Community Development Financial Institutions (CDFIs) by the Numbers

2019

Federal Reserve CDFI Survey

Key Findings Chart Book

Regional & Community Analysis
Federal Reserve Bank of Richmond

CDFI SURVEY
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The views expressed in this report are those of the survey respondents and do not necessarily reflect the views of the Federal Reserve Bank of Richmond or the Federal Reserve System.

About the 2019 CDFI Survey

The Federal Reserve's 2019 CDFI Survey was designed to collect critical information on the business practices, financial needs and concerns of community development financial institutions (CDFIs) to better understand the scope and impact of their activity nationwide. The national 2019 CDFI Survey grew out of the Federal Reserve Bank of Richmond's biennial Survey of CDFIs in the Southeast and was fielded from April through June 2019.[2] This pilot national effort was a partnership of the 12 Federal Reserve Banks, along with the CDFI Fund, Inclusiv, NeighborWorks America, Opportunity Finance Network and First Nations Oweesta Corporation.[3]

The survey was distributed online and was open to all certified and noncertified CDFIs. The full questionnaire can be found in Appendix B. Survey responses are an unweighted convenience sample and are not necessarily representative of the full population of CDFIs.

What are CDFIs?

CDFIs are financial institutions with a mission to serve low- and moderate-income individuals and communities. Banks, credit unions, loan funds, venture capital funds and community development corporations (CDCs) may all act as CDFIs and are all eligible to be certified as CDFIs by the U.S. Department of the Treasury's CDFI Fund. The CDFI Fund, which has supported the industry since its establishment in 1994, certifies financial institutions as CDFIs using the following seven criteria:

1. Be a legal entity at the time of certification application;
2. Have a primary mission of promoting community development;
3. Be a financing entity;
4. Primarily serve one or more target markets;
5. Provide development services in conjunction with its financing activities;
6. Maintain accountability to its defined target market; and
7. Be a nongovernment entity and not under the control of any government entity (Native American tribal governments excluded)

CDFI certification is not mandatory for a financial institution to operate as a CDFI, although certification allows CDFIs to receive financial and technical support from the CDFI Fund. This support is distributed through seven CDFI Fund programs, the largest of which is the CDFI Program. As of August 2019, there are 1,076 certified CDFIs nationwide, although the number of noncertified CDFIs in the U.S. is unknown.

For additional information, please visit CDFIFund.gov.

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[2] *The Survey of CDFIs in the Southeast began in 2009 and was last fielded in 2017.*

[3] *The 12 Federal Reserve Banks include the Federal Reserve Banks of Atlanta, Boston, Cleveland, Chicago, Dallas, Kansas City, Minneapolis, New York, Philadelphia, Richmond, San Francisco and St. Louis.*

Executive Summary

Community development financial institutions (CDFIs) help fill a critical gap in the financial system by providing affordable financial products and services to low- and moderate-income (LMI) individuals and communities. Although the U.S. Department of the Treasury's CDFI Fund provides annual data on select CDFIs, much information about these institutions remains unmeasured and unknown. To help fill this information gap, the Federal Reserve's 2019 CDFI Survey collected responses from 557 CDFIs in the continental United States, Alaska, Guam, Hawaii and Puerto Rico. The respondent CDFIs vary in organizational structure, location, size and approach, all of which are discussed in this report.

Key findings from the Federal Reserve's 2019 CDFI Survey include:

1. **CDFIs serve many clients and communities with relatively limited staff and financial resources.** In 2018, approximately 12,000 staff members from respondent CDFIs provided financial products and development services to over one million clients and communities nationwide.
2. **Demand for CDFI products and services grew.** From April 2018 through April 2019, 73 percent of respondent CDFIs experienced increased demand.
3. **The portfolio of CDFI lending is relatively concentrated in the small business sector, followed by residential and commercial real estate.** Respondent CDFIs reported that 41 percent of their aggregated loan funds are invested in small businesses, followed by 28 percent in residential real estate and 11 percent in commercial real estate.
4. **Earned income makes up a sizeable portion of CDFI funding, as does money from federal, state and local government and regulated financial institutions.** Earned income is a top source of combined operational and lending funds for two-thirds of respondent CDFIs.
5. **CDFIs report a strong need for additional sources of long-term, low-cost capital.** Raising capital, securing long-term, low-cost capital and growing their loan fund were the top three challenges cited by CDFIs.

The 2019 CDFI Survey collected information on select special topics, including workforce development, Opportunity Zones, modernization of the Community Reinvestment Act (CRA) and the impact of the 2018-19 partial federal government shutdown. Of particular note for their applicability to current policy discussions are the top three recommendations for CRA modernization, which are previewed below and described in more detail in the report:

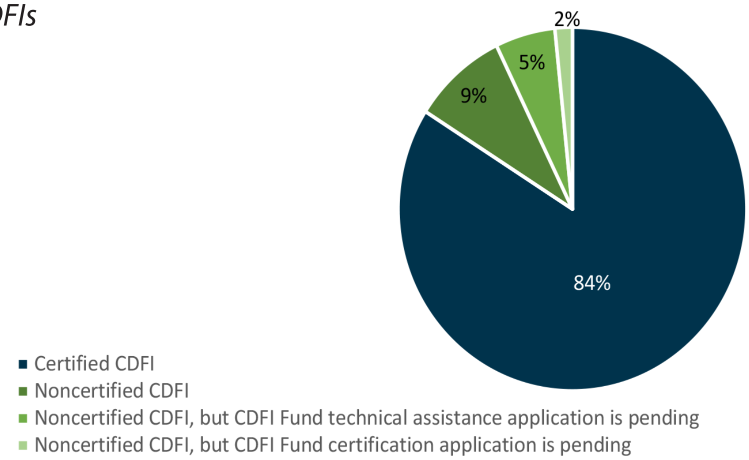
1. **Update assessment areas** to account for technological advances in the banking industry and to encourage investment in rural, Native and other underserved communities.
2. **Oppose a 'one-ratio' approach to evaluation**, which would consider the dollar value of a bank's CRA-eligible activities divided by a measurement of the bank's assets.
3. **Prioritize high-impact CRA activities, including more flexible and longer-term capital** investment in CDFIs.

Overview of Respondent CDFIs

- Of the 557 organizations that responded to the 2019 CDFI Survey, 468 (84 percent) are certified and 89 (16 percent) are noncertified.
- The certified CDFIs captured in the survey data represent 44 percent of certified CDFIs nationwide – 468 out of the 1,062 certified by the CDFI Fund as of July 2019.[4]
- Nearly half of respondent CDFIs are loan funds (45 percent), which approximately reflects the proportion of all certified CDFIs that are loan funds (51 percent).

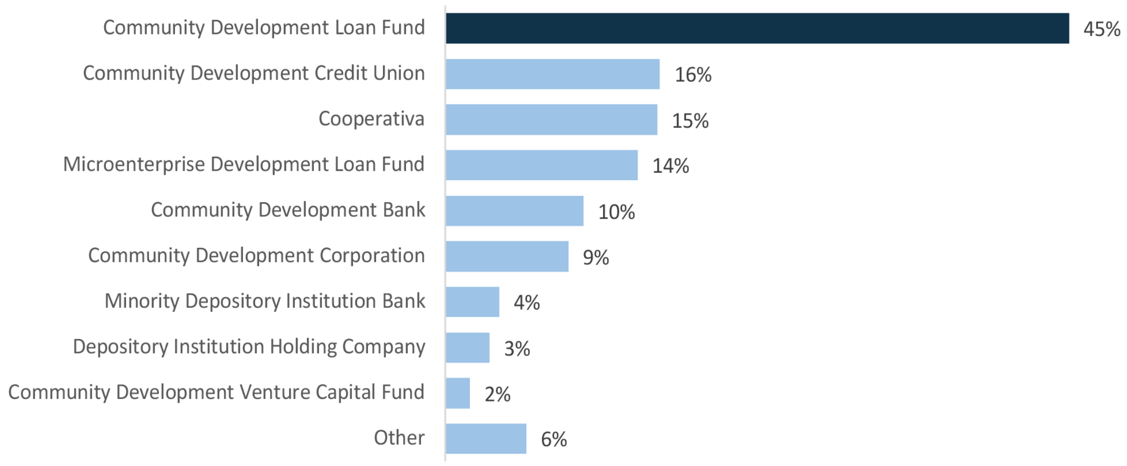
Certification Status of Respondent CDFIs

N=557 CDFIs



Type of Organization

N=693 observations provided by 557 CDFIs



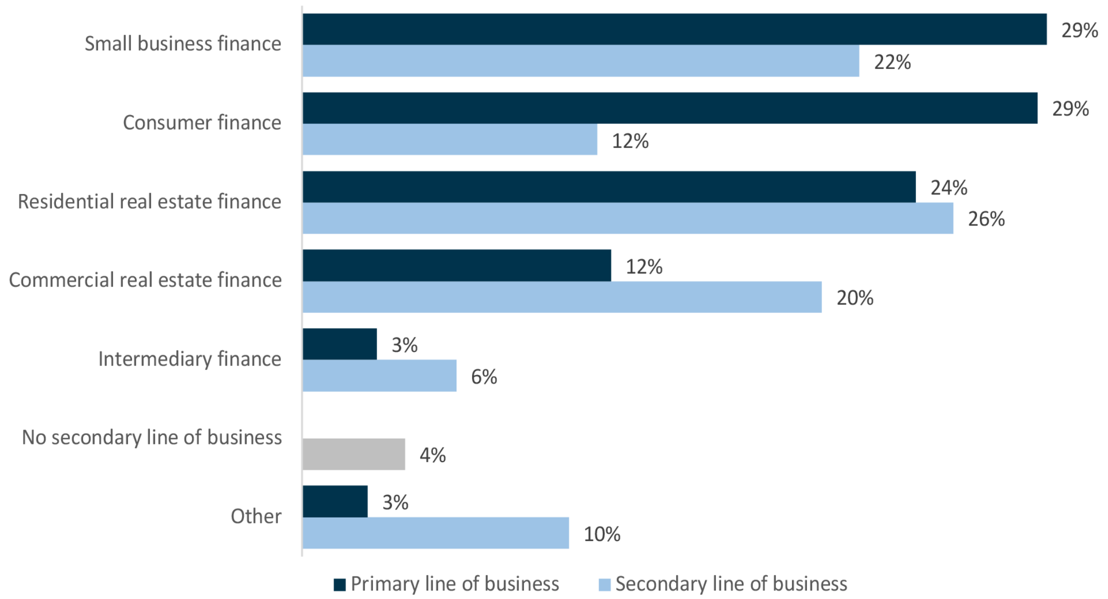
Note: Percentages sum to more than 100 because respondents could select more than one answer. 'Other' primarily captures Community Development Entities (CDEs) and other nonprofit organizations. Cooperativas — community development credit unions in Puerto Rico — are shown as a distinct type of organization in this chart, although the cooperativa business model is identical to that of community development credit unions.

[4] *A complete list of certified CDFIs can be found on the "CDFI Certification" page on the CDFI Fund's website*

• Respondent CDFIs most frequently engage in small business and consumer finance as their primary line of business. When primary and secondary lines of business are considered together, small business finance and residential real estate finance are the most common.

Primary and Secondary Lines of Business

N=543 CDFIs



Note: 'Consumer finance' includes personal loans to one or more individuals for health, education, emergency, credit repair, debt consolidation or other consumer purposes. 'Residential real estate finance' includes mortgage lending, in addition to single-family and multi-family housing development financing. 'Other' primarily captures community facilities financing, agricultural financing and environmental financing. Primary and secondary lines of business correspond to the organization's predominant and secondary financing activity based on the dollar amount dedicated to support the provision of financial products.

73% of respondent CDFIs reported that demand for their products and services **increased** from April 2018 through April 2019.

86% of respondent CDFIs **anticipate demand to increase** for their products and services through April 2020.

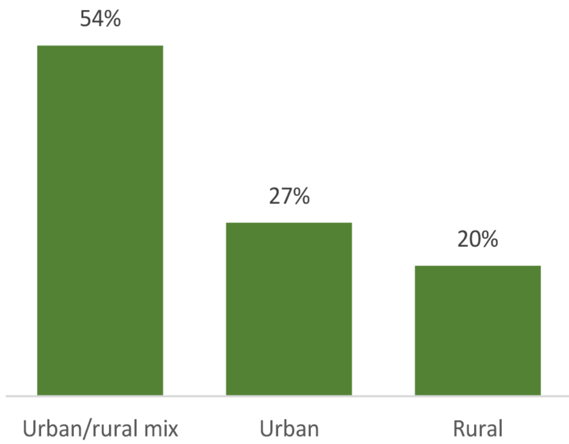
In 2018, **32%** of respondent CDFIs received more qualified loan requests than they could fund.

Overview of Respondent CDFIs

- The majority of respondent CDFIs serve a mix of urban and rural areas (54 percent) and have a limited geographic scope — 91 percent of respondent CDFIs operate within a state or part of a state.
- Twenty-nine respondent CDFIs are Native CDFIs, meaning they serve Native American, Native Alaskan and/or Native Hawaiian communities — this represents 45 percent of all Native CDFIs in the country.

Type of Geography Served

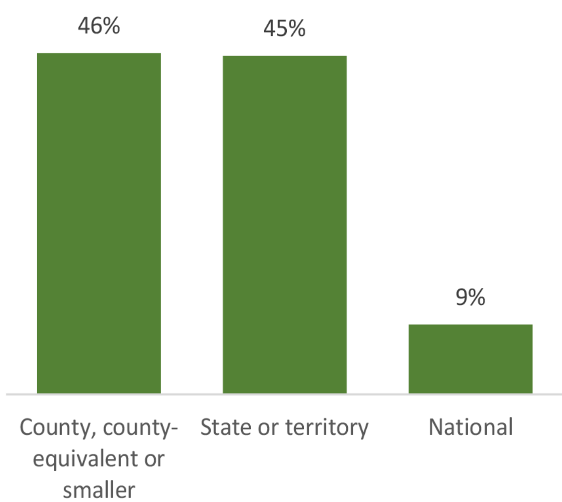
N=547 CDFIs



Note: Percentages do not sum to 100 because of rounding.

Geographic Area Served

N=547 CDFIs



Note: CDFIs that serve multiple states are captured in 'State or territory' and CDFIs that serve multiple counties or county-equivalents are captured in 'County, county-equivalent or smaller.'

Cooperativas: CDFIs in Puerto Rico

Cooperativas de Ahorro y Credito are autonomous financial cooperatives in Puerto Rico. With a similar mission and business model to community development credit unions, they are member-owned and democratically-controlled depository institutions that specialize in the development and delivery of affordable and sustainable financial products and services to the communities they serve. Given their structure and mission, these institutions are also eligible to apply for CDFI Fund certification and assistance. Cooperativas are regulated by Puerto Rico's Corporation for the Supervision and Insurance of Financial Cooperatives (COSSEC).

A Spanish-language version of the 2019 CDFI Survey was deployed in Puerto Rico, and the Federal Reserve Bank of New York and the nonprofit organization Inclusiv conducted targeted outreach to cooperativas. Survey data capture information from about 71 percent of the financial cooperatives in Puerto Rico.

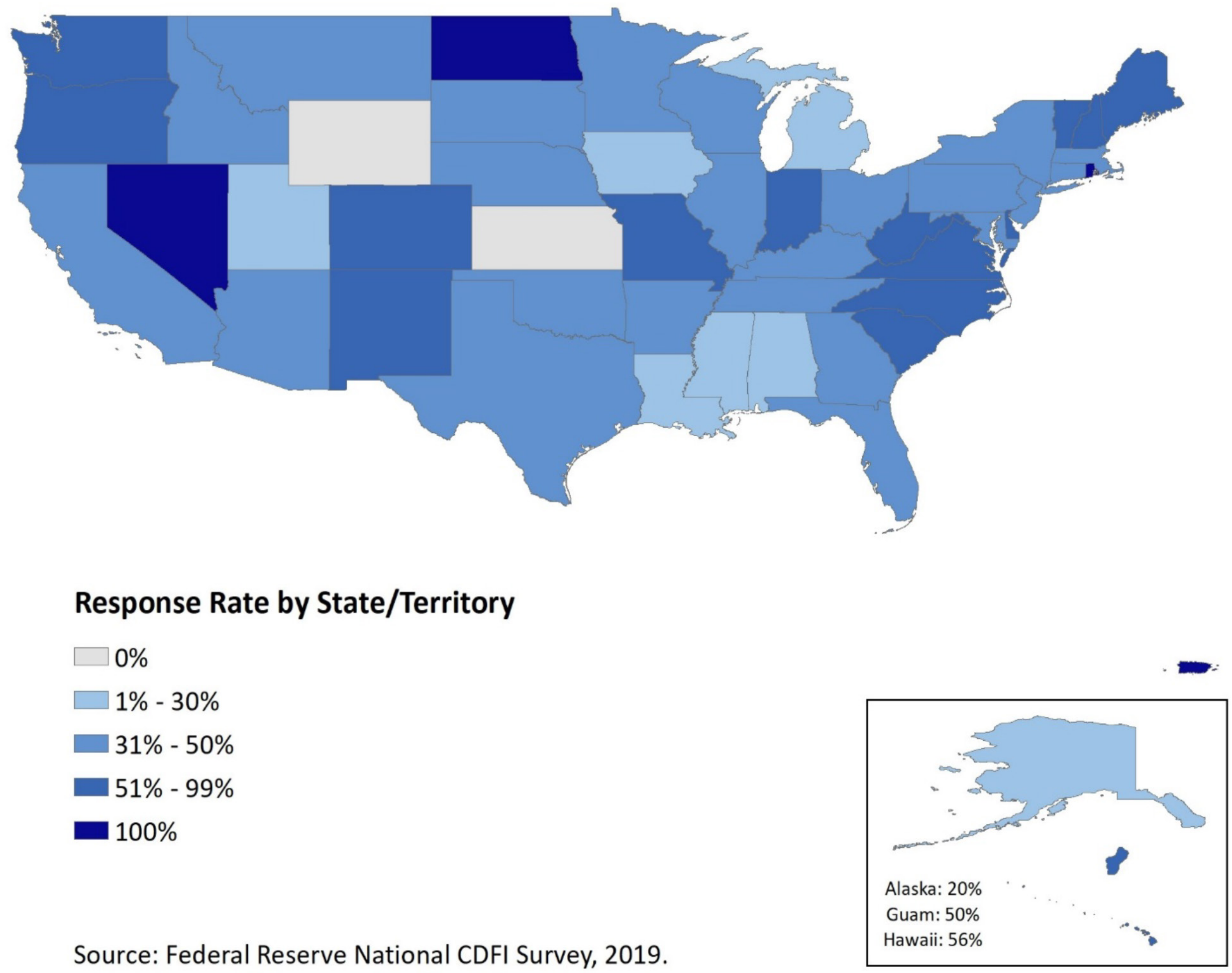
For more information on cooperativas, please visit inclusiv.org/initiatives/puerto-rico.

Note: In general, cooperativas share key characteristics with CDFIs in the continental United States. The sample of noncertified CDFIs in Puerto Rico does not substantially alter survey results, so cooperativas have been included in the results throughout this report.

- Puerto Rico, California and New York have the highest number of CDFIs represented in the survey data with 91, 45 and 39, respectively.
- North Dakota, Nevada, Puerto Rico and Rhode Island all have 100 percent response rates for certified CDFIs, although North Dakota and Nevada each have one certified CDFI, Puerto Rico has five certified CDFIs and Rhode Island has two certified CDFIs.
- State-level response rates are shown in the map below, capturing the number of certified respondent CDFIs as a percentage of all certified CDFIs in the state/territory. Noncertified respondent CDFIs are excluded because there is no reliable source on the universe of noncertified CDFIs.

Certified CDFI Response Rate by State/Territory

N=468 CDFIs



Source: Federal Reserve National CDFI Survey, 2019.

Note: See Appendix A for a breakdown of respondent and nonrespondent CDFIs by state/territory.

Special Topics: Workforce Development

- Three hundred and nineteen respondent CDFIs (57 percent) are actively engaged in workforce development (WFD) initiatives, and responses to the 2019 CDFI Survey illustrate the diversity of this engagement — from partnering with local community colleges to researching WFD in the manufacturing sector to launching specialized training programs.
- The majority of CDFI WFD lending goes directly to businesses to help increase the number of jobs. But CDFIs also support the broader WFD system — 34 percent provide technical assistance and 25 percent provide loans to organizations that provide job training or placement services.

Workforce Development Activities

N=583 observations from 319 CDFIs

Note: Percentages sum to more than 100 because respondents could select more than one answer. 'Other' includes answers such as providing workforce housing loans and partnering on workforce training programs, along with other select workforce development activities.

Respondent CDFIs provided a number of specific examples of WFD initiatives on which they either act as a lead or partner organization. Select examples are highlighted below:

WFD Program	CDFI	Program Description
Building Union Diversity (BUD)	St. Louis Community Credit Union	St. Louis Community Credit Union supports the BUD Construction Training Program, which offers training and apprenticeships in the construction trades for individuals with no prior experience.
Financial Opportunity Centers	Local Initiatives Support Corporation (LISC)	LISC operates more than 80 Financial Opportunity Centers across the country that provide career and financial coaching services to low- and moderate-income individuals.
Live Where You Work	Housing Development Fund	Live Where You Work offers 30-year zero percent interest loans up to $20,000 to help first-time homebuyers in Connecticut live in the same town where they work.
New Energy Intern Program	Mountain Association for Community Economic Development (MACED)	MACED's New Energy Intern Program offers paid six-month internships in commercial and residential energy efficiency to displaced coal industry workers and recent graduates from building or industrial technology programs in eastern Kentucky.
Workforce Weekend	Arcata Economic Development Corporation (AEDC)	AEDC runs Workforce Weekend, a free platform that connects job seekers and businesses in rural Humboldt County, California.

- Opportunity Zones (OZs) are economically distressed census tracts in which new equity investments may be eligible for tax deferral. Opportunity Zones were created by the Tax Cuts and Jobs Act of 2017, designated by state governments and approved by the Internal Revenue Service. Investment in Opportunity Zones takes place through Qualified Opportunity Funds (QOFs).
- On the whole, uncertainty and doubt were two main themes that emerged from the comments submitted by 86 respondents about Opportunity Zones. Continuing to learn about Opportunity Zones and providing information to external entities are top priorities for respondent CDFIs.

"[It] would be great to see additional rules for OZ investments that focus on preventing displacement and that encourage affordable housing and affordable commercial spaces in the community."

California CDFI

"We are advocating for the OZ program 1) to become more responsive to the needs of low income people, and 2) to work better for investments in operating businesses versus real estate."

New York CDFI

"We are concerned that no minorities or micro businesses inside Opportunity Zones will accrue capital gains to invest within their own communities and outside developers and affluent investors will solely benefit from the tax breaks and incentives."

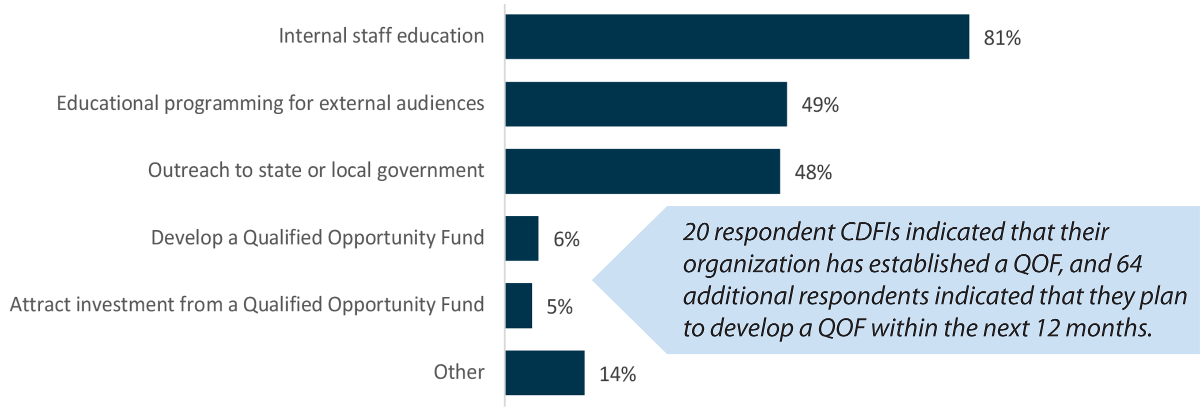
Tennessee CDFI

"Opportunity Zone projects are not ideal for the rural markets we serve. Our markets do not have the capacity to handle a large project in these zones."

Mississippi CDFI

Opportunity Zone Activities to Date

N=683 observations from 339 CDFIs



Note: Chart captures activities pursued by respondent CDFIs in the 12 months prior to their survey response. Percentages sum to more than 100 because respondents could select more than one answer. 'Other' includes answers such as lending in Opportunity Zones and conducting preliminary work to determine the viability of creating a Qualified Opportunity Fund, among other activities.

- The Community Reinvestment Act (CRA) is a federal law enacted in 1977 to help banks effectively serve the convenience and needs of their entire communities. It encourages banks to lend, invest and provide services to low- and moderate-income consumers and neighborhoods by mandating examinations of banks' CRA-eligible activities. One way that banks can receive CRA credit is by investing in CDFIs.
- The Federal Reserve, Federal Deposit Insurance Corporation (FDIC) and the Office of the Comptroller of the Currency (OCC) are exploring ways to modernize the CRA, taking into account technological advances and changes to the banking industry that have come about since 1977.
- Three hundred and eleven respondent CDFIs that answered questions on CRA modernization (63 percent) indicated that the current CRA regulatory framework supports their organization's community development work "very much" or "somewhat." Even so, 285 respondent CDFIs think elements of the existing framework should be modernized to better support community development efforts.

An analysis of 212 comments submitted through the 2019 CDFI Survey indicates that the following are the top three CRA modernization recommendations from respondent CDFIs:

1 UPDATE ASSESSMENT AREAS

- Expand assessment areas to include geographies where banks make loans and investments and take deposits — as opposed to the current structure that defines assessment areas by the location of a financial institution's main office, branches and deposit-taking automated teller machines (ATMs).
- Reconfigure assessment areas to account for branchless banking models and mobile banking.
- Provide CRA credit for a portion of CRA-eligible activity outside of the assessment area, if the activity supports rural, Native and other underserved communities.

2 OPPOSE A 'ONE-RATIO' APPROACH TO EVALUATION

- A one-ratio approach would consider the dollar value of a bank's CRA-eligible activities divided by a measurement of the bank's assets. Respondent CDFIs expressed concern that this approach would "encourage banks to support easier, higher-dollar activities rather than highly impactful activities."

3 PRIORITIZE HIGH-IMPACT CRA ACTIVITIES

- Give regulatory preference to CRA activities that have the greatest impact in low- and moderate-income communities.
- In particular, encourage "flexible, longer-term and more permanent capital investments by banks in CDFI lenders."

For additional information on the Federal Reserve's CRA role and stakeholder recommendations for CRA modernization, please see "Perspectives from Main Street: Stakeholder Feedback on Modernizing the Community Reinvestment Act" from the Federal Reserve Board of Governors.

- The partial federal government shutdown that lasted from Dec. 22, 2018, through Jan. 25, 2019, affected CDFIs and their customers in myriad ways. Critically, the CDFI Fund was inoperative during the shutdown, which delayed distribution of financial and technical assistance.

57% of respondent CDFIs reported that their organization was impacted by the partial government shutdown.

63% of respondent CDFIs reported that their customers were impacted by the partial government shutdown.

Over half of survey respondents (317 CDFIs or 57 percent) shared comments detailing the impact of the partial federal government shutdown on their organization and/or customers. The comments below represent the diversity of ways in which the shutdown impacted CDFI operations, lending and consumers:

"…Many of our borrowers rely on government contracts that were not being paid out timely. One in particular nearly ended up insolvent due to lack of payments from the USDA."

California CDFI

"We do a lot of work to help people get eligible for Community Housing Development Organization housing programs, and the government shutdown changed the flow of funds which delayed dates for the clients to move forward in their homeownership process, which, in several cases, upset a delicate financial and housing schedule for the client."

Kentucky CDFI

"[Our CDFI] developed an interest free loan with a six month payback for…furloughed [federal government] employees. The furlough ended the Friday before the week we were to begin to close these loans to help struggling federal employees."

Oklahoma CDFI

"The uncertainty of funding continuity [and] the backlog for federal IRS Income Verification transcripts greatly hampered our ability to run credit checks, not only for our CDFI lending, but for our affordable housing leasing operation. Our federal funding disbursement was delayed and we had to rely on more expensive funds for our lending during this time."

New York CDFI

"We offered loan payment extensions for members who were out of work during the shutdown."

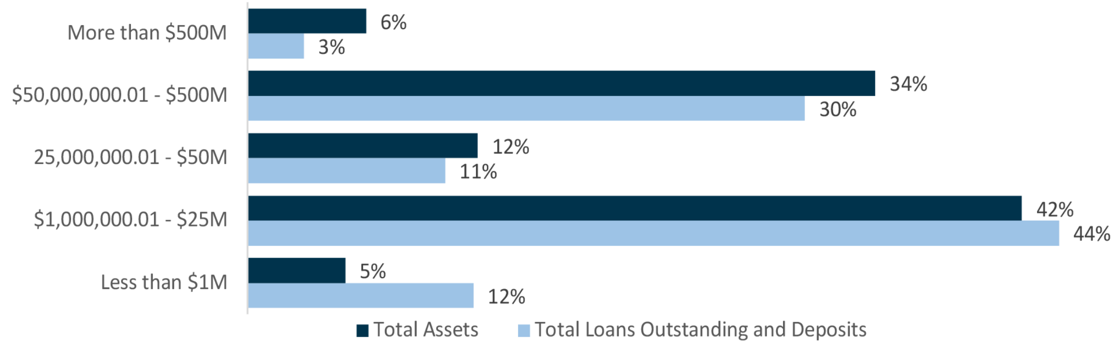
Texas CDFI

Capitalization

- In general, CDFIs are small institutions when compared to more traditional financial institutions — 94 percent of respondent CDFIs have total assets less than $500 million, with median assets between $25 million and $50 million.[5]
- Earned income is a top source of funding for one in four respondent CDFIs. Governmental funding, including the CDFI Fund, and regulated financial institution funding round out the top sources for the respondent pool.
- On average, the balance sheets of respondent CDFIs are 52 percent debt financing and 48 percent equity financing. [6]

Total Assets, Loans Outstanding and Deposits

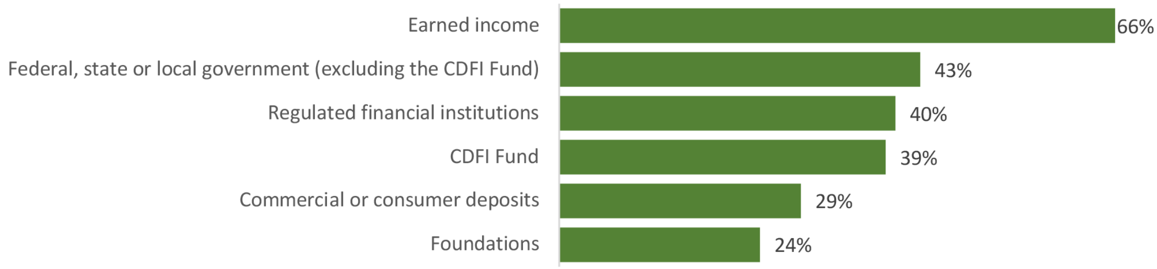
N=265 CDFIs for total assets and 262 CDFIs for total loans outstanding and deposits



Note: Total deposits only apply to CDFIs that are deposit-taking institutions (credit unions and banks).

Top Sources of Fundings

N=711 observations from 270 CDFIs



Note: Percentages sum to more than 100 because respondents could select more than one answer. Earned income includes interest income from lending portfolio, fee income from lending portfolio, interest from marketable securities, contract and training income and other income.

The 177 respondent CDFIs that rely on earned income as a top funding source primarily generate income through loan interest (95 percent) and loan fees (91 percent). Just under half (44 percent) generate income from fee-for-service activities such as consulting and fund management.

[5] *For comparison, the Federal Financial Institutions Examination Council (FFIEC) defines intermediary small financial institutions as those with total assets less than $321 million and small financial institutions as those with total assets less than $1.284 billion. For additional information, see "CRA Examinations" from the FFIEC.*

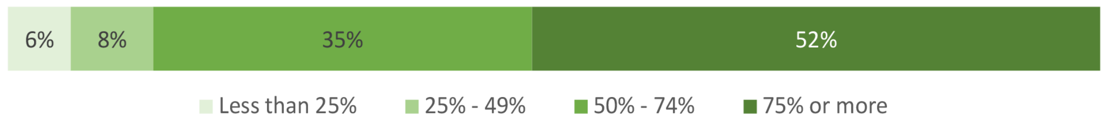
[6] *These figures represent the median debt and equity financing of 173 respondent CDFIs.*

- Over half of the respondent CDFIs (52 percent) deployed at least 75 percent of their loan funds in 2018.

- Respondent CDFI loan funds are primarily deployed in the small business financing sector (41 percent of total loan funds), followed by residential real estate and commercial real estate (28 percent and 11 percent of total loan funds, respectively).

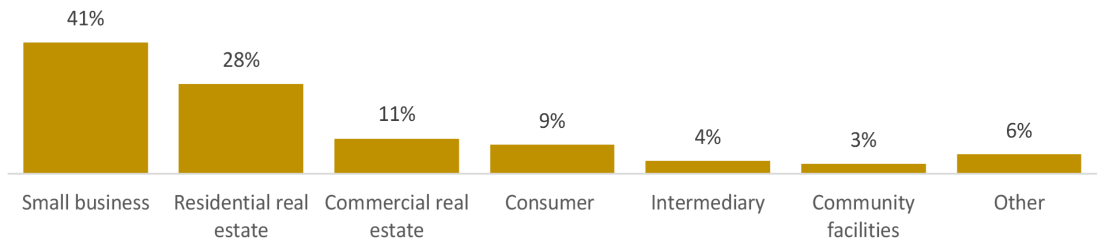
Percentage of Loan Fund Deployed

N=173 CDFIs



Loan Fund Deployment by Financing Sector

N=171 CDFIs



Note: Chart captures the mean percentage of respondent CDFIs' loan portfolios invested in each sector. Percentages sum to more than 100 because of rounding. 'Other' includes answers such as health care facility financing, charter school financing and clean energy financing, among other sectors.

One hundred and sixty-seven respondents submitted comments on their most significant deployment challenges, some of which are highlighted below:

"[W]e serve a primarily LMI consumer base [and] their ability to qualify for large loans is limited due to income and credit constraints. While we are able to serve tens of thousands of individuals with loans each year, their average loan balance is lower than that of more mainstream peer credit unions. This means that our ability to deploy capital is somewhat more constrained."

Missouri CDFI

"A significant challenge regarding deployment is the need for credit enhancements. These would allow us to take more risk and develop new products for low-income populations who are credit challenged and lack assets."

Georgia CDFI

"Because we just reached our deployment targets, we have shown operating losses (in prior years). The losses make it difficult to obtain funding from grantors and the CDFI Fund."

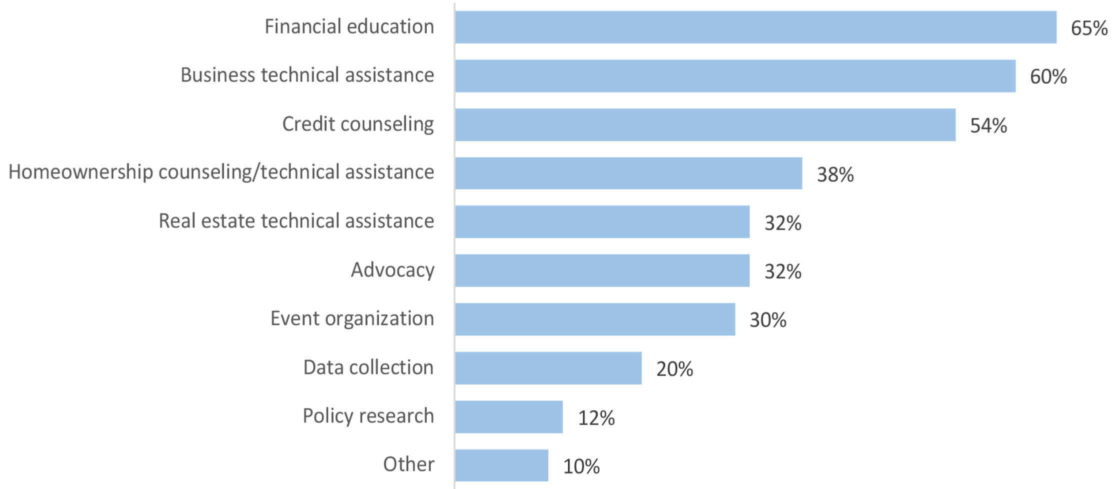
Missouri CDFI

Products and Services

- Respondent CDFIs originated 148,202 financial products in 2018, including 147,704 loans, 249 loan guarantees and 221 equity investments.[7]
- Additionally, respondent CDFIs provided development services to over 1.1 million individuals in 2018.[8] The top development services provided by respondent CDFIs are financial education, business technical assistance and credit counseling.

Development Services Offered

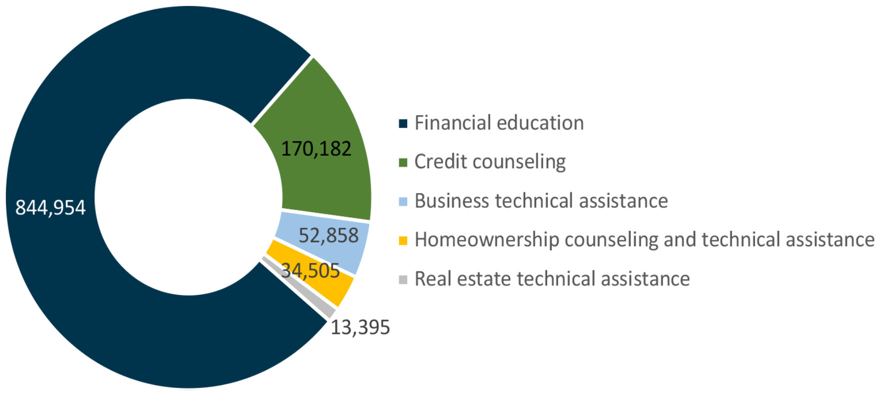
N=876 observations from 248 CDFIs



Note: Percentages sum to more than 100 because respondents could select more than one answer. 'Other' primarily includes various one-on-one meetings to support clients.

Number of Clients Served by Select Development Services

N=248 CDFIs



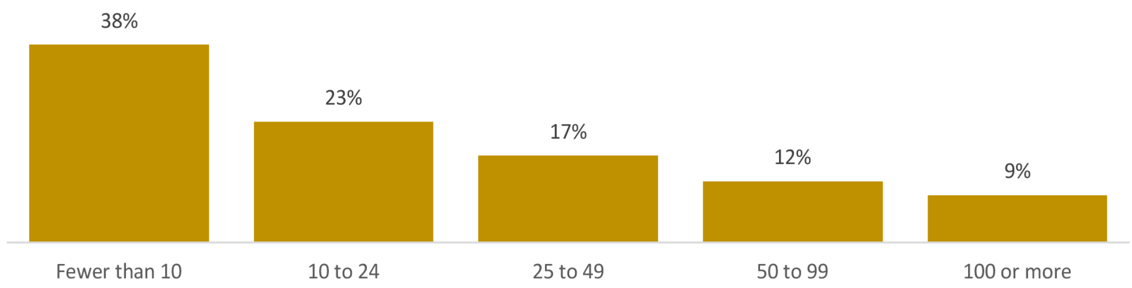
[7] Respondent CDFIs also reported originating 28 other financial products in 2018. Totals are based on responses from 161 CDFIs.

[8] Survey responses indicate that in 2018, respondent CDFIs provided development services to 1,115,894 individuals.

- The smallest respondent CDFI is operated by one part-time employee, while the largest has over 2,700 full-time employees. The median number of full-time employees for respondent CDFIs is 15.
- About two-thirds of respondent CDFIs (67 percent) indicated that their organization is too capacity constrained to perform certain functions that they would like to execute.[9] Limited staffing is a significant factor limiting the products and services that respondent CDFIs can provide.

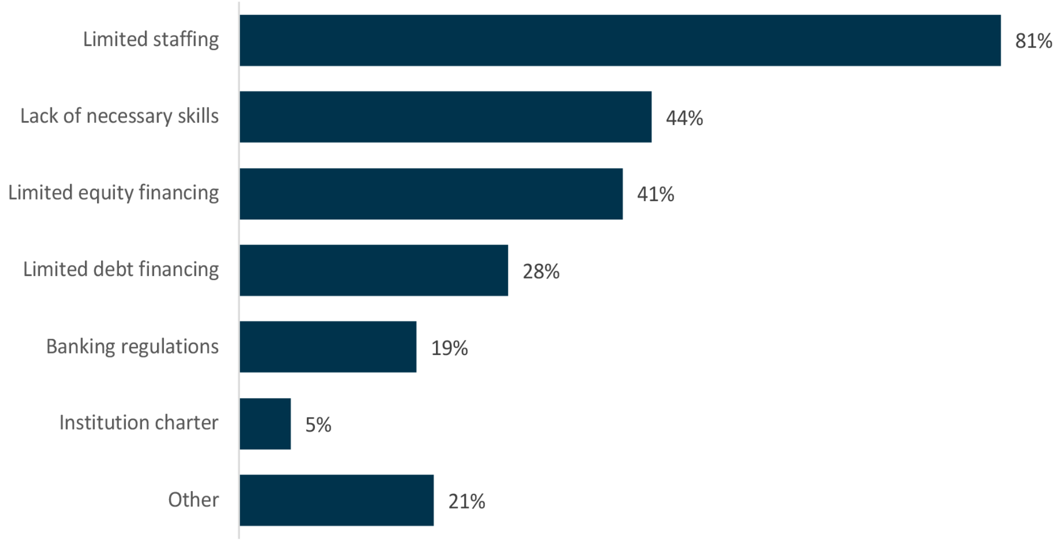
Number of Full-Time and Full-Time Equivalent Employees

N=260 CDFIs



Factors Preventing CDFIs from Performing Aspirational Activities

N=388 observations from 165 CDFIs



Note: Percentages sum to more than 100 because respondents could select more than one answer. 'Other' includes answers such as limited funding for specific purposes, limited access to secondary markets and technical considerations that limit the development of online platforms.

[9] *This figure is based on information from the 256 CDFIs that responded to the question. Sixty-seven percent represents 171 CDFIs.*

Appendix A: Respondent and Nonrespondent CDFIs by State

The figure below captures the number of respondent CDFIs (certified and noncertified), as well as the number of nonrespondent certified CDFIs.

2019 CDFI Survey

The purpose of this survey is to assess the condition of community development financial institutions (CDFIs) in the United States in terms of capitalization, financial products, development services, demand and capacity. The information from this survey will be used to better understand the reach and impact of CDFI activity nationwide, and to generate a national directory of CDFIs.

Participation in this survey is voluntary. Contact information from this survey will be published online in the national directory of CDFIs at RichmondFed.org. Non-contact information will only be reported in the aggregate. The Federal Reserve Bank of Richmond reserves the right to share the data collected with trusted survey partners, including but not limited to the CDFI Fund and the Opportunity Finance Network. By completing the survey, you agree to these data uses. If you would prefer that your information not be shared with trusted survey partners, you will have an opportunity to indicate this in your survey response.

The survey is best completed by a financial decision-maker within the organization who has access to the most recent financial statements. The survey will take approximately 30 minutes to complete and is divided into a 10-minute segment and a 20-minute segment. You may exit the survey at any time and your answers will be saved for completion at a later time. Please direct any questions to Surekha Carpenter at surekha.carpenter@rich.frb.org or (804) 663-6013.

Throughout the survey, tooltips are used to provide additional information and definitions. To use a tooltip, hover over the blue underlined text with your cursor to make a textbox appear. If you are using a mobile device, click the blue underlined text.

Thank you for your participation!

GENERAL INFORMATION

1.Name of your CDFI:

2.Please provide a main point of contact for your CDFI.

Contact Name:
Title/Position:
Address:
Address 2:
City/Town:
State/Territory:
Zip Code:
Email Address:
Phone:

3. How would you classify your CDFI?

Certified CDFI (certified by the CDFI Fund)
Non-certified CDFI (not certified by the CDFI Fund)

Non-certified CDFI, but CDFI Fund certification application is pending
Non-certified CDFI, but CDFI Fund technical assistance application is pending

4. What type of organization is your CDFI? (Select all that apply. E.g. If your organization is both a bank and loan fund, or both a bank and a holding company, select both below and complete the remainder of the survey for the two combined.)
   Community Development Bank
   Minority Depository Institution Bank
   Community Development Credit Union
   Community Development Loan Fund
   Community Development Venture Capital Fund
   Microenterprise Development Loan Fund
   Community Development Corporation
   Depository Institution Holding Company
   Cooperativa
   Other (please specify)

5. What type of geographic area does your CDFI primarily serve?
   Urban
   Rural
   Urban/rural mix

6. What geographic area does your CDFI serve?
   National [Skip to Q9]
   State or territory [Go to Q7]
   Multi-county or multi-county equivalent [Go to Q7]
   County, county equivalent or smaller [Go to Q7]

7. Select the state(s) and/or territory(ies) in which your CDFI served customers in 2018.
   [Response form: Dropdown list of U.S. states and territories with options to select "All states," "All territories" or "All states and territories." Respondents will have the ability to select more than one state and/or territory.]

IF Q7= Multi-county or multi-county equivalent | County, county equivalent or smaller, go to Q8. Otherwise skip to Q9.

8. Select the county(ies) or county equivalent(s) in which your CDFI served customers in 2018.
   [Response form: Dropdown list of counties/county equivalents in the state(s) selected in Question 6 with option to select "All counties" or "All county equivalents."]

9. What are your CDFI's primary and secondary lines of business? The primary line of business selected should correspond to the organization's predominant financing activity based on the dollar amount dedicated to support the provision of financial products. The secondary line of business selected should correspond to the organization's secondary financing activity based on the dollar amount dedicated to support the provision of financial products.

	Primary line of business	Secondary line of business
Small business finance	☐	☐
Commercial real estate finance	☐	☐
Consumer finance	☐	☐
Intermediary finance	☐	☐
Residential real estate finance	☐	☐
Other (please specify) _________	☐	☐

10. What is the percentage breakdown of your CDFI's total budget between operating costs and lending funds?
    Operating costs: [0-100%]
    Lending funds: [0-100%]
        [FORCE RESPONSE TO SUM TO 100%.]

11. In 2018, did demand for your CDFI's products and services:
    Increase
    Decrease
    Stay the same

12. In 2020, do you expect demand for your CDFI's products and services to:
    Increase
    Decrease
    Stay the same

3. In 2018, did you receive more qualified and approved loan requests than you had funding available?
    Yes
    No

14. In 2018, did your CDFI conduct any of the following activities related to workforce development efforts outside your organization? (Select all that apply.)
    Offer loans to organizations or businesses that conduct training or offer job placement services
    Offer technical assistance to organizations or businesses that conduct training or offer job placement services
    Offer technical assistance to businesses to help improve the supply of quality jobs
    Offer loans to businesses to help improve the supply of quality jobs
    Other (please specify) ______
    None of the above

15. Please use the space below to provide any additional comments that you have about your organization's work related to workforce development efforts.

If you **do not** want your contact information and/or survey response shared beyond the Federal Reserve System, please select all that apply below:

I **do not** consent to have my contact information included in the national directory of CDFIs.

I **do not** consent to have my contact information shared with trusted survey partners, but **do** consent to have my survey response shared.

I **do not** consent to have my contact information and survey response shared with trusted survey partners.

We now have some questions about Opportunity Zones, modernization of the Community Reinvestment Act (CRA) and the 2018-2019 partial federal government shutdown.

OPPORTUNITY ZONES

Opportunity Zones are economically-distressed census tracts in which new equity investments may be eligible for tax deferral. Opportunity Zones were created by the Tax Cuts and Jobs Act of 2017, designated by state governments and approved by the Internal Revenue Service. Investment in Opportunity Zones takes place through Qualified Opportunity Funds.

16. In 2018, did your CDFI participate in or conduct any of the following activities related to Opportunity Zones? (Select all that apply.)

    Internal staff education

    Educational programming for external audiences (e.g. webinars or events on Opportunity Zones)

    Outreach to state or local government

    Development of a Qualified Opportunity Fund

    Attract investment from a Qualified Opportunity Fund

    Other (please specify)

    None of the above

17. In 2019, does your CDFI plan to participate in or conduct any of the following activities related to Opportunity Zones? (Select all that apply.)

    Internal staff education

    Educational programming for external audience (e.g. webinars or events on Opportunity Zones)

    Outreach to state or local government

    Development of a Qualified Opportunity Fund

    Attract investment from a Qualified Opportunity Fund

    Other (please specify)

    None of the above

18. Please use the space below to provide any additional comments that you have about Opportunity Zones.

COMMUNITY REINVESTMENT ACT (CRA) MODERNIZATION

The Community Reinvestment Act (CRA) seeks to help banks effectively serve the convenience and needs of their entire communities and to encourage banks to lend, invest and provide services to low- and moderate-income consumers and neighborhoods.

19. Does the current CRA regulatory framework support your organization's needs and goals?
    - Very much
    - Somewhat
    - Neutral
    - Not really
    - Not at all

20. Are there elements of the current CRA regulatory framework that you believe should be modernized to better meet your organization's needs and goals?
    - Yes
    - No

IF Q20=Yes, go to Q21. Otherwise, go to Q22.

21. Briefly describe the elements of CRA that you believe should be modernized in the space below. Please be as specific as possible regarding your concerns with the current framework and, if possible, the proposed solution to address these concerns.

2018-2019 PARTIAL FEDERAL GOVERNMENT SHUTDOWN

22. Did the partial federal government shutdown impact your organization?
    - Yes
    - No
    - Don't know

23. Did the partial federal government shutdown impact your customers?
    - Yes
    - No
    - Don't know

IF Q22 | Q23=Yes, go to Question 24.

24. Please use the space below to describe the impact of the government shutdown on your organization and/or customers.

IF Q2 – State/Territory=Puerto Rico, go to Q25. Otherwise, go to text.

SPECIAL QUESTIONS FOR RESPONDENTS IN PUERTO RICO

We now have a few questions for CDFIs in Puerto Rico.

25. Did your CDFI make changes to your business model, operations and/or strategic plan as a direct result of post-Hurricane Maria conditions?
    Yes
    No

IF Q25=Yes, proceed to Q26. Otherwise, go to Q27.

26. Please describe any changes you have made to your business model, operations or strategic plan, if any, following Hurricane Maria.

27. Please select the most significant challenge for your CDFI as a result of Hurricane Maria:
    Lack of operational capital
    Inability to meet financing demands of customers
    Customer retention
    Local economic conditions
    Other: ______

28. Does your CDFI expect to receive funds as a result of the CDBG-DR allocation?
The Community Development Block Grant – Disaster Recovery (CDBG-DR) Program provides flexible grants to help areas affected by Presidentially-declared disasters rebuild and start the recovery process. The CDBG-DR Program is funded by the Department of Housing and Urban Development (HUD) and is administered by the Department of Housing of Puerto Rico.
    Yes - Direct allocation
    Yes - Allocation from a third-party
    No

29. Please select the organization(s) with which your CDFI currently partners for community education and programming:
    Financial institutions in Puerto Rico
    Financial institutions outside Puerto Rico
    Foundations
    Corporations
    Community-based organizations
    Government agencies
    Educational institutions
    Other: ______

Thank you for your valuable input. Please click 'Continue' to answer questions on capitalization and deployment, financial products and development services, and demand and capacity that will help inform researchers, policymakers, financial institutions and your CDFI peers. These questions should take about 20 minutes to complete.

Continue
End survey

CAPITALIZATION AND DEPLOYMENT

PLEASE COMPLETE THE FOLLOWING SECTION FOR YOUR ORGANIZATION AS A WHOLE (E.G. IF YOUR ORGANIZATION IS BOTH A BANK AND LOAN FUND COMPLETE THE SURVEY FOR THE TWO COMBINED).

30. Please specify the dollar values for the following for your CDFI as of December 31, 2018. If possible, these values should be based on audited financial statements.

	Dollar value	Is this figure based on audited financial statements?
Total assets	Less than $1M $1,000,000.01 - $25 $25,000,000.01 - $50M $50,000,000.01 - $500M More than $500M	Yes No
Total loans outstanding and/or deposits	Less than $1M $100,000,000.01 - $25M $25,000,000.01 - $50M $50,000,000.01 - $500M More than $500M	Yes No

31. Please indicate the date range of your fiscal year:
    From: [Dropdown meu to select month/day.]
    To: [Dropdown meu to select month/day.]

IF Q4=Community Development Loan Fund | Community Development Venture Capital Fund | Microenterprise Development Loan Fund | Community Development Corporation | Other, go to Question 32.
IF Q4=Community Development Bank | Minority Depository Institution Bank | Community Development Credit Union | Depository Institution Holding Company | Cooperativa, go to Question 33.

32. In 2018, what percentage of your CDFI's loan fund was deployed?
    Less than 25%
    25% to 49%
    50% to 74%
    75% or more

33. In 2018, what was your CDFI's loan-to-deposit ratio?
    Less than 25%
    25% to 49%
    50% to 74%
    75% or more

34. In 2018, what were your CDFI's top three sources of funding?
    - Earned income
    - Regulated financial institution(s)
    - Nonregulated financial institution(s)
    - National foundation(s)
    - Regional foundation(s)
    - State foundation(s)
    - Local foundation(s)
    - CDFI Fund
    - Federal government agency/department (not CDFI Fund)
    - State government agency/department
    - Local government agency/department
    - Tribal government
    - Regional governmental planning organization
    - Private investor(s) (including angel investor(s) and/or social impact investor(s))
    - Donor-advised fund
      A donor-advised fund is a charitable giving vehicle administered by a public charity created to manage charitable donations by individuals or organizations.
    - Commercial or consumer deposits
    - Other (please specify)

IF Q27=Earned income & Q4=Community Development Loan Fund | Community Development Venture Capital Fund | Microenterprise Development Loan Fund | Community Development Corporation | Other go to Q35. Otherwise, skip to Q37.

35. How does your CDFI generate earned income? (Select all that apply.)
    - Loan interest
    - Loan fees
    - New loan products
    - Fee-for-service activities
    - Social enterprise business ventures
    - Other (please specify)

IF Q4=Community Development Loan Fund | Community Development Venture Capital Fund | Microenterprise Development Loan Fund | Community Development Corporation | Other go to Q36. Otherwise, skip to Q37.

36. What is the equity and debt structure of your CDFI's balance sheet?
    - Percent equity (0-100%): __________
    - Percent debt (0-100%): ___________

37. What is the total percentage of high-risk loans and leases contained in your CDFI's portfolio? Please round to the nearest whole number.
    The CDFI Fund identifies loans and leases with the following characteristics as high-risk: "Payments 30 days past due, weak financial condition, uncooperative borrowers, non-existent financial reports, external events with serious negative impacts, possible workout."

38. From what federal programs (excluding Treasury/CDFI Fund programs) did your CDFI receive funding and/or technical assistance from January 1, 2017 to December 31, 2018? (Select all that apply.)

	Funding and/or technical assistance
U.S. Department of Agriculture	
Community Facilities Relending Program	☐
Community Facilities Direct Loan & Grant Program	☐
Intermediary Relending Program	☐
Healthy Food Financing Initiative	☐
Other USDA program (please specify)	☐
Small Business Administration	
Community Advantage	☐
Other SBA program (please specify)	☐

☐ None of the above

☐ Other (please specify) ____________________

39. Briefly describe the greatest challenges facing your CDFI with regard to capitalization and deployment in the space below.

FINANCIAL PRODUCTS AND DEVELOPMENT SERVICES

PLEASE COMPLETE THE FOLLOWING SECTION FOR YOUR ORGANIZATION AS A WHOLE (E.G. IF YOUR ORGANIZATION IS BOTH A BANK AND LOAN FUND COMPLETE THE SURVEY FOR THE TWO COMBINED).

IF Q4=Community Development Loan Fund | Community Development Venture Capital Fund | Microenterprise Development Loan Fund | Community Development Corporation | Other go to Q40. Otherwise, skip to Q45.

40. What financial products does your CDFI currently offer? (Select all that apply.)
    - Loans
    - Equity investments
    - Loan guarantees
    - Depository services
    - Checking and/or savings accounts
    - Other (please specify)

IF Q40=Loans | Equity | Loan guarantees | Depository services, go to Q41.
IF Q4=Community Development Bank | Minority Depository Institution Bank | Community Development Credit Union | Depository Institution Holding Company | Cooperativa, go to Question 45.

41. In 2018, approximately how many of the following financial products did your CDFI originate?
    - Loans ___________
    - Equity investments ___________
    - Loan guarantees ___________
    - Depository services ___________

IF Q40=Checking and/or savings accounts, go to Q42.
IF Q4=Community Development Bank | Minority Depository Institution Bank | Community Development Credit Union | Depository Institution Holding Company | Cooperativa, go to Question 45.

42. In 2018, approximately how many clients did your CDFI serve through checking and/or savings accounts?

Checking and/or savings accounts ___________

43. What percentage of your loan portfolio is invested in the following sectors?
    - Small business
    - Charter school
    - Commercial real estate
    - Community facility
    - Health care facility
    - Consumer
    - Intermediary
    - Residential real estate
    - Other (please specify)

44. Specify the average transaction size for the [INSERT RESPONSE(S) FROM Q43; THIS QUESTION WILL BE ASKED FOR EACH RESPONSE INDICATED IN Q36] loans originated by your CDFI:
    - $10,000 or less
    - $10,000.01 - $30,000
    - $30,000.01 - $50,000
    - $50,000.01 - $100,000
    - More than $100,000

45. What development services does your CDFI provide? (Select all that apply.)
    - Business technical assistance
    - Credit counseling
    - Financial education
    - Homeownership counseling and technical assistance
    - Real estate technical assistance
    - Policy research
    - Data collection

Advocacy
Event organization
Other (please specify)

46. In 2018, approximately how many clients did your CDFI serve through each of the development services indicated below?
[Autofill development services based on respondent answer to Q45.]

Business technical assistance	___________
Credit counseling	___________
Financial education	___________
Homeownership counseling and technical assistance	___________
Real estate technical assistance	___________

47. Briefly describe your CDFI's development services in the space below. (E.g. Type of data collected, policy issues researched, types of events organized, etc.)

48. Briefly describe the greatest challenges facing your CDFI with regard to financial products and development services in the space below.

DEMAND AND CAPACITY

49. Are there functions that your CDFI aspires to perform but currently does not?
Yes [Go to Question 50]
No [Skip to Question 52]

50. Briefly describe up to three functions that your CDFI would like to perform, but cannot at the present time.

51. What prevents your CDFI from performing functions that it aspires to do? (Select all that apply.)
Limited staffing
Lack of necessary skills
Limited debt financing
Limited equity financing
Banking regulations
Institution charter
Other (please specify)

52. How many full-time employees (FTE) and FTE equivalents did your CDFI employ as of December 31, 2018?

53. Does your CDFI use online platforms or tools to reach customers?
Online platforms or tools can include any type of online activity, including but not limited to online loan platforms, website development and social media outreach.
Yes (please specify) [Skip to Question 55]
No [Go to Question 54]

54. What factors have informed your CDFI's decision not to use online platforms or other online tools to reach customers?
    - Too costly to develop
    - Lack of expertise for development
    - Customers would not respond to online outreach
    - Other (please specify)

55. Has your CDFI ever funded a climate resilience or natural disaster relief initiative?
    - Yes - climate resilience initiative(s)
    - Yes - natural disaster relief initiative(s)
    - Both
    - Neither

56. Briefly describe the climate resilience and/or natural disaster relief initiative(s) that your CDFI has funded.

57. Please use the space below to describe any innovative products, services or operational practices that your CDFI is pursuing.

58. Briefly describe the greatest challenges facing your CDFI with regard to demand and capacity in the space below.

59. Please use the space below for any additional comments or concerns.

Thank you again for taking the time to complete this survey. For additional information about the Federal Reserve's work with CDFIs, please visit FedCommunities.org.

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