Colorado CDFIs:
Financing for Community Impact

Mission

To revitalize communities

by delivering capital, credit and financial services to people and in places with limited or no historical access to financial services.

Attachment F

Community Development Financial Institutions (CDFI)

- Certified by the U.S. Treasury CDFI Fund
- Private sector financial entities that provide capital, credit and technical assistance to benefit very low to moderate income households
- Attract public, private and philanthropic capital to support activities
- Support affordable housing, small business, micro finance and community facility infrastructure
- Accountable to the community, investors and public regulators
- Innovate products and services that expand participation of mainstream providers

Certification

- CDFI Fund recertifies institutions every three years.
- Applicant must be a legal entity
- Hold a primary mission of promoting community development
- Actively engaged in financing to target markets
- Provide technical assistance
- Maintain accountability to its defined target market
- Be a non-government entity and not under the control of any government entity (other than Tribal governments)

Accountability

- Investors, primarily banks, embed safety and soundness standards within all agreements
- Policies, processes, management and financial position are routinely monitored by investors
- Financial assistance applicants to the CDFI Fund are subject to rigorous analysis against a nationwide sample
- Governing board must include adequate representation of low-income and special need populations
- Residential mortgage lending activities subject to DORA Division of Real Estate oversight and comply with all applicable federal regulation

CDFI Rating System

- CDFI Assessment and Ratings System ("C.A.R.S.") was established in 2004
- Rating assessments are based upon on-site examinations
- Comprehensive analysis of financial and programmatic information over a 5-year period
- Extensive review of loan files and risk management systems
- In-depth interviews with management and board members
- Ratings are valid for three years based upon 1-5 scale. ['1' is highest; 8% of rated entities]
- CDFIs are closely monitored and may be re-rated or lose rating due to adverse conditions

Colorado CDFI Resources

- CDFIs actively serving the state report aggregated assets of $489 million.
- Entities headquartered in Colorado report assets of $97.2 million
- Investors include banks, CHFA, foundations, corporations, local and federal government
- Since 2010, the CDFI Fund has awarded $14.9 million to Colorado-based entities; $5.5 million in 2013 alone

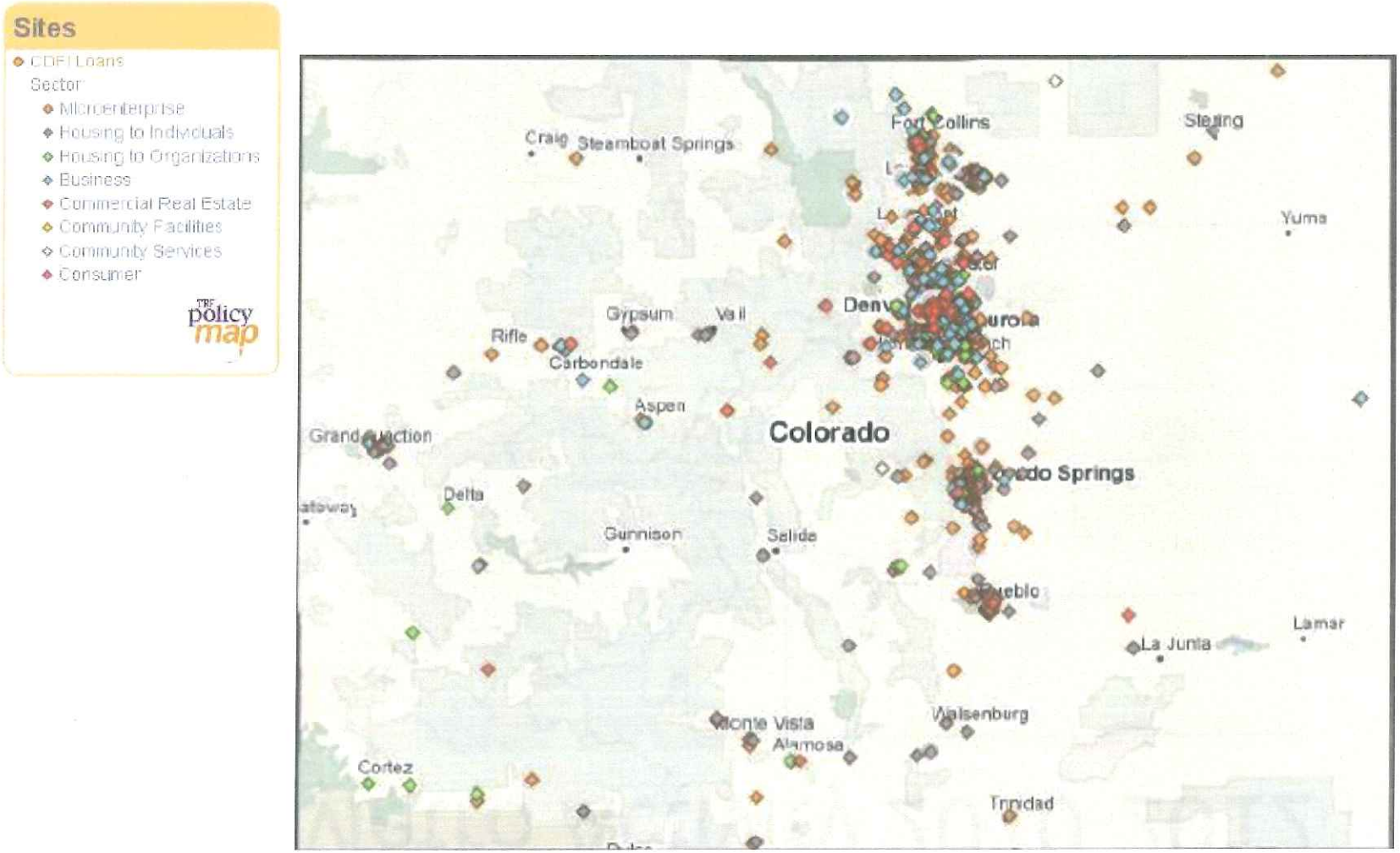
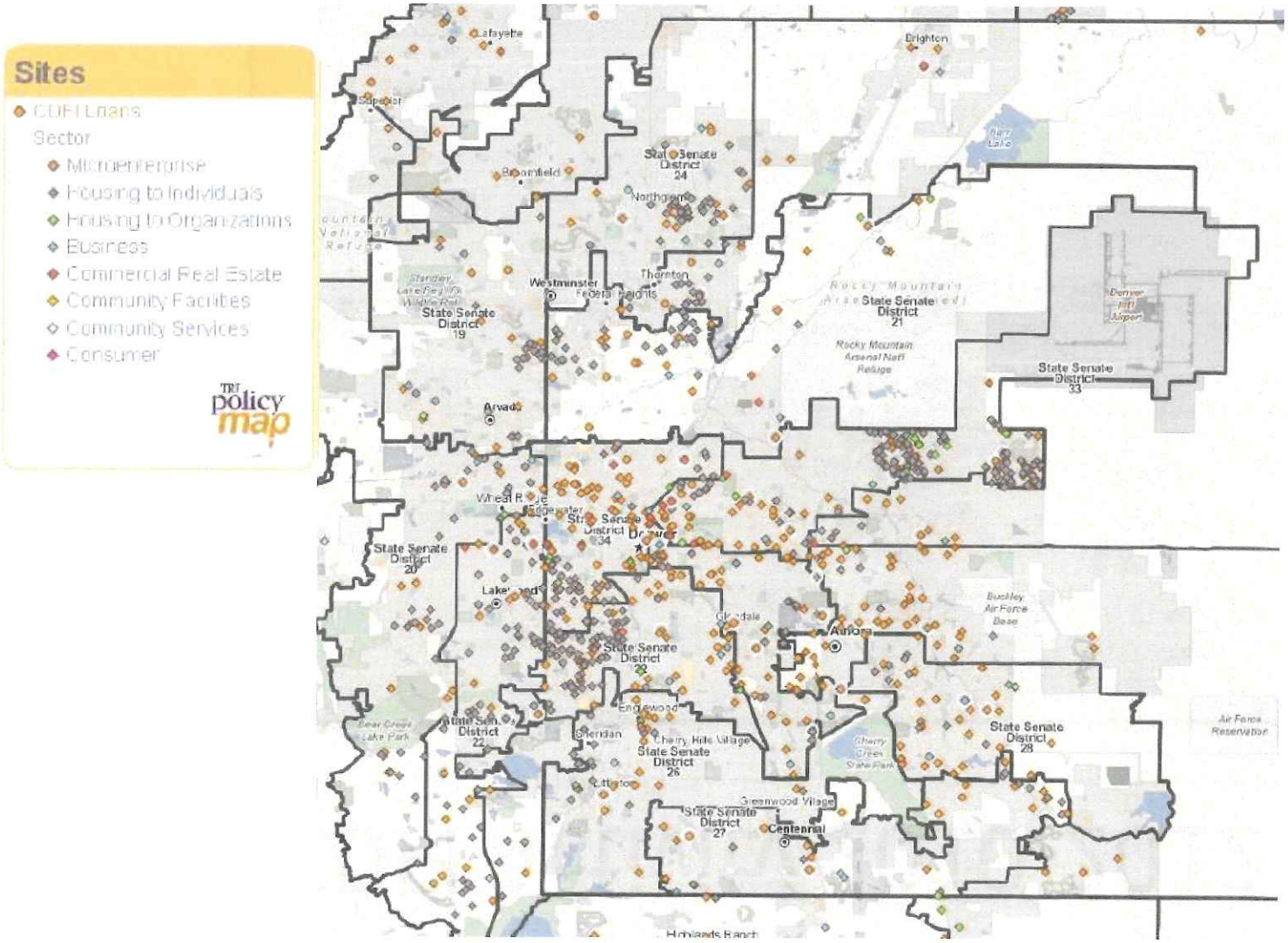
In 2012, Colorado CDFIs:

- Issued **$30,248,000** new loans to **621** individuals, small businesses and non-profit organizations [**$95 million** since 2010]
- Supported **302** first-time homebuyers
- Financed **282** businesses
- Helped establish **119** new businesses

Community Impact

- Created or sustained **1,665** jobs
- Developed or preserved **1,589** affordable housing units
- Finished or renovated **256,435** square feet of community facility space
- Supported **1,175** charter school student positions

CDFI Activity 2010-2012



Metro Activity 2010-2012