

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

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CDFI Fund Annual Update on NMTC Program Data, Reporting and Research

New Markets Tax Credit Coalition Conference

PRESENTED BY
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PRESENTED ON
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Overview of presentation



- Overview of NMTC Program Data 2003-2015
- CIIS 14.0 Changes
- The NMTC Program Compliance Research Update
- Planned update of the NMTC program eligibility data for Low-Income Communities
- Request for Public Comment on the CIIS data collection will be issued in the winter of 2017

Annual Performance of NMTC Program Allocatees for FY 2016 (Based on Program Activities Reported in 2015)



Key Performance Outcomes and Outputs	Amount
<i>Lending and Investing Activity</i>	
Total Qualified Low-Income Community Investments (QLICs)	\$3,159,748,110
Number of QLICs	1,146
Real Estate Activity (Investments in QALICBs)	\$1,116,792,291
Number of QLICs	372
Non-Real Estate Activity (Investments in QALICBs)	\$1,995,591,819
Number of QLICs	757
Loans/Investments Made to Other Community Development Entities (CDEs)	\$47,364,000
Number of QLICs	17
Percent of Loans/Investments in Severely Distressed Communities²	74.53%
Jobs at Reporting Period End	10,932
Projected Construction Jobs	26,787
Affordable Housing Units Financed	660
Rental Units	369
Owner Units	291
Square Feet of Commercial Real Estate	10,189,924
Manufacturing	3,884,887
Office	4,143,600
Retail	2,161,437
Businesses Financed	530
<i>Financial Counseling and Other Services</i>	
Total Investments	\$1,983,648
Number of Businesses Served	5,522

Cumulative Performance of NMTC Program Allocatees (Based on Program Activities Reported in 2003-2015)



Key Performance Outcomes and Outputs	Amount
<i>Lending and Investing Activity</i>	
Total Qualified Low-Income Community Investments (QLICIs)	\$41,904,317,293
Number of QLICIs	11,520
Real Estate Activity (Investments in QALICBs)	\$21,113,895,275
Number of QLICIs	5,184
Non-Real Estate Activity (Investments in QALICBs)	\$19,958,799,858
Number of QLICIs	6,096
Loans/Investments Made to Other Community Development Entities (CDEs)	\$831,622,159
Number of QLICIs	240
Percent of Loans/Investments in Severely Distressed Communities	72.27%
Jobs at Reporting Period End	275,136
Projected Construction Jobs	435,742
Affordable Housing Units Financed	13,901
Rental Units	7,823
Owner Units	6,078
Square Feet of Commercial Real Estate	178,513,648
Manufacturing	37,077,404
Office	80,088,464
Retail	61,347,780
Businesses Financed	5,458
<i>Financial Counseling and Other Services</i>	
Total Investments	\$34,479,746
Number of Businesses Served	51,506

Overview of NMTC Program Data



- In FY 2016, over 35 % of the dollars were invested in “real estate QALICBs” (i.e., businesses that develop or lease real property for use by others).
- Over 63% of the dollars were invested in operating businesses in low- income communities and the remaining investments were direct investments into other CDEs.
- Since 2003, adding together all QLICs yields a grand total of \$41.9 billion in cumulative NMTC investments.
- Cumulatively nearly \$35 million in financial counseling and other services have been provided to 51,500 businesses in low-income communities.

CIIS 14.0 Changes



- QEI Disbursement Report (Compliance)
 - Recognize reporting burden and need to implement a fix to upload data like TLR.
- TLR Job Guidance
 - Applies only for new projects and single CDE projects (do not recalculate previously reported data)
 - For Multi-CDE projects use current Multi-CDE methods

NMTC Program Compliance Research



- **The NMTC Program Compliance Research** study will address issues related to monitoring program outcomes and mitigating compliance risks throughout the seven year tax credit reporting period.
- The study sampled 53 projects and 61 CDEs to conduct detailed case studies and desk reviews, including 10 on-site reviews.
- The study analyzes the financial structures and public and private funding mix associated with different project types and analyze the programmatic and compliance outcomes associated with each.
- The study will determine what additional guidance the CDFI Fund should employ to ensure proper monitoring and compliance of the NTMC Program.
- The study will present findings that respond three issues posed by GAO's report 14-500, New Markets Tax Credit, Better Controls and Data Are Needed to Ensure Effectiveness.

Planned update of the NMTC program Census eligibility data



Update of Low-Income Communities based on Census Bureau release of latest 5-year American Community Survey (2011-2015 data).

- The update will also use the latest OMB Metro/Non-metro designations which will affect some county designations as Metro or Non-metro.
- Will be completed by August 2017.

Request for Public Comment on the CIIS



- A Request for Public Comment on the CIIS data collection will be issued in the winter of 2017.
 - Relevance of ILR
 - Improvements in TLR and Disbursement Reports
 - Improved guidance issues.