

August 2, 2016

Marcia Sigal, CMF Program Manager
Community Development Financial Institutions Fund
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC. 20220

Dear Ms. Sigal:

Please find below comments from NALCAB – National Association for Latino Community Asset Builders on the Capital Magnet Fund Application and the Capital Magnet Fund Annual Report.

CMF Application

Is the information that is currently collected by the Application necessary and appropriate for the CDFI Fund to consider for the purpose of making award decisions?

NALCAB has previously recommended to the CDFI Fund that a CDFI Consortium category be established based on models such as the JP Morgan Chase Foundation's PRO Neighborhoods grant program or the Surdna Foundation's recent Program Related Investment to the VEDC/NALCAB Small Business Lending Consortium. While the Fund has previously ruled that consortia are eligible applicants under the FA category, we have commented that the total award ceiling must be higher if the Fund is serious about attracting applications from consortia led by high quality applicants. With a higher award ceiling, the Capital Magnet Fund presents an important opportunity to implement this cutting edge strategy. In particular, a consortium approach has strong potential for increasing investments in geographically diverse areas of economic distress. The key obstacle for a consortium of eligible organizations to access the Capital Magnet Fund is the application form itself.

Specifically, to allow applications from consortia, alterations need to be made to Questions # 11 Track Record and associated tables A1, A2 and C1 as well as Exhibit 3: Application Financial Data. In each of these sections, it should be possible to enter data not only on the lead organization from a consortium, but also from other consortium members that are critical to the performance of the proposed strategy. This would allow the CDFI Fund to accurately judge whether the combined Track Record and Financial Capacity of the consortium members are sufficient to undertake the proposed uses.

CMF Annual Report

It is important to understand what racial and ethnic populations are being served by recipients of funding from the CDFI Fund, including CMF grantees. Requiring the collection of race and ethnicity data by loan or housing unit produced can present a significant challenge for grantees. That being understood, proxy data, including the racial/ethnic composition of census

tracts served (all data that is currently available) is important. The CMF Annual Report, and all CDFI Fund grantees, should additionally report data on the racial and ethnic composition of a grantees board of directors, executive staff and the entire staff as well as report the approximate racial and ethnic breakdown of the population it serves. These are more reasonable data to collect and estimate and will significantly inform the public about how a grantee is serving their target market.

Thank you for your time and your service.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Noel A. Poyo". The signature is fluid and cursive, with the first name "Noel" and last name "Poyo" being clearly legible, and "A." as a middle initial.

Noel Poyo, Executive Director