

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

COMMUNITY DEVELOPMENT
INSTITUTIONS FUND



Community Development Financial Institutions Fund, Department of the Treasury

Supporting Statement – Part A
Capital Magnet Fund Performance Report and Environmental Review Form
OMB Control Number 1559-NEW

A. Justification

1. Circumstances necessitating collection of information

The Capital Magnet Fund (CMF) was established through the Housing and Economic Recovery Act of 2008 (HERA; Pub. L. 110-289), as a competitive grant program administered by the Community Development Financial Institutions Fund (CDFI Fund). Through CMF, the CDFI Fund provides federal financial assistance to Certified Community Development Financial Institutions (CDFIs) and qualified Nonprofit Organizations that have the development or management of Affordable Housing, as defined in 12 CFR 1807, as amended (effective June 25, 2024), as one of their principal purposes. CMF Awards must be used to attract private financing for and increase investment in: (i) the Development, Preservation, Rehabilitation, and Purchase of Affordable Housing for primarily Extremely Low-, Very Low-, and Low-Income Families; and (ii) Economic Development Activities which, in conjunction with Affordable Housing Activities, will implement a Concerted Strategy to stabilize or revitalize a Low-Income Area or an Underserved Rural Area.

CMF Award Recipients enter into Assistance Agreements with the CDFI Fund that set forth required terms and conditions of the Award, including reporting and data collection requirements. The Assistance Agreement requires the submission of an annual CMF Performance Report, and if applicable, the submission of an Environmental Review Form 180 days prior to issuing a Commitment for a project.

CMF Performance Report

The information collected in the CMF Performance Report is reviewed to ensure the Recipient's compliance with its Performance Goals and contractual obligations, as well as the overall performance of the program. Data collected through the CMF Performance Report consists of three categories of data: (1) mandatory data points, (2) conditionally required data points based on project characteristics, financing type or other condition, and (3) optional data points. For most compliance measures, the Awards Management Information System (AMIS) calculates whether the Recipient is compliant or noncompliant based on the data reported into the system. When the system determines that a noncompliance has occurred, the Recipient is required to complete an explanation of noncompliance prior to submitting the report to the CDFI Fund. This notice requests PRA approval for the CMF Performance Report. This report is a modified version of the previous CMF Performance Report, which was under OMB Number 1559-0036.

The proposed changes to the CMF Performance Report provide clarification and consistency in instructions and eliminate certain requests for information that are no longer needed due to changes in the program. Changes being made to the CMF Performance Report are identified in

the second column of the CMF Performance Report Data Points document, including proposed deletions, additions, and updates.

Environmental Review Form

The information collected in the Environmental Review Form is used to ensure projects are in compliance with the environmental review requirements set forth in 12 CFR Part 1815 prior to the Project Commitment of CMF Award dollars. An Environmental Review Form is only required from Recipient if the project is not in compliance with the environmental review requirements.

No changes are being made to the content of the Environmental Review Form. It is simply being removed from the CMF Application PRA and being included with the CMF Performance Report PRA since it's used for a post-award monitoring data collection.

The CDFI Fund received a total of thirty-two (32) comments from three (3) organizations on the CMF Performance Report data collection form. The comments provided recommendations for enhancements to the data collection form, as well as other recommendations unrelated to the data collection form.

2. Method of collection and use of data

The CDFI Fund will collect the CMF Performance Report on an annual basis according to the Recipient fiscal year end date. This report is used to determine Recipient compliance with the applicable performance goals in their Assistance Agreement, and to demonstrate how Award funds are expended.

The CDFI Fund will collect the Environmental Review Form 180 days prior to the Recipient making a Project Commitment, if applicable. The information collected in the Environmental Review Form is used to ensure the Project is in compliance with the environmental review requirements set forth in 12 CFR Part 1815, prior to the Recipient making a disbursement to a Project based on the Project Commitment. An Environmental Review Form is only required from Recipient if the project is not in compliance with the environmental review requirements.

3. Use of Information Technology

The CDFI Fund will collect information electronically and/or use online collaboration tools to reduce burden.

4. Efforts to identify duplication

The CDFI Fund ensures that no similar data is gathered or maintained by the CDFI Fund or is available from other sources known to the CDFI Fund. All of the information requested is required in order to determine if a Recipient is in compliance with the terms and conditions of its Assistance Agreement.

5. Impact on small entities

This may require participation from small business or other small entities. The CDFI Fund will minimize their burden by using the information collected under this clearance by sampling, asking for readily available information, and/or using short and easy-to-complete information collection instruments. This collection of information is not expected to have a significant impact on small entities because the data needed to complete the CMF Performance Report is obtained

from the standard accounting information that all entities use to complete end of year Financial Statement Audit Reports. The information used to complete the Environmental Review Form is readily provided by all entities based on standard project level information that is required to complete the permitting process.

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

The CDFI Fund cannot determine Recipient’s compliance with their Assistance Agreement(s), measure annual performance, or perform program evaluation without this annual collection of this data.

7. Circumstances requiring special information collection

There are no special circumstances.

8. Consultation with Persons outside the Agency

Pursuant to the notice and request for comments published in the *Federal Register* on July 1, 2024, at 87 FR 54644, the CDFI Fund received detailed comments on or before August 30, 2024, from three (3) organizations responding to the solicitation for a total of thirty-two (32) unique comments. The comments provided recommendations for enhancements to the data collection form, as well as other recommendations unrelated to the data collection form. A summary and response to comments are included as a supplementary document with this submission.

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 supplied in the CMF Performance Report and Environmental Review Form. Access to data submitted in response to this information collection will be limited to Recipients, and their designated representatives, CDFI Fund staff and, if applicable, designated contractors who are subject to all Federal regulations and have completed annual privacy and cybersecurity training.

11. Justification of sensitive questions.

No questions of a sensitive nature will be asked through this information collection. No personally identifiable information will be collected.

12. Estimate of the hour burden of information collection.

Estimated Annual Reporting Burden				
Type of Collection	Number of Respondents	Annual Frequency per Response	Hours per Response	Total Hours
CMF Performance Report	386	1	20	7,720
Environmental Review Form	5	1	0.5	2.5

13. Estimate of total annual cost burden to respondents

There are no additional capital, start-up or ongoing operational, or maintenance costs associated with information collection. Monetized labor costs are estimated below.

CMF Performance Report

Affected Public	Number of Respondents	Number of Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per Hour)	Monetized Burden Hours
Private Sector	386	1	386	20	7,720	\$54.50 ¹	\$420,740

Environmental Review Form

Affected Public	Number of Respondents	Number of Responses Per Respondent	Total Annual Responses	Hours Per Response	Total Hours	Time Value (per Hour)	Monetized Burden Hours
Private Sector	5	1	5	0.5	2.5	\$54.50 ²	\$136.25

14. Estimate of annualized cost to the Government

The three-year staffing costs to the Government are estimated at \$975,324 to manage, analyze and clean the data and answer client help desk questions which includes half-time staffing for a GS-14 mid-band staff person and full time staffing for a GS-13 and GS-12 mid-band staff person³. The contract costs to the Government for the direct annual maintenance and data collection costs for the CMF Performance Report submitted through the CDFI Fund’s Awards Monitoring Information System (AMIS) are estimated at \$360,000.00 for three years. This cost is paid through a contract to maintain AMIS. The combined annualized cost is thus approximately \$196,000.

15. Any program changes or adjustments

As a result of the CDFI Fund publishing an updated Interim Rule for CMF on June 25, 2024 it was necessary for the CDFI Fund to make updates to the CMF Performance Report and Environmental Review Form. Generally, this proposed data collection form is sufficient to gather information necessary to satisfy reporting requirements applicable to the Interim Rule published on June 25, 2024, and any reporting requirements that may remain subject to the Interim Rule published on February 8, 2016.

The CMF Application, Performance Report, and Environmental Review Form have been combined under the same OMB control number (1559-0036) for several years, however the CDFI Fund has determined that it is more effective to manage the schedule for these requirements under two separate Information Collection Requests (ICRs) in order to more easily schedule updates to these forms going forward. The proposed changes to the CMF Performance Report will provide clarification and consistency in instructions, and eliminate certain requests for information that are no longer needed due to changes in the program. No changes are being

¹ Bureau of Labor Statistics, Financial Analyst Mean Hourly Wage, May 2023, <http://www.bls.gov/oes/current/oes132051.htm>. Mean Hourly Wage was reported as \$54.30. For purposes of this estimate, this figure has been rounded to \$54.50.

² Bureau of Labor Statistics, Financial Analyst Mean Hourly Wage, May 2023, <http://www.bls.gov/oes/current/oes132051.htm>. Mean Hourly Wage was reported as \$54.30. For purposes of this estimate, this figure has been rounded to \$54.50.

³ <https://www.fedweek.com/pay-tables/gs-pay-table-washington-baltimore-arlington-dc-md-va-wv-pa/>.

made to the content of the Environmental Review Form. It is simply being removed from the CMF Application ICR and being included with the CMF Performance Report ICR since it's used for a post-award monitoring data collection.

CMF Program Award Recipients are required to submit the CMF Performance Report once annually, and must submit the Environmental Review Form 180 days prior to issuing a commitment for a project, if applicable.

16. Plans for information tabulation and publication

Although the Agency does not intend to publish its findings, the Agency may receive requests to release the information (e.g., congressional inquiry, Freedom of Information Act requests). The Agency will disseminate the findings when appropriate, strictly following the Agency's "Guidelines for Ensuring the Quality of Information Disseminated to the Public," and will include specific discussion of the limitations of the qualitative results discussed above.

17. Reasons for not displaying expiration date of OMB approval

The expiration date will be displayed.

18. Explanation of exceptions to certification statement

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

Not applicable as no statistical methods are being used.