

October 15, 2024

Shannon McKay  
Program Manager, Office of Financial Strategies and Research  
Community Development Financial Institutions Fund  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue NW  
Washington, DC 20220

**RE: Public Comment on the CDFI ERP TLR Updates**

Dear Ms. McKay:

Thank you for the opportunity to provide comments on the U.S. Department of the Treasury's changes to the Transaction Level Report (TLR) related to the Equitable Recovery Program (CDFI ERP), posted on August 22, 2024. The CDFI ERP is the CDFI Fund's largest-ever grant program, directly funding CDFI lending, grant making, and investment activities to help low- and moderate-income communities recover from the COVID-19 pandemic and invest in long-term prosperity.

This federal investment recognizes CDFIs as key drivers of economic justice with a unique role in advancing an equitable economic recovery. CDFIs have the necessary expertise, flexibility, and commitment to reach deeper into underserved communities. The ERP grants provided directly to mission-driven lenders like IFF — serving people, businesses and communities with completely different needs and challenges — puts capital into the hands of the local problem solvers best equipped to find solutions.

IFF is supportive of the CDFI Fund's efforts to collect relevant data to ensure effective tracking and assessment of CDFI ERP impacts and compliance with program terms.

Please find our comments on the Performance Report Changes below:

***(a) whether the collection of information is necessary for the proper performance of the functions of the CDFI Fund, including whether the information shall have practical utility***

IFF agrees that the updated TLR changes are appropriate to track and report on loans deployed with ERP award dollars.

***(b) the accuracy of the CDFI Fund's estimate of the burden of the collection of information***

The CDFI Fund estimates that respondents spend about 10 hours collecting the information required for the ERP related TLR data, but IFF contends that this estimate is low. Since the CDFI Fund did not share the required data points for reporting prior to the award announcement date, IFF —and likely other CDFIs — have hesitated to deploy the award until we understand what will be required to report back to the Fund.

The suggested updates to the TLR are reasonable, but every change requires a review of existing procedures and systems to adjust to the new fields and field options. There is a large upfront



investment for every award that requires new fields and reports. In addition to that upfront effort, IFF estimates it takes 20 hours annually to ensure all data is correctly integrated into the TLR from our other systems.

***(c) ways to enhance the quality, utility, and clarity of the information to be collected***

IFF would like to submit the following questions and considerations regarding the utility and clarity of the ERP TLR data points.

1. How is the field “ERP Minority Owned or Controlled” different from the existing TLR field: “Minority Owned or Controlled”?
  - a. Each ERP loan will show “ERP” as the FA Program Type, so we would suggest the new conditionality rule be added to the existing field instead of adding a separate field.
  - b. Please verify what the options are for the drop-down list on this field. The narrative guidance lists the options as “Yes/No/Do Not Know,” but the selection options lists “Yes/No/Declined.”
2. We look forward to additional guidance to distinguish between “Housing Stability” impacts and “Affordable Housing” impacts. IFF is assessing our own definition, but had hoped the ERP TLR Data Point Guidance would provide some indication of what the CDFI Fund is looking for. Absent an update, we will lean into this area of impact as we define it.
3. We suggest listing the ERP Impact types in one field as a drop-down list rather than nine different fields, unless the intention is that some loans may qualify for more than one ERP Impact.

***(d) ways to minimize the burden of the collection of information on respondents, including through the use of technology***

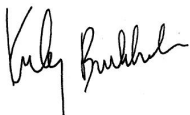
IFF is supportive of the CDFI Fund’s efforts to ensure that the program tracks the intended impact through these additional data points and reports. The burden doesn’t appear significant compared to how we currently operate; apart from the earlier comment that any updates to the TLR need to be assessed for implications to our entire lending process and our compliance systems.

***(e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information***

As noted above, we believe the CDFI Fund underestimates the costs of updating our procedures and systems to comply with new data requirements. Though we also acknowledge that in this case, the data points seem reasonable and achievable.

Again, thank you for the opportunity to provide comments on the new ERP TLR data points and reports. If you have any questions, please do not hesitate to contact me at [kburkholder@iff.org](mailto:kburkholder@iff.org).

Sincerely,



Kirby Burkholder  
President, Core Business Solutions