

The questions below were received during Cal IIP's Grant Application Workshop, held on Wednesday, October 11, 2023. The responses have been edited for clarity.

1Q: Is there a template or list of information we need to complete for the loan portfolio attachment in Part IV?

A: There is no template. You can use an existing copy of your organization's loan portfolio. We would like you to include the following information: date of loan funding, dollar amount of loan funded, location of borrower, and total number of all loans.

2Q: Regarding Tier 2 of the Grant Request, is the total of \$10,000,000 [ten million] or more in financial assistance in the state of California in the last three fiscal years cumulative across all three years, or is it \$10,000,000 [ten million] per year?

A: To qualify for that Tier 2 requirement, the \$10,000,000 [ten million] or more refers to a cumulative total over the last three fiscal years.

3Q: Do small and emerging CDFIs still qualify for Tier 1 and/or Tier 2 amounts?

A: No, by selecting the small and emerging CDFIs category the applicant is excluded from selecting options Tier 1 or 2. Applicants may only choose one option in **Part II. Grant Request** section of the application.

4Q: How can we access the recording of the Grant Application Workshop that was held on October 11, 2023?

A: The recording can be found here at the bottom of the page:
<https://www.treasurer.ca.gov/cpcfca/caliip/application.asp>.

5Q: Are these [eligible uses of] grants limited to small business lending, or is mortgage residential lending eligible?

A: Mortgage residential lending is an eligible use of grant funds if the loan originated on the CDFI's balance sheet.

6Q: What is the difference between question 4 and question 5 in Part III of the application?

A: For question 4, the current market refers to any market the CDFI is currently serving, such as small businesses, housing, education, etc. For question 5, any targeted regions and client types refer to any current or future regions (i.e.- neighborhoods, cities, counties) or client types (i.e.- low-income households, small business owners, etc.) that will be aided with the grant funds. If the grant funds will be allocated elsewhere, please indicate the grant funds will be used for working capital, hiring new staff, operating costs, etc.

7Q: What is the format for the fiscal year?

A: The fiscal year, as listed in the application, refers to the 12-month accounting period that the applicant CDFI uses for financial and tax reporting purposes.

8Q: Regarding questions 6 and 7 in Part II, do applicant CDFIs need to serve new markets and introduce new services under this grant, or can the answer space be used to further describe the communities served by applicants?

A: Applicant CDFIs do not need to serve new markets or introduce new services if awarded grant funds. The purpose of questions 6 and 7 are intended to provide insight as to what the grant funds will be used for and how they will be serving the community. Please feel free to describe the communities served by applicants.

9Q: Should applicants submit an on-balance sheet portfolio, or an on- and off-balance sheet portfolio?

A: The indicators needed to make sure an applicant meets the eligibility requirements are as follows: the dates of loan funding, the dollar amounts of loans funded, the location of borrower, and the total number of all loans. Please submit whichever balance sheet portfolio contains these indicators.

10Q: Should target markets listed only include California?

A: Yes, please.

11Q: Will there be a rubric for evaluation applications?

A: It is more of a checklist. The intention of the Cal IIP legislation was to ensure that if a CDFI met the eligibility, eligible uses, and completes the grant application, it will receive funds.

12Q: Are loans aimed at making clean energy eligible for the Cal IIP application?

A: No, clean energy loans are not listed in the legislation as an eligible use of grant funds. However, the legislation does not specify loan type in meeting the eligibility requirement to apply for grant funding. In addition, grant funds may be used for working capital, to supplement net assets, and/or increase the CDFI's capacity to attract additional financing for funding loans and loss reserves.

13Q: Will any preference be given to use of grant funds?

A: Not, it will not.

14Q: Does the loan portfolio need to be a national portfolio, or California-specific portfolio?

A: This would depend on how the CDFI plans to meet Health and Safety Code Section 44558(f)(4). If the CDFI chooses (i), which requires that at least 25% of the CDFI's loan portfolio provide financial assistance to persons or projects in California then please provide the information that will show that 25% of the total meets this requirement.

If the CDFI chooses (ii), please provide the loan portfolio information that shows the CDFI provided financial assistance to persons or projects in California totaling \$10,000,000 (ten million dollars). In most instances a California-specific portfolio would provide the information we need to quickly evaluate your grant application.

15Q: Would a CDFI credit union's 5300 that represents both a financial statement and a credit union's loan portfolio filed with the NCUA suffice for Attachment B and Attachment C?

A: As long as a document shows the information needed to establish eligibility, then it can be submitted in lieu of the documents listed in Part IV.

16Q: For the three years of financial statements being requested in Part IV, do applicants need to submit thirty-six sets of financials, or just three year-end financial statements?

A: Three year-end financial statements are sufficient.

17Q: Do the financial statements requested in Part IV need to be audited?

A: Yes, applicants must submit the 3 most recent audited financial statements. Unaudited financials are okay to submit for the most recent year if they are currently undergoing an audit or if the applicant is a new CDFI.

18Q: When including portfolio information, should applicants include portfolio information for organizations that administer the State Loan Guarantee Program under the SSBCI?

A: Applicants should show their entire loan portfolio for persons or projects located in the state of California, regardless of a loan's affiliation with another government program.

19Q: Can applicants select multiple uses for grant funds, such as working capital and loans, or can only one use be selected?

A: Applicants can select multiple uses for grant funds, provided every use is described in question 2 of Part III of the application.

20Q: Is the grant funding for a single year, or is it a multi-year award?

A: Awards are for a single year. A new application will be released each November 1 with awards the following February 1. Applicants that are party to an existing or prior Grant Agreement may only apply to an open application if at least 50% of the previously awarded grant funds have been spent and the applicant has met all other requirements.

21Q: Is there a limit on how long the narrative answers in Part III of the application can be?

A: We would prefer them to be 250 words or less, however, there are no penalties for going over. In addition, if the provided space is not enough, we will accept an attached addendum.

22Q: Do venture capital CDFIs qualify for this program?

A: Yes, provided they meet all eligibility requirements.

23Q: Which current Federal certification is required to qualify for the grant?

A: To qualify for the grant, the applicant must have a current Certification as a Community Development Financial Institution (CDFI) pursuant to Section 1805 of Title 12 of the Code of Federal Regulations.

24Q: What does it mean for the officers to be domiciled in California?

A: To use the qualification of domiciled in California, the CDFI must have a principal office in California in which the officers of that office reside in California. If this qualification cannot be met, the other criteria to qualify is:

The community development financial institution has a record of lending in this state, based on either of the following:

(i) At least 25 percent of the community development financial institution's loan portfolio, at the time of the application, provides financial assistance to persons or projects located in this state.

(ii) The community development financial institution has provided financing assistance in this state totaling at least ten million dollars (\$10,000,000) in the three years prior to its application.

25Q: Tier 2 has multiple options, when completing the application can both criteria be selected?

A: You may select which option best applies to your CDFI, upon confirmation that the CDFI meets the eligibility criteria. You can only apply under one category.

26Q: Do grants made by an applicant CDFI qualify as the financing assistance needed to be eligible for this program?

A: No, grants do not count as the financial assistance qualifying an applicant CDFI for this program.

27Q: For this application who is considered the authorized signer, is it just senior management or is it the whole board?

A: This is dependent on the corporate structure of your CDFI. Please list all representatives of the CDFI with the authority to certify to the information provided in the grant application and commit the CDFI to the requirements of the grant award should the CDFI meet the requirements of the grant and receive an award. Applicants may submit an attachment if more space is needed.