

CDFI NEWS DETAIL

Treasury Guarantees \$100 Million in CDFI Bond Funding

Wednesday, September 30, 2020

Washington, DC— The U.S. Department of the Treasury's Community Development Financial Institutions Fund (CDFI Fund) announced today the approval of a \$100 million guarantee under the fiscal year 2020 round of the Community Development Financial Institutions (CDFI) Bond Guarantee Program. The guarantee will be issued to the Community Reinvestment Fund, USA on behalf of Clearinghouse Community Development Financial Institution (Clearinghouse). Over \$1.7 billion has now been guaranteed since the inception of the CDFI Bond Guarantee Program, which provides long-term, fixed-rate capital for projects in low-income urban, rural, and Native communities.

“After eight rounds of bond issuances, the impact the CDFI Bond Guarantee Program is having in economically distressed communities across the country is evident,” said CDFI Fund Director Jodie Harris. “From the financing of small businesses in both urban and rural settings, to needed community facilities on Native lands, to critical housing for people with disabilities, the long-term affordable capital provided under this program is making a real difference.”

Clearinghouse, which is headquartered in Lake Forest, California, will use the bond loan to finance charter schools, commercial real estate, daycare centers, healthcare facilities, not-for-profit organizations, rental housing, senior living and long-term care, and small businesses in low-income communities in California, Arizona, Nevada, New Mexico, and in sovereign nations in the western United States.

Established by the Small Business Jobs Act of 2010, the CDFI Bond Guarantee Program responds to a critical market need for low-cost capital to spur economic growth and jump start community revitalization. Under the program, Qualified Issuers (CDFIs or their designees) apply to the CDFI Fund for authorization to issue guaranteed bonds worth a minimum of \$100 million. The bonds provide CDFIs with access to substantial long-term, fixed-rate capital to invest in distressed communities. For more information on the CDFI Bond Guarantee Program, visit the CDFI Fund website at [www.cdfifund.gov/bond \(/bond\)](http://www.cdfifund.gov/bond (/bond)).

About the CDFI Fund

Since its creation in 1994, the CDFI Fund has awarded more than \$3.8 billion to CDFIs, community development organizations, and financial institutions through the Bank Enterprise Award Program, the Capital Magnet Fund, the Community Development Financial Institutions Program, the Financial Education and Counseling Pilot Program, and the Native American CDFI Assistance Program. In addition, the CDFI Fund has allocated \$61 billion in tax credit allocation authority to Community Development Entities through the New Markets Tax Credit Program, and closed guaranteed bonds for over \$1.7 billion through the CDFI Bond Guarantee Program.

To learn more about the CDFI Fund and its programs, please visit the CDFI Fund's website at [www.cdfifund.gov \(/\)](http://www.cdfifund.gov (/)).