



California Investment & Innovation Program (Cal IIP)

Grant Application Details & Instructions

October 2, 2023

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<https://www.treasurer.ca.gov/cpcf/caliip/index.asp>

Table of Contents

I. OVERVIEW	2
A. Program Overview and Funds Available	2
B. Timeline	2
C. Authorizing Legislation and Regulations	3
II. PROGRAM REQUIREMENTS	3
A. Eligibility	3
B. Eligible Use of Funds	4
C. Grant Awards	5
III. APPLICATION SUBMISSION AND REVIEW PROCEDURES	6
A. Application Form	6
B. Application Submission Process	6
C. Application Workshop	7
D. California Public Records Act	7
IV. AWARD ANNOUNCEMENTS AND GRANT AGREEMENTS	8
A. Award Announcements	8
B. Grant Agreements	8

I. OVERVIEW

A. Program Overview and Funds Available

The Legislature established the California Investment & Innovation Program (Cal IIP) to provide grants to enhance the capacity of community development financial institutions (CDFIs) to provide technical assistance and capital access to economically disadvantaged communities in California¹. CDFIs are a critical partner of the State in addressing short-term and long-term needs of low- and moderate-income communities in the areas of affordable housing, health care, small business lending, economic development, and more.

The California Pollution Control Financing Authority (CPCFA) is pleased to announce the release of the California Investment and Innovation (Cal IIP) Notice of Funding Availability for \$15 million in grant funds.

B. Timeline

NOFA Release: October 2, 2023

Application Release: October 2, 2023

Application Due Date: November 1, 2023, by 5:00 p.m. Pacific Daylight Time

CPCFA Board Presentation: January 16, 2024

Award Announcement: By February 1, 2024

1

C. Authorizing Legislation and Regulations

The legislation is chaptered in statute as Health & Safety Code, Sections 44558 – 44558.5. It designates CPCFA, under the State Treasurer’s Office (STO), to administer Cal IIP.

Submitted applications are subject to the program regulations and all applicable statutory requirements.

A copy of the Cal IIP Statutes and Regulations can be found here:



<https://www.treasurer.ca.gov/cpcfca/caliip/statues.asp>.

II. PROGRAM REQUIREMENTS

A. Eligibility

An applicant must have the following:

- A current certification pursuant to Section 1805 of Title 12 of the Code of Federal Regulations.
- A minimum net worth of \$25,000 as indicated in financial statements.
- At least 5 loans in the 12 months prior to submitting application.

Additionally, an applicant must have at least one of the following:

- A principal office in California and officers domiciled in California.
- A record of lending in California, based on either of the following:

- At least 25% of applicant's loan portfolio provides financial assistance to persons or projects in California.
- Provided financial assistance in California totaling \$10 million in the 3 years prior.

B. Eligible Use of Funds

The eligible uses of Cal IIP grant funds are working capital and increasing total net assets. If you are unsure or have questions regarding your CDFI's use of funds, please contact us.

- Working Capital: CDFIs can use the grants to fund services and operations that contribute to the CDFI's overall community development mission.
- Increase Total Net Assets: CDFIs can use the grants to supplement their net assets and increase their capacity to attract additional financing for funding loans and loss reserves, or any of the following:
 - Affordable housing
 - Development or
 - Preservation or
 - Renovation
 - Businesses owned by low-income persons or
 - Providing jobs for low-income persons or
 - Increasing availability of products and services to low-income persons
 - Childcare facilities
 - Commercial facilities promoting
 - Revitalization or
 - Community stability or
 - Job creation/retention

- Community's access to services such as
 - Automated teller machines, deposit taking, and safe deposit box services
 - Check cashing, certified checks, and money orders
 - Checking and saving accounts
 - Credit building consumer loans
- Cultural service facilities
- Educational service facilities
- Health care facilities
- Social service facilities

C. Grant Awards

- Per legislation, 20% of funds available will be set aside for small and emerging CDFIs. This funding will be divided equally among all eligible applicants that are small and emerging CDFIs.
- The size of grant awards shall be based on the total amount of loans closed by each applicant in the most recently completed fiscal year. Funding shall be awarded based on the following tier system:
 - (1) Tier 1: All eligible applicants will receive up to \$100,000.
 - (2) Tier 2: Applicants with a minimum of 10 loans in the most recently completed fiscal year or applicants that have provided financing assistance in the state totaling \$10 million or more in the last three fiscal years will receive up to \$100,000 in additional funding. The maximum grant award for a Tier 2 Grantee is \$200,000.
- The final funding amounts per tier may be less than the maximum grant award depending on the funding available and the total number of eligible applicants.

III. APPLICATION SUBMISSION AND REVIEW PROCEDURES

A. Application Form

The application form will be available beginning October 2, 2023, on the Cal IIP webpage at



<https://www.treasurer.ca.gov/cpcfca/caliip/application.asp>.

B. Application Submission Process

Applications must meet eligibility requirements upon submission. Application materials must be submitted electronically via email to caliip@treasurer.ca.gov.

Applicants must submit all application materials **no later than 5:00 p.m. Pacific Daylight Time on November 1, 2023.**

C. Application Workshop

CPCFA staff will be conducting a virtual workshop to discuss the Cal IIP application on Wednesday, October 11, 2023, from 11:00 AM to 12:00 PM (PST).

Please use this link to register:



<https://events.gcc.teams.microsoft.com/event/61c33024-3549-470b-b654-ea3d0caea6b0@3bee5c8a-6cb4-4c10-a77b-cd2eaeb7534e>

D. California Public Records Act

All material submitted in the application will become the property of the State of California and will not be returned. In addition, all material submitted will be considered a public record by the CPCFA and State Treasurer's Office and subject to disclosure pursuant to the California Public Records Act (Government Code Section 7920.000 et seq.).

IV. AWARD ANNOUNCEMENTS AND GRANT AGREEMENTS

A. Award Announcements

CPCFA will announce awards on the Cal IIP webpage by February 1, 2024.



<https://www.treasurer.ca.gov/cpcfaiip/index.asp>

We will send an email notification to those that have subscribed to the “CPCFA Cal IIP” email list found at



<https://www.treasurer.ca.gov/cpcfaiip/signup.asp>

B. Grant Agreements

Awardees will enter into a grant agreement with CPCFA that will contain all relevant state and federal requirements, as well as specific information about the award. Grant agreements will be distributed to awardees via DocuSign after awards are announced.