Revisit Q. 39 for wording clarity. Will consider adding a question to the Application Q&A on clarifying the distribution of benefits.	

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NMTC Working Group	3/18/2014	General Program Comment	N/A	Asks CDFI Fund to publish clearer guidance on Phase I scoring in NOAA related to innovative activities, etc.	No Action - Guidance has already been issued on how this question is scored.	Publishing scoring weights related to certain criteria would result in groups gaming the system to receive an award and treating the application in a formulaic way
NMTC Working Group	3/18/2014	General Program Comment	N/A	The fact that certain NMTC activities have not received large amounts of allocations (innovative activities) is due to risk perceived from the statute. Therefore, should not be addressed by priorities in the application	No Action - Not related to burden of the Application. The question is there to allow groups who take greater risks to identify that.	The CDFI Fund provides priority points based on statutory priority points only.
NMTC Working Group	3/18/2014	General Program Comment	N/A	Provide debriefings with section score for all applicants	No Action - Not related to burden of the Application.	
NMTC Working Group	3/18/2014	General Program Comment	N/A	Separate QEI Deadlines from Fiscal Year End given that both significantly drive deal volume.	No Action - Not related to burden of the Application.	Not sure how this would affect QEI considerations for Application round or what other proposed time frame would be.
NMTC Working Group	3/18/2014	Application - Request for Guidance	Q&A	Make clear that there is no penalization in the scoring for Applicant's that make larger investments to fewer projects. This would counteract prevailing industry thinking and help reduce transaction costs	No action required for application form - Will revisit language currently in Q&A to see if it needs to be clarified.	This is valid and represents CDFI Fund view. It has been stated in conference calls, but should be included in formal guidance
NMTC Working Group	3/17/2014	Application - Request for Guidance	Q.14(a)	Clarify the definition of equity-equivalent	Make sure that the definition of equity equivalent is internally consistent. Consider adding Q. to the Q&A on difference between equity equivalent and sub debt.	There is currently a definition, we could provide more detail.

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NMTC Working Group	3/17/2014	Application - Collect New or Different Information	Q.14(a)	Collapse the product sections into one narrative category since many of the benefits are from the blended rates, terms of the products at the project level	No action this year, revisit in 2015.	This is under consideration but not ready for this version of the application form.
NMTC Working Group	3/17/2014	Application - Request for Guidance	Q.17 & Q.18	Clarify the definition of direct and indirect financing. Particularly, the definition should include as direct if an Applicant has an ownership interest, effectively manages the CDE, and guarantees the recapture risk	Considering adding guidance to the Q&A. The language in the application is sufficiently clear.	
NMTC Working Group	3/18/2014	Application - Collect New or Different Information	Q.19(c), Q.24(b), Q.26	Combine the discussion of general pipeline activities, how the Applicant will target QLICs to areas of higher distress, and how the applicant ensures that an investment is supported by and beneficial to LICs	No action this year - consider for 2015.	There is overlap between these questions and there may be opportunity for some consolidation with more thought.
NMTC Working Group	3/17/2014	Application - Collect New or Different Information	Q.26	Allow the applicants to provide examples of community engagement (including the Advisory board)	Clarify the language to stress that they shouldn't just reference consulting with Advisory Board.	The question is meant to elicit information above and beyond the role of the Advisory Board which is discussed in multiple parts of the Application and is a requirement of the program
NMTC Working Group	3/17/2014	Application - Collect New or Different Information	Q.30(c) & Q.30(e)	Combine questions about 3 year delinquency rate and NMTC specific delinquencies	No action - Q. 30(c) discusses overall all portfolio performance for varying lines of businesses. Q. 30(e) requests more specific details on workout strategies and delinquency management for NMTC investments.	Many Applicants provide portfolio performance data for their CE or across many programs, breaking out NMTC is important to understand the performance of NMTC specifically and aggregate portfolio in general

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NMTC Working Group	3/17/2014	Application - Collect New or Different Information	Table E1	Eliminate the submission of investor letters and need to complete E1	Only applicants that are not prior awardees will be required to submit this information. Prior awardees will continue to be asked to provide information on source and amount of prior investments from the last five years.	
NMTC Working Group	3/18/2014	Application - Collect New or Different Information	Table E1	Eliminate the columns related to type of investment, using leverage structure, status of request, estimated date for receipt of funds	Only applicants that are not prior awardees will be required to submit this information. Prior awardees will continue to be asked to provide information on source and amount of prior investments from the last five years.	
Opportunity Finance Network	3/17/2014	Application - Collect New or Different Information	Exhibit A	Add a column to A3 indicating the amount of purchases of loans to real estate and non-real estate businesses	No Action - we are moving away from this distinction.	These activities are already accounted for in Table A3 and reviewers take these tables into account cumulatively in their evaluation, so no action needed. The Applicant can describe the type of loan purchases in its narrative in Q.17
Opportunity Finance Network	3/17/2014	IRS Regulation	N/A	Include CDFI in the definition of QALICBs	No action - this would require Congressional or IRS action.	CDFI Fund does not have control over the definition of a QALICB
Opportunity Finance Network	3/17/2014	General Program Comment	N/A	Consider timing of all CDFI program applications when determining round deadlines	The CDFI Fund will continue coordination efforts between programs. This is not within exclusive NMTC control.	

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Opportunity Finance Network	3/17/2014	Application - Collect New or Different Information	Q.17 & Q.18	Consider management capacity related to track record in Phase I	No action - Applicant misunderstands review process. Applicant selection will be consistent with past practice.	This will be considered during Phase II based on scoring during Phase I
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Exhibit D	Asks for information on a fiscal year basis rather than a calendar year. Recommends this also switches to calendar year for consistency.	No Action - While this may reduce burden for some applicants, it may increase burden for others. This information will be evaluated by staff only not outside readers.	
Opportunity Fund	3/17/2014	General Program Comment	N/A	Provide an electronic word version of the Application	No Action - This does not impact overall burden.	This will be considered further in consultation with legal and IT staff.
Opportunity Fund	3/17/2014	General Program Comment	N/A	Revise application and fee disclosure to ensure that all relevant fees are disclosed.	No Action - This does not impact overall burden of the Application. Currently the Application requires disclosure of all fees.	Commenter suggests that QALICB disclose only requires fees to be paid by the QALICB. This is incorrect.
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.17	Track record question should focus only on past NMTC investments, rather than QLICI-like investments. Ask about QLICI-like activities as part of Q. 18 instead.	No action - unfair to first time applicants.	Not related to undue burden of the current application
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.19(c) & Q.39(c)	Don't ask about use of profits, as this puts mission-driven groups at a disadvantage. Ask about level of funds (?). Also, be sure to ask investors about profits made through internal rate of return	No action - Comment does not provide clear actionable information.	
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.20(b)	The wording of this question on greater levels of risk disadvantages CDFIs. Consider revising.	No action - Scoring is designed to Applicants are not disadvantaged	

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					for not answering this question. Will revisit in 2015.	
Opportunity Fund	3/17/2014	Application - Request for Guidance	Q.20(c)	Provide additional guidance on how innovations not included on the Fund's list will be evaluated.	Consider augmenting guidance in Application Q&A.	
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.24(a)	Allow Applicants to commit to investing more than 75% of allocation in areas of higher distress, and score them more highly for doing so.	No action - policy issue, no relevant on information collection. Discarded in past for administrative reasons related to compliance.	Not related to undue burden of the current application
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.25	Doesn't like the guidance on providing baseline financing information on community outcomes. Suggests we remove this guidance.	Will considering revising the Q&A. Objection of commenter not entirely clear.	
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.25(a)(6)	Financing minority businesses should be broaden to include women and veteran-owned businesses to align with the SBA	No action - This is a policy call. Will consider for 2015 which will allow for deeper feasibility analysis.	Comment is unrelated to burden.
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.29(b) & Q. 35	Q. 35 does not ask about key personnel in reference to raising capital, yet we do for the other management functions.	No action - There is a tip indicating staff can be discussed.	
Opportunity Fund	3/17/2014	Application - Request for Guidance	Q.39	Applicant claims this question is confusing and asks only about tax credit equity and not the QEI. Should focus on anticipated investor return	Revised Q. 39 for wording clarity. Will consider adding a question to the Application Q&A on clarifying the distribution of benefits.	

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Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.44	Ask for three most recent transactions in Q. 44 rather than three largest in the past allocation.	No action being taken.	
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Q.44(e)	Thinks we should ask not just about put/call option but a broader question on use of subsidy during the 7-year credit period	No action - Request for additional information would unduly increase burden on Applications.	This comment is vague, and does not appear related to burden in the current application
Opportunity Fund	3/17/2014	Application - Collect New or Different Information	Table E1	Allow for Applicant to input letter as being for Debt/Equity	Will follow up with IT about this.	This is related to the electronic application functionality only.
Regional Housing Legal Services	3/17/2014	Application - Request for Guidance	Exhibit A	Clarify that FCOS/reinvestments to economic/community development services to LICs count toward priority points for investing in DBCs	Revise Tip above Q. 17 to clarify that information provided on FCOS track record will be used to calculate priority points.	
Regional Housing Legal Services	3/17/2014	Application - Request for Guidance	Q.20(c)	Add FCOS to list of Innovative Activity examples	Consider adding FCOS to list of innovative activities.	I don't see any issue with adding this to the list
Regional Housing Legal Services	3/17/2014	Application - Request for Guidance	Q.29	Add language that makes clear that CDEs can contract for FCOS	No action required - contracting for FCOS already allowed	
Smith NMTC Associates	2/19/2014	IRS Regulation	N/A	Expand the scope of the definition of FCOS	No Action - FCOS is defined by IRS regs and not within CDFI Fund control.	Creating a broader definition of FCOS in the application than is supported by the IRS regs will create confusion in the industry. (The IRS definition is broad already.)
Smith NMTC Associates	2/19/2014	Application - Request for Guidance	Q.18 and Exhibit A tables	Request for a definition of capital at risk; glossary doesn't have definition of direct and indirect financing	Considering adding guidance to the Q&A. The language in the application is sufficiently clear.	Exhibit A instructions state that direct financing is the provision of debt or equity by the Applicant (or Controlling Entity).

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Valued Advisor Fund	3/17/2014	General Program Comment	N/A	Provide Phase 1 reviewer guidance to Applicants. If this isn't possible, provide review comments to Applicants. Also, provide all entities with debriefing letters.	Rejected - This does not impact overall burden of the Application.	Publishing scoring weights related to certain criteria would result in groups gaming the system to receive an award and treating the application in a formulaic way
Valued Advisor Fund	3/17/2014	General Program Comment	N/A	Combine the 2014/2015 Allocation Rounds	Under consideration. Does not impact burden of the Application.	Not related to the Application form but recognize that a combined round would have a substantial impact on reducing burden.
Valued Advisor Fund	3/17/2014	Application - Request for Guidance	Q.11	Add a tip instructing Applications to be sure to define how NMTCs enhance their ability to provide products and address needs in their target market.	No action - this information is already request in the question.	
Valued Advisor Fund	3/17/2014	Application - Collect New or Different Information	Q.17	Commenter has concerns about combining Table A1 and Table A2. They feel it may be harder for reviewers to evaluate the difference in experience between business and real estate lenders. Also, there are some concerns about rural that I don't understand. It appears the commenter is saying that it will be harder to game the Application to appear like a rural CDE.	No action - commenter concerns already considered. Readers will be able to evaluate this through the narrative responses to Qs. 17-19.	We determined that combining the tables would still allow readers to evaluate the similarity of past and project activities using the information in Q. 17 and Q. 19.
Valued Advisor Fund	3/17/2014	Application - Request for Guidance	Q.20(c)	Provide guidance on how non-listed innovative activities will be evaluated. Also, make it clear how applicants operating solely in the 10 states will be evaluated.	Consider augmenting guidance in Application Q&A.	
Valued Advisor Fund	3/17/2014	Application - Collect New or Different Information	Q.24	Add BRAC areas to the areas of higher distress	Rejected - Not considered administratively feasible at this time and will not address underlying issue of census tracts not qualifying under the program in the first place.	This would not impact overall burden for 2014, though may be substantial enough to require additional due diligence and have administrative impact for the CDFI Fund.

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Valued Advisor Fund	3/17/2014	Application - Collect New or Different Information	Q.25	Insert a table that would make pro-rata estimates of outcomes easier to calculate and read	No action- Adding table would increase burden without providing clear benefit to program.	This comment is unclear. Additional the CDFI Fund removed a table of outcomes from a past iteration of the Application at the urging of public comments.
Valued Advisor Fund	3/17/2014	Application - Unnecessary Burden	Q.25	Combine the three jobs questions into one to eliminate redundancy. Expand character limit on new question and require that the Applicant address all three points.	Program office feels questions aren't redundant. Will consider updating Q&A to provide guidance on how to uniquely answer the questions.	Provide additional guidance on how to respond to these questions. It is logistically difficult to force Applicant's to address all three points separately if they are combined into one question on the Application.
Valued Advisor Fund	3/17/2014	Application - Request for Guidance	Q.39	Add guidance on how to include community benefits in the question on distribution of benefits.	No Action - Asking the Applicant to monetize potential community benefits would be unduly burdensome.	

