

NEW MARKETS TAX CREDIT (NMTC) PROGRAM EVALUATION: SUPPORTING STATEMENT FOR REQUEST FOR CLEARANCE

January 19, 2010

Prepared for:

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Contract No. GS-23F-8198H, Task Order TPD-CDF-07-K-00016
UI Project No. 07112-031-00

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JUSTIFICATION

This supporting statement provides detailed information on proposed information collection activities associated with a four-year evaluation of the New Markets Tax Credit (NMTC) program. The program is administered by the U.S. Department of the Treasury's Community Development Financial Institutions (CDFI) Fund.

The evaluation is being done by the Urban Institute under contract to the CDFI Fund. It includes a one-time information collection effort involving participants and stakeholders in the program, and is intended to describe and assess program activities, identify project-specific outputs and outcomes as well as community outcomes, and address the issue of the need for NMTC investment.

A1. Circumstances that make the collection of information necessary

The NMTC program was established by the Community Renewal Tax Relief Act of 2000 to encourage private capital investment in low-income communities that are, or are perceived to be, high investment risks.¹ It permits individual and corporate taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by CDEs to provide investments in Qualified Active Low-Income Community Businesses (QALICBs), which include both operating businesses and real estate developments. The federal tax credits are allocated competitively by the CDFI Fund to CDEs; CDEs, in turn, select projects in which to invest.

There is considerable flexibility and, consequently, variability with respect to the types of projects that can be supported by NMTC-stimulated investments. They can include for-profit and non-profit businesses involving commercial, industrial, retail, manufacturing or mixed-uses, for example, as well as community facilities such as childcare or health facilities or charter schools.

¹ P.L. 106-554 was signed into law on December 21, 2000. It defines low-income communities as consisting of census tracts with a poverty rate of at least 20 percent, a median family income of less than 80 percent of the metropolitan areas or statewide median (whichever is greater) or, for non-metropolitan census tracts, a median family income of less than 80 percent of the statewide median. Census tracts typically contain between 1,500 and 8,000 people, with an average size of about 4,000 people.

The data collection described in this document will provide critical information for an independent evaluation of the NMTC program. In contracting with the Urban Institute, the CDFI Fund expects that the evaluation will help to satisfy the Office of Management and Budget's (OMB's) requirements that federal agencies undertake independent evaluations of program performance. To date, no such evaluation has taken place. Instead, using a web-based system, CDE tax credit allocatees are required to submit standardized data to the Fund for compliance monitoring purposes. Such data, however, provide limited information on individual project activities or outcomes. While industry organizations conduct surveys of their membership and disseminate information on successful NMTC-financed projects, these initiatives do not provide a comprehensive picture, or an evaluation, of the NMTC program.

A2. How, by whom, and for what purpose the information is to be used

The Urban Institute and its subcontractors are responsible for the design, data collection and analysis for the NMTC program evaluation. The Institute will report its findings to the CDFI Fund, which, in turn, will report them to the Congress, the community development industry, and general public. The research will contribute to ongoing policy discussion regarding the outcomes and effectiveness of the NMTC program.

The evaluation involves multiple research methods to produce valid evidence for describing and assessing program activities and outcomes. The focus is on the program's primary objective of attracting capital to low-income, economically distressed communities so as to further their economic and community development. The evaluation is intended to inform an array of important policy questions, including:

- How and in what manner the program is affecting the flow of new private capital to low-income communities.
- Where, in what timeframe, and how that capital is invested to achieve community and economic development objectives.
- The quantity, nature, and quality of the benefits to low-income communities and persons that can potentially be attributed to the NMTC program.

To answer such questions, the following will be undertaken:

A description of program activities—to provide a thorough description of projects implemented using the NMTC program, their capital flows, and project financing.

An assessment of project outputs and outcomes—to provide a comprehensive description of the outputs and outcomes associated with projects that include NMTC investments, quantify such outputs and outcomes to the extent possible, and gain knowledge that will establish results expectations with respect to different types (i.e., categories) of NMTC projects. Because NMTCs support a wide range of projects, differentiation is necessary to be able to identify appropriate metrics and fairly evaluate the program as a whole.

An assessment of community level outcomes—to learn about broader and longer-term community level results associated with NMTC investments, including additional investment, physical improvements, and benefits for community residents.

An assessment of the extent to which NMTC investment is needed—to learn about the efficiency of the credits in stimulating community and economic development.

In addition to the information collection described in this submission, the evaluation also includes: (a) a review of relevant economic development, performance measurement, and tax credit literature; (b) informal discussions with key NMTC stakeholders; (c) an analysis of existing NMTC administrative data; (d) development of a typology of NMTC projects; and (e) an examination of secondary public and private data. To address the key evaluation issues noted above, new data must be gathered about NMTC projects beyond existing data and what is being collected by the CDFI Fund for program administration purposes. Paperwork Reduction Act clearance is requested for the following new information collection efforts:

- Case-style data collection related to 80 sampled NMTC projects that will consist of semi-structured telephone interviews with 80 CDEs, 80 QALICBs, 80 investors, and 80 other key project stakeholders.
- An online, predominantly closed-ended survey of representatives of 380 QALICBs.
- An online, predominantly closed-ended survey of 380 local community/economic development officials.

Toward this end, four topical discussion guides, an information sheet for CDEs, an information sheet for QALICBs, and two survey instruments are included in this submission. Table 1 shows how each of these data collection instruments, along with existing data, will be used to address the four key study clusters. While most data collection addresses project-specific implementation and outcomes, the role of federal programs generally in local community and economic development is important to understanding the role of NMTCs in this broader context. The survey of local community/economic development officials addresses this issue. Please note also that in Table 1 the use of existing NMTC administrative data (called the

Community Investment Impact System, or CIIS) does **not** constitute a new data-collection effort for this evaluation; the authority for the CDFI Fund to collect those data has previously been approved by OMB.

The remainder of this section provides a more detailed description of the use of each of these data sources and the plans for collection.

Case-style semi-structured telephone interviews with CDEs and other key project stakeholders will supplement available administrative data (CIIS) for the NMTC program. Eighty (80) NMTC projects will be randomly selected, comprising a sample of diverse business, geographic, and financial characteristics. An average of four interviews will be conducted for each project, one each with a CDE official, investor, QALICB representative, and another stakeholder (as appropriate for each particular project, such as an attorney, accountant, local official, or representative of community group).

Case-style telephone interviews allow for exploring project initiation, financing alternatives, and outcomes to date with several respondents for each project. For example, the interviews will include a line of questioning about market conditions, selection of the project site, and the role of NMTCs in the project that will shed light on the issue of the need for NMTC investments. The interviews will also address actual, rather than projected, project outcomes. For outcomes such as employment, the questions will probe more deeply to ascertain the types of jobs created or retained and whether these jobs are filled by residents of the disadvantaged communities targeted by NMTCs. Finally, the interviews will include a discussion of a broader range of potential outcomes at the project and community level.

Appendix 1 contains topical guides that will be used for the telephone discussions with CDEs, QALICBs, investors, and other local stakeholders. Since some information requested of CDEs and QALICBs will require checking existing reports or records, a brief information sheet will be sent to CDEs and QALICBs in advance of their respective interviews—to be completed and returned in advance of the interviews. These information sheets are also included in Appendix 1.

An online survey of QALICBs. An online survey of 380 QALICBs allows examination of the characteristics and outcomes of a larger number of recipients of NMTC investments than will be included in the case-style interviews associated with 80 projects. The survey will provide quantifiable outcome data that can be disaggregated by categories of projects—facilitating analysis by project focus as well as other project characteristics. A copy of the QALICB survey instrument is included in Appendix 2.

An online survey of local community/economic development officials. A survey of 380 local (town, city, or county) community or economic development officials in places with NMTC projects provides the opportunity for more generic understanding of local officials' perceptions of the role, if any, that a program like NMTC can play in their economic and community development efforts. Of interest is how NMTC projects fit into local economic development planning and the extent to which local officials are involved in the process of initiating or shaping NMTC-supported investments. This topic is neither well understood nor readily discernable from administrative data or other existing information on the program: local officials that plan and are involved in economic development activities in low-income communities have not previously been surveyed or specifically sought out for their knowledge of, or response to, the NMTC program.

A copy of the local community and economic development officials' survey instrument is included in Appendix 3.

Table 1: Summary of Research Clusters and Data Sources

Research Questions and Data Collection Topics	Data Sources/Respondents*						
	Use of Existing NMTC Administrative Data** Years 2003-2007	Local CD/ED Officials Survey Sample	QALICB Survey Sample	Case-style Interview Sample Projects			
				CDE	QALICB	Investor(s)	Local CD/ED official, or other local stakeholder
Sample Size	2,030	380	380	80	80	80	80
Estimated # of Respondents	2,030	285	285	80	80	80	80
Program and Project Description							
Project Initiation and Implementation	X			X	X	X	X
Capital Flows/Project Financing	X		X	X	X	X	
Investor Information				X	X	X	
Project Outputs and Outcomes							
Enhanced Business Soundness			X	X	X	X	
Increased Employment			X	X	X		X
Improved Physical Development			X	X	X		X
Expanded Housing Opportunities			X	X	X		X
Expanded Community/Public Services			X	X	X		X
Enhanced Commercial/Retail Activity			X	X	X		X
Leveraged additional investment			X	X	X		X
Community Outcomes							
Improved Economic Status/Quality of Life			X	X	X		X
Enhanced local or institutional capacity			X		X		X
Leveraged additional investment			X	X	X		X
Need for NMTC Investment							
Role of NMTCs in the project			X	X	X	X	
Market conditions			X	X	X	X	X
Community Economic Development Context							
Role of Federal Programs in Local Economic Development		X					X

* Will be supplemented by data from secondary sources.

**Existing data—does not require new data collection or OMB clearance.

A3. Use of automated electronic, mechanical or other technological collection techniques to reduce burden

Silber & Associates Inc., a professional survey research firm and subcontractor to the Urban Institute, will conduct the two web-based surveys—the survey of QALICBs and the survey of local community/economic development officials. Respondents will respond online to an electronic version of the survey. Based on the research team’s experience with these respondent groups, it is expected that all of the respondents will have online access and Internet experience.

The web-based versions of the surveys will be created in Microsoft Visual Studio 2008.Net, a professional edition suite of tools to develop full-featured ASP.NET web applications. The advantage of the online survey is the automatic tabulation of responses that reduces both the hours of staff time needed for survey processing and the possibilities for introducing errors into the data. The automated skip patterns of the on-line survey also place less of a burden on the respondent than the customary “if-then go to” instructions of a mail questionnaire.

Silber & Associates makes full use of the latest methodological and technical developments in electronic surveys, including proprietary software for the distribution of mass e-mail and website designs that are compliant with Section 508 of the Rehabilitation Act.

A4. Efforts to identify duplication

Neither the CDFI Fund nor the Urban Institute is aware of any other national evaluation of the New Markets Tax Credit program. An extensive review of the literature by the Urban Institute revealed no other current studies collecting the same information evaluating the NMTC program. In the authorizing language for the NMTC Program, the Government Accountability Office (GAO) was required to report to Congress on the NMTC Program by January 31 of 2004, 2007, and 2010. Urban Institute researchers have reviewed the 2004 and 2007 reports and have met with GAO staff members who are working on GAO’s 2010 report in an effort to identify and prevent duplication of data collection efforts.

A careful review of data reported to the Fund and entered into its administrative CIIS has been done to ensure that data collection instruments will not repeat or duplicate that system.

A5. Methods to minimize the burden on small businesses or other small entities

Some QALICBs that will be surveyed will be small businesses and some stakeholders that will be surveyed will be small nonprofit and/or community-based organizations. Efforts have been taken to minimize the reporting burden on these entities. When applicable, information will be collected from CDFI Fund administrative (CIIS) data so it does not have to be collected again for the evaluation. Financial statements and additional information on non-NMTC financing will be requested first from the CDE rather than from the QALICB or other stakeholders. All survey questions and discussion guides will use terminology and definitions that are consistent with CIIS reporting guidelines (e.g., defining full-time employment as 35 hours or more per week) in order to minimize confusion and eliminate the need for recalculation on the part of respondents.

A6. Consequences if data are not collected

This will be the first comprehensive evaluation of the NMTC program. Failure to collect these data will result in insufficient information to evaluate the performance and outcomes of the program. This information is critical to ongoing assessment, including identifying appropriate output and outcome measures and refining existing reporting requirements. While CDFI Fund administrative (CIIS) data provide valuable information on the NMTC program, descriptions of program activities and actual, rather than projected, outputs and outcomes are limited. These need to be expanded and probed in greater detail in order to complete a systematic and rigorous evaluation.

A7. Special circumstances

The proposed data collection activities are consistent with the guidelines set forth in 5 CFR 1320.6 (Controlling Paperwork Burden on the Public—General Information Collection Guidelines). There are no special circumstances that require deviation from these guidelines.

A8. Federal Register Notice and consultations with persons outside the agency

8a. Federal Register Notice

In accordance with 5 CFR 1308.8 (d) a *Notice* was published in the *Federal Register* on February 10, 2010 (page 5848) announcing the CDFI Fund's intention to request OMB review of this data collection effort and soliciting public comments. No public comments were received.

8b. Consultations with Persons Outside the Agency

Consultations with persons outside the agency (U.S. Department of the Treasury, CDFI Fund) have included a series of discussions with program stakeholders and regular contact (for advice and review) with a panel of academic and program-specialist consultants—convened especially for this evaluation by the Urban Institute.

Stakeholder discussions. Between March and May 2008, Urban Institute researchers held a series of informal telephone and in-person consultations with selected NMTC program stakeholders—including those who had been involved in the original planning and design of the program, such as: Congressional and GAO staff; program administrators; and prominent practitioners, advocates and researchers. Stakeholders were selected to allow for a broad range of perspectives. They were identified through the suggestions of CDFI Fund staff, the Urban Institute’s consultants for the evaluation (see below), and the discussants themselves. The purpose of the consultations was to learn about: the program’s intent as articulated by executive and legislative branch officials and key program observers; the standards of success that such stakeholders apply to the program; and stakeholders’ expectations and interests with respect to a program evaluation. In total, approximately 25 persons were consulted. Their observations provided important and relevant background information that helped to shape the design of the evaluation.

Advisory and review consultations. The panel of consultants established by the Urban Institute specifically for the evaluation first met as a group in December 2007 to discuss the research design and, subsequently, have reviewed and commented on all key project deliverables. They reviewed an earlier draft of this Supporting Statement as well as draft data collection instruments, and their comments and suggestions have been incorporated in this document. The consultant panel consists of:

John P. Caskey, Ph. D

Professor of Economics
Swarthmore College
Swarthmore, PA

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Associate Professor of Political Science
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Signe-Mary McKernan, Ph. D.

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Senior Research Associate / Economist
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Julia Sass Rubin, Ph. D.

Assistant Professor
Edward J. Bloustein School of Planning and
Public Policy
Rutgers University
New Brunswick, NJ

A9. Remuneration to respondents

No payments are being made to respondents, who voluntarily agree to participate in this data collection.

A10. Assurances of confidentiality

As previously indicated, data collection and analysis for the evaluation of the New Markets Tax Credit program will be done by the Urban Institute under contract to the CDFI Fund. The Institute maintains an Institutional Review Board (IRB) to ensure that research practices and procedures effectively protect the rights and welfare of human subjects, consistent with the requirements set forth in Title 45, Part 46 of the *Code of Federal Regulations* (45 CFR 46). The Institute's policy is that all research involving human subjects, not just research sponsored by federal government agencies that have adopted the Common Rule under 45 CFR 46, must adhere to the following principles, among others:

- Risks to human subjects from research must be reasonable in relation to anticipated benefits, and must be minimized to the extent possible;
- Human subjects must be fully and accurately informed of the nature of the research in which they will be involved, whether their participation is mandatory or voluntary, any consequences of non-participation, any risks associated with their participation, and how the research will be used;
- Adequate provision must be made to protect the privacy of human subjects and to maintain the confidentiality of data that are collected, where promised and as appropriate; and

Prospective survey and interview respondents for the present data collection will be informed, through introductory communications and as part of the survey and interview process, about the purpose of the data collection, its sponsorship, and that participation is voluntary. They will also be informed that the data being collected by the Urban Institute, as a contractor to the CDFI Fund, are the property of the Fund, which does not have statutory authority to protect the confidentiality of the data. For that reason, respondents cannot be assured of confidentiality. That notwithstanding, the CDFI Fund has informed the Urban Institute that its intention is to use the information collected only in aggregate form and only for research

purposes. Accordingly, reports produced by the Urban Institute for the CDFI Fund will not include the names of organizations, projects, respondents, or other identifying information that may be used to link respondents with particular information collected. Survey instruments and introductory scripts for telephone interviews will explicitly inform prospective participants of the terms and limits related to confidentiality, including the CDFI Fund's intentions for use of the information and the Urban Institute's reporting plans—as illustrated by the following excerpt from the case-style telephone discussion guide for CDEs:

The information you give us will be combined with information we receive from all others we talk with, and the Urban Institute will not cite or report it in any way that would identify you, your organization, or your project. However, because the information we collect is the property of the CDFI Fund, I need to tell you that we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

Within the Urban Institute, identifying information of respondents will only be shared with Urban Institute staff who have signed a *Data Confidentiality Pledge* and who need the information for research purposes. All such staff, as well as consultants to the Urban Institute for the evaluation, have signed this pledge. Hard-copy materials containing respondent identifying information will be locked up when not in use, and electronic materials will be stored in a secured server in password-protected and/or encrypted files, where appropriate.

A11. Questions of a sensitive nature

The questions being asked of CDEs, QALICBs, investors, community/economic development officials, or community stakeholders are not considered personally sensitive. Personally sensitive questions are defined as those whose answers, if made public, could cause physical, mental, emotional, economic, or other harm to an individual. However, some of the entities to be interviewed will be private-for-profit businesses or non-profit organizations that may consider some information about their businesses or organizations to be proprietary. Respondents will be informed that participation is voluntary and that they can decline to answer any question—without consequence.

A12. Estimates of the burden of the collection of information

12a. Estimate of respondent burden hours

The data collection efforts will involve online surveys and telephone interviews. Online survey respondents will be QALICBs and community/economic development officials in communities with NMTC projects. Telephone interview respondents will be stakeholders in projects that use NMTCs—including CDE officials and staff; representatives of QALICBs (may include operating businesses, real estate developers, nonprofit service providers); investors (may include bankers, insurance company financial managers, individual investors); local economic or community development officials; and other stakeholders such as community organizations, attorneys and accountants. There will be no overlap between the survey and telephone interview respondents. CDE representatives are the only respondent group that may be requested to participate in more than one interview, as some CDEs may have provided NMTC allocations for more one than project in the evaluation sample. The interviews, therefore, will not be duplicative since each will focus on a unique project.

It is estimated that the evaluation will collect data involving approximately 890 responses. This estimated number represents the sum of 570 web-based survey responses and 320 telephone interview responses (Table 2).

The times estimated in Table 2 are based on a previous study conducted by the Urban Institute using the case-style telephone discussion method to collect information about five NMTC projects,² and a pretest (conducted in October and November 2009) of each of the data-collection instruments appended to this Supporting Statement. Fewer than 9 respondents were included in the pretesting of each instrument (further detail about the pretest is provided on page 26).

- **QALICB survey burden.** The estimated average response time for the online survey of QALICBs is 30 minutes (1/2 hour) based on a pretest of the survey with 3 QALICBs. There will be 380 QALICBs in the survey sample. As discussed further in Section B1.3, a 75 percent response rate of is assumed. Each respondent will be surveyed only once.

² Martin Abravanel, Nancy Pindus and Brett Theodos, *Analysis of Selected New Markets Tax Credit Projects*, Urban Institute, June 2007.

- CD/ED survey burden.** The estimated average response time for the online survey of local community/economic development officials is 15 minutes (1/4 hour) based on a pretest of the survey with 4 community/economic development officials. There will be 380 community/economic development officials in the survey sample. As discussed further in Section B1.3, a 75 percent response rate of is assumed. Each respondent will be surveyed only once.
- Case-style telephone interview burden.** The estimated average response time for each telephone interview is 1 hour and 15 minutes (1 ¼ hours) for CDEs and QALICBs and 30 minutes (1/2 hour) for investors and other community stakeholders. This is based on pretest telephone interviews with: 4 CDEs of the CDE topical guide; 3 QALICBs of the QALICB topical guide; 3 investors of the investor topical guide; and 2 community stakeholders of the community stakeholder topical guide. The estimate for CDEs and QALICBs includes interview time as well as time required to access reports or records and complete the information sheet. The information requested should be available in financial statements routinely provided by the QALICB to the CDE, so no extraordinary information collection is required of respondents. It is estimated that approximately 17 CDEs will have more than one project to report on. As discussed further in Section B1.3, it is assumed that interviews will be completed with virtually all of the projects.

Table 2: Respondent Burden Estimates

Description	No. of Respondents	No. of Responses per Respondent	Estimated Total Responses	Estimated Hours per Response	Total Burden Hours
QALICB Survey	285	1	285	0.50	142.5
QALICB Survey-non-respondents	95	1	95	0.03	2.85
Local CD/ED Agency Survey	285	1	285	0.25	71.25
Local CD/ED Agency Survey-non-respondents	95	1	95	0.03	2.85
QALICB Interview*	80	1	80	1.25	100
Investor Interview	80	1	80	.50	40
Local CD/ED Agency Interview	80	1	80	.50	40
CDE Interview**	80	1	80	1.25	100
TOTALS			1080		499.45

* Includes time to retrieve records and complete the information sheet.

** Includes time to retrieve records and complete the information sheet. Some CDEs will be asked to respond on more than one project, but different CDE staff may respond for each project, so this table uses the total number of projects (80) that will be reported on.

12b. Total annual cost burden to respondents

Potential respondents for the online surveys and telephone interviews associated with this data collection range widely in position and industry. The median hourly wages of selected occupations (classified by Standard Occupational Classification, SOC, codes) was compared using Occupational Employment Statistics from the U.S. Department of Labor's Bureau of Labor Statistics. Potentially relevant occupations and their median hourly wages include:

Occupation	SOC Code	Median Hourly Wage Rate
Financial Analyst	13-2051	\$35.17
Loan Officer	13-2072	\$26.30
Chief Executive	11-1011	\$76.23
Financial Manager	11-3031	\$47.76
Social and Community Service Manager	11-9151	\$26.92

Source: Occupational Employment Statistics, May 2008, accessed online at June 17, 2009 at http://www.bls.gov/oes/current/oes_stru.htm

The median hourly wages for these occupations ranges from \$26.30 to \$76.23. Among the occupations, "financial manager" was selected as most representative of the type of respondent expected for the online surveys and telephone interviews included in this data collection. The 2008 median hourly wage for financial managers was \$47.76, roughly in the middle of the range of the selected occupations. Based on this assumption, the estimated total respondent costs are: $499.45 \times \$47.76 = \$23,853.73$ (Total Respondent Burden Hours X Median Hourly Wage Rate = Total Respondent Costs).

A13. Total annual cost burden to respondent or record keepers

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

A14. Estimate of annual cost to the government

The total cost for this study, including but not limited to the data collection activities described in this submission, is \$1,756,044 over a 48-month period. Included are costs associated with background research, evaluation design, development of data collection instruments, data collection activities, analysis, and reporting. Study costs by year are:

- Year 1, October 2007-September 2008, \$267,254
- Year 2, October 2008-September 2009, \$222,954

- Year 3, October 2009-September 2010, \$821,842
- Year 4, October 2010-September 2011, \$443,994

A15. Reasons for any program changes or adjustments

This submission is a new request for approval; there is no change in burden.

A16. Plans for tabulation, analysis, and publication

The online survey and telephone interview data collection will begin after OMB approval. The QALICB and local community/economic development officials' surveys will be fielded from May 2010 through July 2010. Case-style telephone interviews will be conducted from June 2010 through October 2010.

Silber & Associates, a survey research subcontractor, will provide the Urban Institute with an electronic analysis file of all survey responses. For the case-style interviews, Institute staff are preparing a standardized format to be used by researchers in documenting responses. This will produce electronic files suitable for analysis of qualitative as well as quantitative data obtained in the interviews.

Descriptive analysis of survey and interview data will consider key variables such as allocation round, project size, and location. A typology of projects has been developed to allow analysis of project outcomes by the focus of project activities. One of the challenges in evaluating the NMTC program as a whole, as distinct from evaluating individual projects, is that the program includes quite diverse types of investments. The intent is to be sensitive to the possibility of a range of potential outputs and outcomes (identified from an initial assessment of the NMTC program and from a review of the community and economic development literature), and consider the extent to which any given output or outcome is likely to be associated with a particular focus of NMTC project activities. Since the evaluation will collect and analyze a good deal of data beyond that collected by the CDFI Fund through its administrative systems, it is not limited to information and categories available in the CIIS. Initially, the evaluation will begin to distinguish among anticipated outputs and outcomes for each of the following foci:

- Restaurants, hotels, food services, or other retail space investments
- Financial, professional, scientific, management, business, or other office space investments
- Industrial, manufacturing, transportation logistics, or warehousing space investments
- Housing investments

- Health, human and social service facilities investments
- Educational and community facilities investments
- Facilities or space for the performing arts, cultural activities, entertainment, or other amenities investments
- Business operations (e.g., start-up, working capital, equipment) investments

The intersection of the focus of project activities and outputs/outcomes will then be considered, including those related to business soundness, employment, physical development, housing opportunities, expanded community/public services, etc. Two types of analysis will be done. First, the outputs/outcomes of all projects will be aggregated to estimate the extent of their occurrence in the program as a whole. So, for all 80 projects to be reviewed, the extent to which employment was increased, housing opportunities were expanded, local institutional capacity was enhanced, etc. will be assessed. Based on this information and extrapolation to the universe of NMTC projects, the extent to which each of these output/outcome categories is associated with the NMTC program will be estimated.

However, since not all projects would be expected to produce all such outputs/outcomes, the typology allows for clustering of projects by the focus of their activities and, then, for separate assessment of each activity type where it is hypothesized that particular outputs/outcomes are likely to occur. According to this reasoning, for example, investments in community facilities would not be likely to result in enhanced business soundness but could produce better access to community services. Likewise, investments in industrial, manufacturing, transportation and logistics, or warehousing space would not be likely to result in expansion of housing opportunities but could result in increased employment. Therefore, projects involving community facilities would be evaluated against the extent to which they resulted in better access to community services while projects involving industrial, manufacturing, or warehousing space would be judged against the extent to which they resulted in increased employment. This provides a vehicle for evaluating outcomes for diverse types of projects that are reasonable with respect to their attributes.

The evaluation will also incorporate data collected by the CDFI Fund through the CIIS as well as secondary data on employment, property values, and demographic characteristics of communities with NMTC-supported projects. The final report for this evaluation will bring together and synthesize all such relevant data—including from the literature review, administrative data, and data from the proposed new information collection. The report will be organized to address the four issue clusters discussed above: program descriptions and trends; project-specific outputs and outcomes; community outcomes; and the need for NMTC investment.

A17. Approval to not display the OMB expiration date

Not Applicable. The CDFI Fund plans to display the expiration date for OMB approval of the information collection on all instruments and correspondence with prospective respondents.

A18. Exception to the certification statement

This submission, describing data collection, requests no exceptions to the Certificate for Paperwork Reduction Act (5 CFR 1320.9).

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

B1. Respondent Universe, Sample Selection and Expected Response Rates

1a. Respondent Universe

Three separate data collection efforts employing statistical methods are being conducted. The respondent universe for each is as follows:

- 1. For the case-style semi-structured telephone interviews**, projects are the units of analysis. The respondent universe consists of key participants and stakeholders (see below) who are associated with all projects involving NMTCs that were allocated in the first four allocation rounds that had reported at least one financial transaction prior to the end of 2007. This is based on the CDFI Fund's CIIS file as of December 2008.
- 2. For the online QALICB survey**, the respondent universe consists of representatives of all QALICBs associated with NMTC projects that were allocated in the first four allocation rounds that had reported at least one financial transaction through the end of 2007, minus representatives of those QALICBs associated with projects that are randomly sampled and selected for the case-style telephone survey, above.
- 3. For the online local community/economic development officials survey**, communities are the units of analysis. The respondent universe consists of one community and/or economic development official per community in all communities (i.e., cities or counties) in which at least one NMTC project had been initiated using tax credits allocated in the first four rounds that had reported at least one financial transaction through the end of 2007. There are 617 unique communities that meet these criteria.

1b. Sample Selection

Samples will be selected for each of the three surveys indicated above.

Case-style semi-structured telephone interviews. A sample will be drawn from the project universe identified above that will yield completed interviews with key participants and/or stakeholders of 80 projects. For each project, an average of four participants and/or stakeholders will be identified for interview purposes. The object of the interviews is to learn about the NMTC program's role in attracting capital to economically distressed communities,

how that capital was used (i.e., in what kinds of projects), project outputs and outcomes, and the extent to which NMTCs were needed for those outputs and outcomes to occur.

For budgetary reasons, the number of projects that can be studied through intensive case-style interviews is limited to 80. As will be discussed below, this sample size is large enough for estimating to the full universe of NMTC projects with a reasonable degree of confidence. The sample size may not, however, produce equally reliable estimates for certain sub-group analyses.

The sampling procedure consists of dividing the universe of projects into three strata—defined by the CDFI allocation round from which each project investment was made:

- Round 1 (allocated in 2003);
- Round 2 (allocated in 2004); and
- Rounds 3 through 4 (allocated in 2005 and 2006).

Projects will be randomly selected within each stratum, with each project having an equal probability of selection; however, the number of projects selected from each stratum will not be in proportion to the distribution in the universe of projects. A smaller-than-proportionate number of projects will be selected from Rounds 1 and 2 and a larger-than-proportionate number will be selected from Rounds 3 and 4—as shown hypothetically in Table 3, below. In that example, 19 percent of the sample might be from Round 1 as compared to 39 percent of the universe, 19 percent might be from Round 2 as compared to 33 percent of the universe, and 62 percent might be from Rounds 3-4 as compared to 28 percent of the universe. If this were the case, each Round 1 and Round 2 project would have a 2 percent chance of selection into the sample while each Round 3-4 project would have a 9 percent probability of selection.

The rationale for disproportionate sampling by allocation round is that Round 1 and Round 2 projects are considered by both officials of the CDFI Fund and a number of external stakeholders to be somewhat atypical of how the program has evolved over time and, therefore, unrepresentative of the likely future direction of the program. In part, this is because some early round CDEs invested in projects that were already in the pipeline when the NMTC program began and because both Round 1 and Round 2 CDEs, according to the CDFI Fund, entered into looser allocation agreements than CDEs in later rounds (e.g., there were fewer requirements to invest in highly distressed communities and no prohibitions against refinancing of real estate). In the later rounds, agreements were tightened. The aim, then, is to select a sample that emphasizes the program as it has been evolving for some analytic purposes but that also allows for generalization to the full program history for other purposes.

It is important that the sample consist of projects that are far enough along in their evolution to be able to provide completed transaction details and evidence of (at least) intermediate outcomes. That is, they should be completed by the time interviews are conducted so that outcomes associated with them can be evaluated empirically as opposed to prospectively (using projected information). Although the CIIS does not contain information indicating if projects are completed, the data in Table 3 show that most projects that would be sampled *originated* in 2006 or earlier. Since interviews with project stakeholders will not occur until 2010, it is reasonable to presume that they will have been completed by then.

For purposes of extrapolating to the full universe of projects, the sample will have to be properly weighted to account for the disproportionate selection across strata. The total (weighted) sample will permit generalization to the program as a whole while. At the same time, because a larger-than-proportionate share of the projects will be from later rounds, there will be a sufficient number of later-round projects to permit reliable generalization to the program as it has been evolving over time.³

Table 3: Distribution of Year of Project Originations, Projects in the Universe and (Hypothetical) Projects in the Sample, by Allocation Round*

Allocation Round	Year of Project Originations**					Projects in the Universe		(Hypothetical) Projects in the Sample	
	2003	2004	2005	2006	2007	Number	Percent	Number	Percent
1	31	213	219	215	113	791	39%	15	19%
2	1	49	277	209	126	662	33	15	19
3 – 4	0	1	14	188	374	577	28	50	62
Total	32	263	510	612	613	2,030	100%	80	100%

* This is based on CIIS files available to the Urban Institute as of December 2008.

** A NMTC project may consist of multiple transactions spanning more than one year. The year of project origination recorded here is the year of the origination of the first transaction associated with a project.

Because there are three other important project-related factors that need to be accounted for, the universe of projects will be further stratified by location (rural vs. urban), business purpose (real estate, business and mixed purpose), and CDE Parent Type (non-profit

³ Sub-group analyses may, of course, be somewhat less reliable than total group analysis given the smaller sample sizes associated with the former. See Section B1.3.

vs. for-profit) and, then, sampled randomly in proportion to their distribution in the universe. This will ensure the appropriate proportions of each such category in the sample.

Online QALICB survey. From the QALICB universe identified above, a random, equal probability sample of 380 QALICBs will be selected. However, appropriate compensation will be made for the fact that the universe consists of QALICBs remaining after the sample has been drawn for the case-style telephone survey—the latter consisting of a disproportionately under-sampling of early round projects and a disproportionately over-sampling of later round projects. This means that the remainder, from which the QALICB sample will be drawn, will contain slightly more early round projects and slightly fewer later round projects than their proportions in the QALICB universe.

For analytic purposes, the sample size of 380 is sufficient to ensure inclusion of all major types of QALICBs, from all four allocation rounds, and associated with all types of NMTC projects.

Online local community/economic development officials survey. From the universe of 617 communities identified above, a random, equal probability sample of 380 communities will be selected. These will consist of both urban and rural places.

Prior to administration of the survey, a separate list will be prepared of community or economic development agencies/offices/officials known to have an interest in, or responsibility for, those places. In some instances, such agencies/offices/officials will have responsibility for state-wide or region-wide coverage and, in others, county-wide or city/town-wide coverage. And, in some instances, there will be multiple agencies/offices/officials having responsibility over the same places. Where there are multiple such agencies/offices/officials, a case-by-case determination will be made as to which agency/office/official is most appropriate for purposes of responding to the survey. One agency/office/official will be surveyed per sampled community.

1c. Expected Response Rates

High rates of response are expected for the three data collection efforts. This is based in part on the fact that prospective respondents have an interest in either the NMTC program or in the use of Federal government programs for promoting local community and economic development interests. It is also based on the CDFI Fund's strong support for the program evaluation, of which the data collection efforts are an integral part. It is expected that the CDFI Fund will communicate generic encouragement of participation to CDEs and others through various media, which is likely to have a positive effect on response rates. Note, however, that the CDFI Fund will not know which entities have been selected to be sampled in any of the data

collection efforts and, therefore, will not take any action to encourage individual CDEs, investors, QALICBs, community/economic development officials, or other stakeholders to participate.

- **Case-style semi-structured telephone interviews.** The cooperation of the vast majority of persons associated with the sampled projects is anticipated—as was the case with a pilot review of five NMTC projects completed by the Urban Institute in June 2007.⁴ Recently completed pretesting did not include communication or encouragement by the CDFI Fund, yet CDEs were willing to participate. QALICBs and other stakeholders were in some instances more difficult to reach but were generally receptive once contacted. Overall, full or nearly full participation is expected.
- **Online surveys.** For the QALICB and local community/economic development officials' surveys, a 75 percent response rate is expected. This estimate is based on previous, similar survey research completed by Silber & Associates and the Urban Institute and on the efforts that will be taken to encourage participation—as discussed below in Section B2. Therefore, the sample of 380 QALICBs and 380 local community/economic development officials is anticipated to produce 285 completed responses per survey.

Reliability of estimates. The data will be analyzed both qualitatively and quantitatively. Where quantitative analysis is used, the case-style telephone interview sample size will produce estimates at a reasonable level of precision given the objectives of the NMTC evaluation. Data reliability depends, in part, on sampling error, which is a function of the statistical characteristics of any estimator, the number of cases on which the estimate is based, and sampling design effects resulting from stratification or weighting. Absent actual results, sampling errors for estimates to be derived cannot be calculated. However, presuming an equal probability sample design and a sample size of 80 for the case-style, semi-structured telephone interviews, a generalized technique was employed to calculate sampling errors for percentage estimates that may be near 5 (or 95) percent, 25 (or 75) percent, or 50 percent—at both the 95 percent and 90 percent confidence levels. At the 95 percent level, confidence intervals for an estimate of 5 percent can range from 1.6 percent to 13 percent; an estimate of 25 percent can range from

⁴ Martin Abravanel, Nancy Pindus and Brett Theodos, *Analysis of Selected New Markets Tax Credit Projects*, The Urban Institute, June 2007.

15.5 percent to 34.5 percent; and an estimate of 50 percent can range from 39 percent to 61 percent. At the 90 percent level, confidence intervals for an estimate of 5 percent can range from 1.9 percent to 11.5 percent; an estimate of 25 percent can range from 17 percent to 33 percent; and an estimate of 50 percent can range from 40.8 percent to 59.2 percent. For smaller sub-samples, of course, the confidence intervals will be larger, meaning that sub-group analysis will be limited to what is appropriate given the size of the sub-samples.

In addition to sampling error, research results may be subject to other types of error, including issues of non-response or measurement relating to question wording or respondents' ability to recall factual information or articulate answers. Note that there is no standard or statistical means to measure the consequences of these types of effects.

B2. Procedures for the Collection of Information

The plans for each data collection component are discussed below.

Case-style semi-structured telephone interviews. An average of four key participants or stakeholders associated with a sample of 80 NMTC projects will be interviewed.⁵ Generally they will be representatives of: (1) CDEs, (2) QALICBs, (3) investor entities and (4) local stakeholders—the latter consisting of a range of persons that may include attorneys, accountants, community or economic development officials, or others with a stake in, or knowledge of, the sampled projects.

The first contact to be made for each project will be the CDE, in the form of a letter from the Urban Institute, accompanied by a letter of endorsement of the program evaluation from the CDFI Fund. This will be followed by a telephone contact to the CDE to: (1) confirm their willingness to participate in the study; (2) request completion of an information sheet via a link that will be provided to a secure server; (3) schedule a telephone interview time; and (4) obtain the names and contact information of other key project participants—especially the QALICB and investor(s). The remaining participants/stakeholders will then be contacted via telephone and e-mail to attempt to schedule an interview time and, in the case of QALICBs, to request completion of an information sheet via a link that will be provided to a secure server.

Semi-structured discussions will be held with the various participants using guides that contain key topic questions (both open and closed ended) and strategic probes. This provides

⁵ All interviews will be conducted by experienced Urban Institute researchers.

needed flexibility and allows for “drilling down,” where appropriate, for both capturing details about projects that will vary widely and seeking the evidentiary basis for initial responses that are provided. That information, combined with information available from the CIIS and supplementary information requested about non-NMTC financing, will provide the basis for: describing project-related activities, outputs and outcomes; describing community level outcomes; and assessing the extent to which NMTCs were needed for the investments.

In contrast to standard case studies that provide detailed, stand-alone descriptions of individual cases, the case-style interviews will be used to gather a rich and textured body of information that will be analyzed across projects. The information provided will be compared and contrasted for purposes of categorization and analysis using standard descriptive and inferential statistical methods—as opposed to individual case-by-case reports.

Online surveys. Two surveys will be developed for distribution and completion online.

- **Online QALICB survey.** This survey will consist of primarily closed-ended questions that will take approximately 30 minutes to answer. It will be administered online by Silber & Associates Inc. Respondents will be notified by mail about the survey prior to the survey invitation (an “alert” letter). They will be informed that the survey is a part of an evaluation of the NMTC program and that they were randomly selected to participate in the survey. This will be followed by a second personalized letter inviting participation and providing the survey URL to potential participants. In this letter, respondents will be told that the survey is voluntary and will not affect in any way their participation in the NMTC program, and that all information collected will be considered confidential—i.e., that their participation (or non-participation) will not be known to the CDFI Fund or others, and the information they provide will not be associated with the respondent’s or QALICB’s identify.
- **Online local community/economic development officials survey.** The survey will consist of primarily closed-ended questions that will take approximately 15 minutes to answer. It will be administered online by Silber & Associates Inc. Respondents will be notified by mail about the survey prior to the survey invitation (an “alert” letter) informing them that the survey is a part of an effort to understand the role of Federal government economic development programs in local community and economic development, and that they were randomly selected to participate. This will be followed by a second, personalized letter inviting participation and providing the survey URL. Respondents will be informed that the survey is voluntary and that all information collected will be considered confidential—i.e., that their participation (or non-participation) will not be known or reported to others—and that

the information they provide will not be associated with their, their agency's/office's, or their community's name. The invitation and survey instrument will not focus on any particular NMTC project within the community but deal, instead, with generic issues related to the NMTC program.

Following notification of approval from OMB, the survey questionnaires will be entered into survey software, which will be pre-tested internally and externally to ensure seamless navigation, without malfunctions. Technical support by phone will be available to individuals completing the surveys from 9:00am-4:30pm ET, Monday-Friday, while the survey is being fielded. Surveys completed electronically will be uploaded into a Microsoft Access database by Silber & Associates. Silber & Associates will carefully track the outcome of all communication attempts with members of the survey sample and the final disposition of the sample—i.e., the number of sample members who participated in the survey, who refused to participate, or who could not be reached despite multiple calling attempts, etc.

B3. Methods to Maximize Response Rates and to Deal with Issues of Non-response

The following methods will be used to ensure attainment of target response rates.

- **Case-style semi-structured telephone interviews.** Advance letters, including a letter signed by the Director of the CDFI Fund, will be sent by the Urban Institute to key participants in the sampled projects, followed up by telephone calls and/or e-mails by Urban Institute researchers. Based on previous experience in conducting similar interviews with those who are involved in NMTC projects, including pretests of the information collection protocols, CDEs are generally quite interested in participating and their participation is helpful in facilitating the participation of others (QALICBs, investors, local stakeholders). Urban Institute experience with the NMTC program suggests that willingness to participate is less an issue than is establishing a mutually agreeable time to be interviewed. For that reason, the interviews will be done over a five-month period, allowing potential respondents an adequate amount of advance time to schedule an interview.
- **Online surveys.** Online procedures have been designed to ensure high response rates for the QALICB and local community/economic development officials surveys. Respondents will first receive a survey 'alert' letter by mail (US Postal Service) sent by the Urban Institute/Silber & Associates. That will be followed a personalized survey invitation that includes a letter of introduction signed by the Director of the CDFI Fund and a letter from the Urban Institute that will contain a URL link, login name, and password provided to complete the survey on-line (see the Appendix for a sample of these letters). Silber & Associates will send an e-mail reminder one week after distribution of the survey invitation to those who

have not responded. This should result in an increase in returned surveys for about 4-5 days. A second reminder will be emailed to non-respondents one week later. Once the return rate has again significantly declined (usually within days), non-respondents will be e-mailed the link to the survey with a shorter cover letter and a hardcopy reminder postcard printed on neon cardstock that emphasizes the importance of the study. A third e-mail reminder will be sent within one week to those who still do not respond, followed by telephone reminders from Silber & Associates. Telephone reminders will be made at different times of the day and days of the week. The survey website is available 24 hours a day, seven days a week. A toll-free technical support phone number will be listed at the site and on the printed survey letter in case a respondent has questions about the research study or encounters difficulty navigating the survey of the Internet.

To test for the possibility of non-response bias, QALICB non-respondents will be compared to QALICB respondents on characteristics for which CIIS data are available, and local community/economic development officials who are non-respondents will be compared to local community/economic development officials who are respondents with respect to community characteristics such as size. If differences beyond the standard error are observed, consideration will be given to applying a non-response weighting adjustment.

B4. Pre-testing of Procedures and Methods

Survey instruments and case-style interview guides were pre-tested in October and November 2009. Samples for each data collection effort were drawn prior to the pretest and pre-test respondents were selected from among the group of non-sampled potential respondents.

- **Case-style semi-structured telephone interviews.** Four NMTC projects were selected for pre-test purposes. Related to these projects, interviews were conducted with: four CDEs, three QALICBs, two investors, and two community stakeholders. Each of the four case-style discussion guides was pretested as well as (a) the CDE and QALICB information sheets and (b) procedures for contacting prospective respondents.
 - Interviews with CDEs ranged from 45 to 75 minutes. Interviews with QALICBs ranged from 30 to 60 minutes. With respect to the data requested on the information sheet, CDEs and QALICBs indicated either that the data requested (particularly financial statements) was readily available or that they did not have the information (e.g., certain outcome measures). The pretest experience indicated that, in some cases, the CDE was the best source of the financial and/or outcome data while, in other cases, the QALICB had the requested information. For this reason, both CDE

- and QALICB information forms are included in the information collection. Since CDEs will be contacted first, if they are able to provide the project financial statements the information will not be requested from the QALICBs. Interviews with lenders and other stakeholders averaged 30 minutes.
- Based on the pretest, a number of refinements were made to the data-collection materials and procedures. In particular, instruments were shortened and rearranged to improve the flow of the discussions. The investor interview was shortened substantially based upon the pretest experience where it was learned that investors may have limited knowledge related to the nonfinancial outcomes of a project. Revisions to the information sheets included clarification of terminology and instructions to provide the latest financial statements for the project rather than completing a new form requesting financial information.
 - **Online Surveys.** Pretesting of survey instruments involved the following activities: (1) initial calls and e-mails soliciting participation in the pretest; (2) formatting the survey as a Microsoft Word form that could be emailed and completed on-line; (3) e-mailing the survey instrument and confirming a time for a debriefing call; and (4) conducting a debriefing call to obtain respondent input about the length, clarity of questions, and overall reaction to the survey (respondents were requested to return their completed surveys prior to the debriefing call). A total of 3 QALICBs and 4 community/economic development officials participated in the pretest.
 - QALICBs indicated that the survey took 25 to 30 minutes to complete. Changes made to the online survey of QALICBs based on the pretest included minor revisions/clarifications to the introductory text, financing questions, and real estate unit counts. Equity financing was added as an option to several questions at the suggestion of pretest respondents. Annual revenue questions were clarified, and questions on tenant employment levels were included, but with instructions indicating that estimates are acceptable.
 - Community/economic development officials said their survey took 10 to 15 minutes to complete. Changes to the community/economic development officials survey based on the pretest included a minor change to the introduction and clarification of some terminology. Space was added to some of the survey questions for open-ended comments/explanations (e.g., other, specify) at the suggestion of pretest participants.

B5. Individuals or Contractors Responsible for Statistical Aspects of the Design

- The agency responsible for receiving and approving contract deliverables is:

The Community Development Financial Institutions Fund
U.S. Department of the Treasury
601 13th St, NW
Washington, DC 20005
Persons Responsible:

Dr. James Greer, (202) 622-8258, greerj@cdfi.treas.gov
Dr. Greg Bischak, (202) 622-8669, bischakg@cdfi.treas.gov
- The organization responsible for administering the online surveys with QALICBs and local community and economic development officials is:

Silber & Associates
P.O. Box 651
Clarksville, Maryland 21029-0651
Person Responsible:

Dr. Bohne Silber, Principal, (410) 531-2121, survey@silberandassociates.com
- The organization responsible for statistical design of data that will be collected is:

The Urban Institute
2100 M Street, NW
Washington, DC 20037
Persons Responsible:

Mr. Rob Santos, Senior Methodologist, (202) 261-5904, rsantos@urban.org
Mr. Timothy Triplett, (202) 261-5579, ttriplett@urban.org
- The organization responsible for conducting telephone-based case-style interviews and analyzing all data to be collected is:

The Urban Institute
2100 M Street, NW
Washington, DC 20037
Persons Responsible:

Ms. Nancy Pindus, co- Principal Investigator, (202) 261-5523,
npindus@urban.org
Dr. Martin Abravanel, co-Principal Investigator, (202) 261-5834,
mabravan@urban.org

APPENDICES

Appendix 1:

Guides for Case Style, Semi-Structured Telephone Interviews

CDE Discussion Guide

CDE Information Sheet

QALICB Discussion Guide

QALICB Information Sheet

Investor Discussion Guide

Other Local Stakeholder Discussion Guide

Community Development Entities (CDE)

Case-Style Telephone Discussion Guide

1/19/10

The Community Development Financial Institutions, or CDFI, Fund at the Treasury Department is interested in understanding the benefits that the New Markets Tax Credit program brings to communities. To learn more, the Fund has contracted with the Urban Institute, a non-profit research organization based in Washington, DC, to conduct an evaluation of the New Markets Tax Credit program.

One of the projects your organization supported with New Markets Tax Credits, along with many other projects supported by other CDEs, was selected at random for inclusion in our program evaluation. That's the reason for the call today. My primary goal is to learn about your specific experiences with (NAME Project).

Thanks for completing the information sheet I sent to you earlier. It provided background to help me be more efficient in this call. I anticipate that the call will last approximately one hour.

Your participation in this call is voluntary but it's very much appreciated. Your experiences will contribute to a better understanding of how the New Markets Tax Credits program is working.

I'd like to emphasize that what we're doing is neither a regulatory review nor an audit of your project but, rather, a source of additional information that will assist us in better understanding the New Markets Tax Credit program. We're focusing on how projects are structured and what they produce. So, we have some questions about (NAME project)'s characteristics, funding, and outcomes.

The information you give us will be combined with information we receive from all others we talk with, and the Urban Institute will not cite or report it in any way that would identify you, your organization, or your project. However, because the information we collect is the property of the CDFI Fund, I need to tell you that we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

To help me accurately report on the information you share, it would help if I could tape record this call; of course, I could turn off the recorder at any point you so desire. I do not have a recorder on now; is it okay with you for me to turn it on?

Again, I very much appreciate your cooperation.

This survey has been approved by the Office of Management and Budget, as required by the Paperwork Reduction Act of 1995, under OMB control number XXXX-XXXX, which expires on XX/XX/XXXX. The time to complete this information collection and an associated telephone interview is estimated to be 1.25 hours, including time to review instructions, search existing data resources, gather needed data, and complete the information sheet and interview. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this survey, please write to U.S. Department of the Treasury, Community Development Financial Institutions Fund, XXXXXXXXX, Washington, DC XXXXX.

A. BACKGROUND ABOUT [NAME QUALICB] and [NAME Project]

- **Type of organization (controlling entity of (NAME QALICB), if applicable—not the characteristic of a special legal entity set up to receive the NMTC tax credits**
 - **Name commonly used to refer to (NAME project)**
 - **Description of (NAME project)**
 - **Description of the neighborhood or area in which (NAME project) is located**
 - **Origin and history of (NAME project)**
-

B. PROJECT INTITATION AND IMPLEMENTATION

- **How (NAME project) originally came to the attention of the (NAME CDE)**
 - **What made (NAME project) attractive to the CDE?**
 - **Is (NAME project) part of any broader community or economic development effort?**
 - **Status of (NAME project) (e.g., complete)**
 - **Description of (NAME project) site at the time of the NMTC investment—immediately before (NAME project) was started.**
-

C. PROJECT FINANCING *[Walk through the information previously provided by the CDE in the “CDE Information Sheet” to ensure project financing arrangements are fully understood.]*

- **Sources and amount of financing**
- **Sequence of obtaining pledges for financing from the various sources**
- **Tax abatements or deferrals**
- **Investors**
- **Financing compared to other (i.e., both non-NMTC and NMTC) projects or transactions of the (NAME CDE)**

- **(NAME CDE's) expectations with respect to profitability—compared with investments in similar projects not involving NMTCs or other forms of public support**
 - **(NAME CDE's) expectations/plan to cover costs and make a profit on the project**
-

D. ROLE OF NMTCs

- **Role of NMTCs in the financing package for (NAME project)**
 - **Leveraging: Money NMTCs brought into the deal that had not previously, or would not otherwise have been, committed**
 - **Conventional financing (i.e., financing from a for-profit entity—such as a bank, a finance company, or an equity investor—that provides funds for its businesses purposes without a public subsidy and not because it has an economic-development mission):**
 - **Had (NAME QALICB) applied for conventional financing for (NAME project) prior to NMTCs becoming part of (NAME project)? Why or why not? What happened?**
 - **Availability/likelihood of other financing to replace some or all of the NMTC-related financing *if NMTCs had not been available* at the time.**
 - **What likely would have happened if (NAME project) had not received NMTCs.**
-

E. PROJECT OUTCOMES

- **Goals for (NAME project) at the time of project initiation**
- **General market conditions in the neighborhood or area of (NAME project) at the time of the initial NMTC investment**
- **Level of distress of the neighborhood or area of (NAME project) today, and reasons for change (if any)**
- **Likely investment future of the neighborhood or area of (NAME project) since it was completed—compared to before the project was started**
- **(NAME CDE's) procedures for tracking of project outcomes**
 - **Evaluation or economic impact analysis since the project has been completed?**
 - **Community Benefit Agreement for the project?**

Financial performance of (NAME project):

- **Annual gross revenue at the time NMTC loan/investment was made**
- **Annual gross revenue for the most recent reporting period**
- **Annual profits or losses for most recent reporting period**
- **Amount of outstanding loans and investments for the most recent reporting period**
- **[For small businesses]: Change in credit score improved since initiation of project?**

- **Loan performance**
 - **Delinquencies**
 - **Defaults**
 - **Workout arrangements**

- **Is (NAME QLICB) still in business, operating? Any ownership changes?**

- **Employment outcomes—jobs created or saved by (NAME project)**
 - Number of full-time equivalent (FTE) jobs at start of (NAME project)
 - Number of full-time equivalent (FTE) jobs as of the most reporting period
 - Number of newly created jobs in the following categories:
 - Permanent jobs
 - Temporary, seasonal jobs
 - Construction jobs
 - Jobs at (NAME project's) tenants' businesses or organizations
 - Jobs saved (i.e., number of *pre-existing* jobs that would have been lost if not for (NAME project) having been financed and completed):
 - Permanent jobs
 - Temporary, seasonal jobs
 - Construction jobs
 - Jobs at (NAME project's) tenants' businesses or organizations

- Of newly created *or* saved **permanent** jobs, approximate percentage in the:
 - Entry level/low wage category
 - Mid-level/mid wage category
 - Management/professional category
 - Other (specify)?
- Of newly created or saved **permanent** jobs, approximate percentage filled by:
 - Residents of (NAME project's) neighborhood/area
 - Minorities
- Approximate proportion of those jobs offer health benefits?

Other outcomes of (NAME project)

- *[Where this information has not been provided on the CDE Information Sheet]:* **Total square footage of the space actually built or rehabilitated by the project**
- *[Where this information has not been provided on the CDE Information Sheet:]* **Proportion (percentage) of the space built or rehabilitated that is:**
 - Restaurants, hotels, food services, or other retail space
 - Financial, professional, scientific, management, business, or other office space
 - Industrial, manufacturing, transportation logistics, or warehousing space
 - Housing
 - Health, and human and social service facilities
 - Educational and community facilities
 - Facilities or space for the performing arts, cultural, entertainment, or other amenities
 - Other _____
- **Current vacancy rate**
- *[If (NAME project) has tenants]:* **Is rent for commercial space paid by (NAME QALICB's) tenants below market rates?**
- *[If (NAME project) involved housing]:*
 - Newly constructed or rehabilitated

- Number of units for homeownership
 - Percentage of the homeownership units that are affordable (i.e., homeowners pay no more than 30 percent of their annual income on housing)
 - Number of rental units
 - Percentage of the rental units that are affordable (such as where renters pay no more than 30 percent of their annual income on housing)

 - **Business start-ups or expansions as a result of the project**

 - **Green development outcomes: production of environmentally sustainable building(s)**

 - **Human and/or social services outcomes (e.g., new or increased access to health care, training centers, child care centers, other human/social services)**

 - **Community amenities and/or facilities outcomes (new and or increased access)—e.g., grocery stores, shopping, restaurants, laundry facilities, gas stations, libraries, parking lots or garages, transportation, banking, financial services/products, elementary or secondary schools, tertiary education, parks, open space, playgrounds, recreation centers, arts and cultural institutions, museums).**

 - **Community and/or neighborhood beautification outcomes; i.e., direct physical improvements to property**

 - **Infrastructure outcomes/improvements (e.g., streets, roads, sewers)**

 - **Tax revenues/other monetary benefits outcomes (e.g., increased taxes to the local jurisdiction)**

 - **Other project outcomes**
-

F. COMMUNITY OUTCOMES

Changes in the neighborhood or area of the project—either positive or negative—beyond those discussed that might be linked to the project, even though they were not formally part of the project

- **Neighborhood employment**

- **Real estate development in the immediate neighborhood**

- **Changes in property values in the immediate neighborhood**

- **Business development in the immediate neighborhood**
- **Green development in the immediate neighborhood**
- **Human and/or social services in the immediate neighborhood**
- **Amenities and/or community facilities in the immediate neighborhood**
- **Infrastructure in the immediate neighborhood**
- **Beautification in, or physical upgrading of, the immediate neighborhood**
- **Tax revenues or other monetary benefits to the community**
- **(NAME project's) contribution, if any, to a change in the demographics or economic status of the larger community in which it is located—such as with respect to poverty level, median income, racial/ethnic composition, age and family structure mix, education level, or employment rate**
- **Other neighborhood-level outcomes of (NAME project) not previously discussed**

New Markets Tax Credit (NMTC) Program Evaluation
CDE Information Sheet
1/19/10

A. CONTACT INFORMATION

CDE Contact Information *(please correct if necessary)*

Contact Name: _____ Telephone: _____
Title: _____ Email: _____
Organization: _____
Mailing Address: _____

QALICB Contact Information

Contact Name: _____ Telephone: _____
Title: _____ Email: _____
Organization: _____
Mailing Address: _____

B. PROJECT INFORMATION

(please correct if necessary)

1. Name commonly used to refer to this project: _____
2. Allocation round for this project: _____
3. Year project initiated: _____

This survey has been approved by the Office of Management and Budget, as required by the Paperwork Reduction Act of 1995, under OMB control number XXXX-XXXX, which expires on XX/XX/XXXX. The time to complete this information collection and an associated telephone interview is estimated to be 1.25 hours, including time to review instructions, search existing data resources, gather needed data, and complete the information sheet and interview. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to U.S. Department of the Treasury, Community Development Financial Institutions Fund, XXXXXXXXX, Washington, DC XXXXX.

C. PROJECT FINANCING

Please send us the sources and uses and latest financial statements for the project.

(If you do not have the information requested below, please leave the response blank. It is not necessary to contact the QALICB as we will be contacting them separately.)

Please complete the following inventory of the sources and amounts of financing that comprised this NMTC loan/investment. If the QALICB received other loans or investments prior to or subsequent to this financing, and if those funds are considered substantially part of the same overall use as the NMTC loan/investment, please include that financing as well.

Source*	Source of Loan, Grant, or Investment	Description (select all that apply)					Amount (\$)
		Grant	Line of Credit	Term Loan	Debt-like equity	Equity	
1.	New Markets Tax Credits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
2. (if any)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
3. (if any)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
4. (if any)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
5. (if any)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
6. (if any)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
7. (if any)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
8. (if any)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
9. (if any)	_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$ _____
TOTAL:							\$ _____

* If there were multiple loans, grants, or investments from one source, please list the source only once, and summarize the amount of financing.

D. QALICB REVENUE/BUDGET

(If you do not have this information, please leave the response blank. It is not necessary to contact the QALICB as we will be contacting them separately.)

If QALICB or parent entity is for-profit please answer:

1. Annual Gross Revenue from business operations at time of project initiation: _____
2. Annual Gross Revenue from business operations for the most recently completed fiscal year: _____

If QALICB or parent entity is non-profit please answer:

1. Operating budget at time of project initiation: _____
2. Operating budget for the most recently completed fiscal year: _____

E. QALICB EMPLOYMENT

(If you do not have this information, please leave the response blank. It is not necessary to contact the QALICB as we will be contacting them separately.)

1. Number of full time employees*—including owners—at time of project initiation: _____
2. Number of full time employees*—including owners—at end of most recent fiscal year: _____
3. Number of newly created jobs that can be directly attributed to the project :
 - Permanent positions _____
 - Temporary, seasonal positions _____
 - Construction Jobs _____
 - Positions at tenants _____

4. Number of jobs saved as a result of the project:

(pre-existing jobs that would have been lost if not for project having been financed and completed)

- Permanent positions _____
- Temporary, seasonal positions _____
- Construction Jobs _____
- Positions at tenants _____

5. Approximately what percentage of all newly created or saved permanent jobs were the following:

- Entry level/low-wage: _____%
- Mid-level: _____%
- Management/professional: _____%
- Other: _____%

6. Approximately what percentage of newly created or saved permanent jobs were filled by the following:

- Residents of the project neighborhood: _____%
- Not Applicable—project located in non-residential neighborhood
- Minorities: _____%

** Full-time employees work 35 hours or more per week. Do not include temporary, seasonal, or construction employees in your calculations. Hours for part-time employees should be combined to the equivalent of full-time employees—i.e., two 17.5 hour per week employees would equal one full-time employee.*

F. QALICB REAL ESTATE DEVELOPMENT OUTCOMES

(f you do not have this information, please leave the response blank. It is not necessary to contact the QALICB as we will be contacting them separately.)

1. Was there a real estate component to this project? Yes No

If YES, please answer the questions below.

2. How many square feet did the project build or rehabilitate? _____

3. Approximately what percentage of the space built or rehabilitated is:

- Restaurants, hotels, food services, or other retail space _____%
- Financial, professional, scientific, management, business, or other office space _____%
- Industrial, manufacturing, transportation logistics, or warehousing space _____%
- Housing _____%
- Health, and human and social service facilities _____%
- Educational and community facilities _____%
- Facilities or space for the performing arts, cultural, entertainment, or other amenities _____%
- Other (please specify): _____ _____%

New Markets Tax Credit (NMTC) Program Evaluation

QALICB

Case-Style Telephone Discussion Guide

1/19/10

The Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury is interested in understanding and articulating the benefits that the New Markets Tax Credit (NMTC) program may bring to low-income communities. Toward that end, the CDFI Fund has contracted with the Urban Institute, a non-profit policy research organization based in Washington, DC, to conduct an evaluation of the NMTC program.

Your [firm/organization] received a [loan/investment] in 200[X] that was financed in part through a federal program called the New Markets Tax Credit program. Your project, along with many other projects, was selected at random for inclusion in the portion of our program evaluation that involves a series of interviews with project stakeholders, including yourself, the CDE that provided the tax credits, a project investor, and another project stakeholder knowledgeable about the project—such as a local official or representative of a community group. That’s the reason for the call today.

Your participation in this call is voluntary but it’s very much appreciated. I’d like to emphasize that what we’re doing is neither a regulatory review nor an audit of your project but, rather, a source of additional information that will assist us in better understanding the New Markets Tax Credit program. We’re focusing on how projects are structured and what they produce. So, we have some questions about your firm/organization, (NAME project)’s characteristics, funding, and outcomes.

The information you give us will be combined with information we receive from all others we talk with, and the Urban Institute will not cite or report it in any way that would identify you, your organization, or your project. However, because the information we collect is the property of the CDFI Fund, I need to tell you that we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

Thank you for completing the information sheet I sent to you earlier. It provided background to help me be more efficient in this call. I anticipate that the call will last approximately one hour. To help me accurately report on the information you share, it would help if I could tape record this call; of course, I could turn off the recorder at any point you so desire. I do not have a recorder on now; is it okay with you for me to turn it on?

Again, I very much appreciate your cooperation.

This survey has been approved by the Office of Management and Budget, as required by the Paperwork Reduction Act of 1995, under OMB control number XXXX-XXXX, which expires on XX/XX/XXXX. The time to complete this information collection and an associated telephone interview is estimated to be 1.25 hours, including time to review instructions, search existing data resources, gather needed data, and complete the information sheet and interview. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this survey, please write to U.S. Department of the Treasury, Community Development Financial Institutions Fund, XXXXXXXXX, Washington, DC XXXXX.

A. BACKGROUND

- **Type of organization of [NAME QALICB]** (e.g., nonprofit, for-profit, a government entity, or a quasi-governmental entity)
 - **Principal activity of [NAME QALICB]; still operating?**
 - **Prior experience of [NAME QALICB] with community development financing** (e.g., borrowing from non-traditional lenders and/or investors like the Small Business Administration [SBA], using USDA loans for rural areas; borrowing from non-profit lenders or local community development agencies that may use CDBG funds, etc.)
 - **Prior experience of [NAME QALICB] in seeking financing from (NAME CDE) and/or its Controlling Entity**
 - **Prior experience of [NAME QALICB] with NMTCs**
 - **Description of neighborhood or area in which (NAME Project) is located**
-

B. INITIATION AND IMPLEMENTATION OF [NAME PROJECT]

- **Description of [NAME Project]**
- **History of [NAME Project]**
 - How (NAME QALICB) initially came into contact with the NMTC program and (NAME CDE)
 - Changes in (NAME Project's) deal as it took shape
 - (Name Project's) timeframe/schedule
- **Satisfaction with (NAME CDE)** (e.g., customer service, rates and terms of financing, putting the deal together)
- **Experience working with the NMTC program requirements and reporting**
- **Overall objective when [NAME QALICB] obtained the NMTC [loan/investment]**
- **Length of time needed to obtain the needed financing**
- **Progress made to date with respect to [Name Project]**

C. [NAME QALICB] FINANCIAL INFORMATION AND [NAME PROJECT] FINANCING *[CDE and QALICB Information Sheets will be reviewed prior to the interview; the following items will be covered only for data that are missing from the Sheets or for information that is not clear].*

[For for-profit QALICBs]:

- **Annual gross revenue during the 12-month period prior to NMTC investment**
- **Annual gross revenue for the most recently completed calendar or fiscal year**
- **Annual expenses for the most recently completed calendar or fiscal year**

[For non-profit QALICBs]:

- **Operating budget**
- **Profitability of this project [for your firm] as compared with comparable projects**

[For all QALICBs]:

- **Total net assets for the most recently completed calendar or fiscal year**
- **Total outstanding loans for the most recently completed calendar or fiscal year**
- *[For loans only]:*
 - **Difficulties in making loan payments**
 - **Changes in loan terms**
 - **Restructuring loan payments, including temporarily or permanently changing interest rate or other work-outs**
 - **Late payments**

D. ROLE OF NMTC FINANCING

- **Access to private capital for economic development projects in the neighborhood or area where [NAME project] is located -- at the time that NMTC financing was received**
- **Access to private capital for economic development projects in the surrounding area -- at the time that NMTC financing was received**

- **Business costs related to (NAME project) compared to those that would be incurred by [businesses/organizations] located in less distressed neighborhoods or areas**
 - *[If (NAME project) is site-specific or relates to location of a business]:*
 - **When was site selected?**
 - **Why was this particular site selected?**
 - **Site’s history of previous development (or lack thereof)**
 - **Other sites considered for (NAME project)**
 - **Did [NAME QALICB] apply for conventional financing for the same purpose for which the [NMTC loan/investment] was used? Why or why not? What happened?**
 - **Availability/likelihood of other financing to replace some or all of the NMTC-related financing if NMTCs had not been available at the time.**
 - **Potential differences between NMTC [loan/investment] and conventional financing** (e.g., interest rates, origination or other fees, allowable loan to value ratio allowed, collateral requirements, credit standards, debt service coverage ratio, loan loss reserve requirement)
 - **What likely would have happened if (NAME project) had not received NMTCs?**
-

E. EMPLOYMENT, BUSINESS, AND TAX OUTCOMES *[CDE and QALICB Information Sheets will be reviewed prior to the interview; the following items will be covered only for data that are missing from the Sheets or for information that is not clear].*

E-1. EMPLOYMENT OUTCOMES

- **Number of individuals—including the owners—who worked for [NAME QALICB] in a typical pay period at the start of the project—associated with [NAME Project]**
- **Number of individuals—including the owners—who work for [NAME QALICB] during a typical pay period this year—associated with [NAME Project]**
- **Number of new jobs/hires as a result of the [loan/investment] for [NAME Project]**
- **Number of new jobs/hires filled as a result of the [loan/investment] that still exist today at [NAME Project]**
- **Number of jobs saved** (i.e., number of *pre-existing* jobs that would have been lost if not for [NAME project] having been financed and completed)

- *Of newly created or saved jobs, approximate percentage filled by:*
 - **Residents of (NAME project's) neighborhood/area (or the surrounding community targeted for development using NMTCs)**
 - **Minorities**
 - **Low-income/low education level/hard to employ**
- *Of newly created or saved jobs, approximate percentage in the:*
 - **Entry level/low wage category**
 - **Mid-level/mid wage category**
 - **Management/professional category**
 - **Other (specify)**
- **Approximate proportion of newly created or saved jobs that are:**
 - **Eligible for health insurance offered by your [firm / organization]?**
 - **Eligible for sick leave?**
 - **Eligible for [or participated in] a pension or matched savings plan?**
- **Did any of the newly created or retained jobs offer other opportunities such as training, advancement potential, or ownership shares?**
- **In (NAME Project), are there any tenants—either for profit businesses or non-profit entities?**

(If yes):

- **Number of persons who worked for the tenants (including the owners) during a typical pay period at the start of (NAME project)**
- **Number of persons (including the owners) who work for the tenants during a typical pay period during the current year**
- **Number of new persons hired by tenants as a result of (NAME Project)**
- **Number of jobs saved at tenant businesses/organizations (*i.e., number of pre-existing jobs that would have been lost if not for (NAME project) having been financed and completed*)**

- Of newly created *or* saved jobs, **approximate percentage in the:**
 - **Entry level/low-wage category**
 - **Mid-level/mid-wage category**
 - **Management/professional category**
 - **Other (specify)**
- Of newly created or saved jobs, **approximate percentage filled by:**
 - **Residents of (NAME project's) neighborhood/area or the surrounding community targeted for development using NMTCs)**
 - **Minorities**
 - **Low-income/low education level/hard to employ**
- **Approximate proportion of those jobs offering health benefits, sick leave, other benefits**
- **Did any of the newly created or retained jobs at your tenants offer other opportunities such as training, advancement potential, or ownership shares?**

E-2. BUSINESS AND TAX OUTCOMES

- **Small businesses start-ups**
 - **Increased taxes paid to the city or county where (NAME project) is located**
-

F. REAL ESTATE, BEAUTIFICATION, AND GREEN BUILDING OUTCOMES

- **Total square footage of the space built or rehabilitated by [NAME Project]. Proportion (percentage) of the space that is:**
 - Restaurants, hotels, food services, or other retail space
 - Financial, professional, scientific, management, business, or other office space
 - Industrial, manufacturing, transportation logistics, or warehousing space
 - Housing
 - Health, and human and social service facilities

- Educational and community facilities
 - Facilities or space for the performing arts, cultural, entertainment, or other amenities
 - Other _____
 - **Vacancy rate: business; residential**
 - *[If (NAME project) has tenants]: Is rent for commercial space paid by (NAME QALICB's) tenants below market rates?*
 - *[If housing was constructed]:*
 - **Newly constructed or rehabilitated?**
 - **Number of for-sale housing units; percent that are affordable** (i.e., homeowners pay no more than 30 percent of their annual income on housing)
 - **Number of rental housing units; percentage that are affordable** (i.e., renters pay no more than 30 percent of their annual income on housing)
 - **Exterior improvements made to the developed property**
 - **Infrastructure improvements** (e.g., streets, roads, sewers)
 - **Green development outcomes: production of environmentally sustainable building(s)**
-

G. ACCESS TO AMENITIES AND COMMUNITY SERVICES OUTCOMES

- **Did [NAME Project] directly provide or improve access to amenities or community facilities for the neighborhood surrounding where it is located** (e.g., grocery stores, shopping, restaurants, , libraries, parking lots or garages, transportation, banking, financial services/products, schools, , parks, , recreation centers, arts and cultural institutions, museums, etc.)?
- **Did (NAME Project) directly provide, improve access to, or improve the quality of any human or social services to the neighborhood surrounding where it is located** (e.g., healthcare, employment and training, childcare, etc.)?

H. COMMUNITY-LEVEL OUTCOMES *[e.g., changes in the neighborhood or area of the project—either positive or negative—beyond those discussed above that might be linked to the project, even though they were not formally part of the project]*

- **Neighborhood/area employment outcomes**
- **Real estate development in the immediate neighborhood/area**
- **Changes in property values in the immediate neighborhood/area**
- **Business development in the immediate neighborhood/area**
- **Green development in the immediate neighborhood/area**
- **Human and/or social services in the immediate neighborhood/area**
- **Amenities and/or community facilities in the immediate neighborhood/area**
- **Infrastructure in the immediate neighborhood/area**
- **Beautification in, or physical upgrading of, the immediate neighborhood/area**
- **Tax revenues or other monetary outcomes/benefits to the community**
- **(NAME Project's) contribution, if any, to a change in the demographics or economic status of the larger community in which it is located**—such as with respect to poverty level, median income, racial/ethnic composition, age and family structure mix, education level, or employment rate
- **Other neighborhood-level outcomes of (NAME Project)**
- **Main benefits to the community from (NAME Project)**
- **“Leakage” of benefits of (NAME Project) from the intended/targeted beneficiaries/community**
- **Adverse effects of (NAME Project) on surrounding area** (e.g., businesses were closed, residents were displaced, etc.)?
- **Unintended consequences—good or bad**

I. STIMULATION OR ENHANCEMENT OF LOCAL/INSTITUTIONAL CAPACITY OUTCOMES

- **Level of activity of (NAME local government) and community organizations in attracting investment to this community?**
 - **Changes since (NAME Project) was initiated**
- **Capacity of (NAME local government) to:**
 - **Attract investment**
 - **Coordinate local economic development initiatives/projects**
- **Capacity of local community organizations to:**
 - **Attract investment**
 - **Coordinate local economic development initiatives/projects**
- **Capacity of (NAME CDE) to**
 - **Attract investment**
 - **Coordinate local economic development initiatives/projects**
- **Role of NMTCs with respect to enhancing (NAME community's) capacity to bring or direct capital to areas similar to that in which (NAME Project) is located**

New Markets Tax Credit (NMTC) Program Evaluation
QALICB Information Sheet
1/19/10

A. CONTACT INFORMATION

QALICB Contact Information

Contact Name: _____ Telephone: _____
Title: _____ Email: _____
Organization: _____
Mailing Address: _____

B. PROJECT INFORMATION

1. Name commonly used to refer to this project: _____
2. Year project initiated: _____
3. For the most recently completed calendar year or fiscal year, what was the total amount of your organization's outstanding loans? Please include the principal and interest owed on all loans including mortgages, motor vehicle, equipment, capital leases, lines of credit, and credit cards. \$ _____
For the period from _____ to _____

This survey has been approved by the Office of Management and Budget, as required by the Paperwork Reduction Act of 1995, under OMB control number XXXX-XXXX, which expires on XX/XX/XXXX. The time to complete this information collection and an associated telephone interview is estimated to be 1.25 hours, including time to review instructions, search existing data resources, gather needed data, and complete the information sheet and interview. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this survey, please write to U.S. Department of the Treasury, Community Development Financial Institutions Fund, XXXXXXXX, Washington, DC XXXXX.

C. PROJECT FINANCING

[Section C will be removed if this information has been provided by the CDE]

Please send us the sources and uses and latest financial statements for the project.

Please complete the following inventory of the sources and amounts of financing that comprised this NMTC loan/investment. If the QALICB received other loans or investments prior to or subsequent to this financing, and if those funds are considered substantially part of the same overall use as the NMTC loan/investment, please include that financing as well.

Source*	Source of Loan, Grant, or Investment	Description (select all that apply)					Amount (\$)
		Grant	Line of Credit	Term Loan	Debt-like equity	Equity	
1.	New Markets Tax Credits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
2. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
3. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
4. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
5. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
6. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
7. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
8. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
9. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$_____
TOTAL:							\$_____

* If there were multiple loans, grants, or investments from one source, please list the source only once, and summarize the amount of financing.

D. QALICB REVENUE/BUDGET

[Section D will be removed if this information has been provided by the CDE]

If QALICB or parent entity is for-profit please answer:

1. Annual Gross Revenue from business operations at time of project initiation: _____
2. Annual Gross Revenue from business operations for the most recently completed fiscal year: _____

If QALICB or parent entity is non-profit please answer:

1. Operating budget at time of project initiation: _____
2. Operating budget for the most recently completed fiscal year: _____

E. QALICB EMPLOYMENT

(Estimates are ok. Indicate if responses are from program records or are estimates. If you do not have this information, please leave the response blank.)

		Source	
		Program Records	Estimates
1. Number of full time employees*—including owners—at time of project initiation: _____	<input type="checkbox"/>	<input type="checkbox"/>	
2. Number of full time employees*—including owners—at end of most recent fiscal year: _____	<input type="checkbox"/>	<input type="checkbox"/>	
3. Number of newly created jobs that can be directly attributed to the project : _____ (Include temporary construction jobs, jobs at tenant businesses, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	

		Source	
		Program Records	Estimates
4. Number of jobs saved as a result of the project: <i>(pre-existing jobs that would have been lost if not for project having been financed and completed)</i>	_____	<input type="checkbox"/>	<input type="checkbox"/>
5. Approximately what percentage of all newly created or saved jobs were the following:			
Entry level/low-wage:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Mid-level:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Management/professional:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Other:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
6. Approximately what percentage of newly created or saved jobs were filled by the following:			
Residents of the project neighborhood:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Residents of the larger community—(city or county, as appropriate):	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Minorities:	_____%	<input type="checkbox"/>	<input type="checkbox"/>

* Full-time employees work 35 hours or more per week. Do not include temporary, seasonal, or construction employees in your calculations. Hours for part-time employees should be combined to the equivalent of full-time employees—i.e., two 17.5 hour per week employees would equal one full-time employee.

F. QALICB REAL ESTATE DEVELOPMENT OUTCOMES

1. Was there a real estate component to this project? Yes No

If YES, please answer the questions below.

(Estimates are ok. Indicate if responses are from program records or estimates. If you do not have this information, please leave the response blank.)

		Source	
		Program Records	Estimates
2. How many square feet did the project build or rehabilitate?	_____	<input type="checkbox"/>	<input type="checkbox"/>
3. Approximately what percentage of the space built or rehabilitated is:			
Manufacturing:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Office:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Retail:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Housing:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Community/Social Service facilities:	_____%	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify): _____	_____%	<input type="checkbox"/>	<input type="checkbox"/>

New Markets Tax Credit (NMTC) Program Evaluation

Investor

Case-Style Telephone Discussion Guide

1/19/10

The Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury is interested in understanding and articulating the benefits that the New Markets Tax Credit (NMTC) program may bring to low-income communities. Toward that end, the CDFI Fund has contracted with the Urban Institute, a non-profit policy research organization based in Washington, DC, to conduct an evaluation of the NMTC program.

For this evaluation, NMTC projects were selected at random from among all NMTC projects for data collection through telephone interviews with key stakeholders. You or your organization invested in a project that qualified for NMTCs. The primary goal of the telephone discussion is to learn about your experiences with (NAME Project) that used NMTCs. The interview includes questions about your decision to invest in the project as well as the investment terms and characteristics.

I'd like to emphasize that what we're doing is neither an audit nor an evaluation of the project or of your activities but, rather, a source of additional information about the NMTC program. Your participation in this interview is voluntary but very much appreciated, because it will contribute to a better understanding of how the NMTCs are being used.

The information you give us will be combined with information we receive from all others we talk with, and the Urban Institute will not cite or report it in any way that would identify you, your organization, or your project. However, because the information we collect is the property of the CDFI Fund, I need to tell you that we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

To help me accurately report on the information you share, it would help if I could tape record this call; of course, I could turn off the recorder at any point you so desire. I do not have a recorder on now; is it okay with you for me to turn it on?

I very much appreciate your cooperation.

This survey has been approved by the Office of Management and Budget, as required by the Paperwork Reduction Act of 1995, under OMB control number XXXX-XXXX, which expires on XX/XX/XXXX. The time to complete this information collection via telephone interview is estimated to be 30 minutes. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this survey, please write to U.S. Department of the Treasury, Community Development Financial Institutions Fund, XXXXXXXXX, Washington, DC XXXXX.

A. INVESTOR BACKGROUND

- **Type of investor entity**
 - **Investor entity's prior experience of the organization in making investments in low-income or otherwise underserved districts, businesses, or communities**
 - **Investor entity's prior investments in NMTCs or in other types of federal tax credit financing—such as low-income housing tax credits (LIHTCs), historic tax credits**
 - **Investor entity's areas of specialization** (investment types; types of deals; geographic areas)
 - **Respondent's awareness of NMTCs as part of the financing package for (NAME Project)?**
 - **Respondent's role in the organization and extent of focus/specialization in community development**
 - **Relationship (if any) between investor entity and the CDE**
 - ***(If not the parent or same entity):* Prior loans or investments with the CDE or its parent**
-

B. INVESTMENT PROCESS/DECISIONS

- **How investor entity first learned about/become involved in (NAME Project)**
- **(NAME Project's) similarity to other investments made by investor entity**
- **Extent to which investor entity and respondent were involved in the identification of (NAME Project) as a possible investment/project, and the decision as to whether or not to pursue (NAME Project)**
 - ***(For real estate projects):* Did the developer, or the community, consider alternative locations for (NAME Project)?**

- Had the developer incurred any costs connected with (NAME Project) prior to this investment?
 - Who helped put together the financial package for (NAME Project)?
 - **Terms of the investment in (NAME Project)**
 - Total amount of QEI for this investor;
 - Any other investments by investor entity in (NAME Project) in addition to NMTC financing
 - Expected returns from the investment, including from the project (e.g., return on equity) and from the tax credit
 - Which, if any of the following, apply to the investment in (NAME Project)?
 - Return of principal
 - Sharing of cash flow from operations
 - Refinancing or liquidations for lenders providing debt in a leverage model
 - Interest rate
 - Timing of payments of interest and return of amount invested
 - Guarantees required by investment entity from the CDE or anyone else
 - Fees, guarantees, or special covenants required by the investment entity for (NAME Project) beyond typical requirements for the investment entity's investments
-

C. ROLE OF NMTCs IN (NAME) PROJECT

- Investment entity's willingness to invest in (NAME Project) absent the tax credits
- Changes in scope or nature of (NAME Project) between initial consideration and the infusion of debt and/or equity capital resulting from the issuance of NMTC qualified equity investments (QEIs)

- **Role of NMTCs in the financing package for (NAME project)**
 - **What likely would have happened if (NAME project) had not received NMTCs?**
 - **Did any NMTC regulations (e.g., recapture – the “substantially all” requirement; QALICB criteria) influence or impede the investment entity’s interest in (NAME Project)?**
 - **Profitability of this investment compared to similar kinds of projects the investment entity has invested in**
 - **Has/will investment in (NAME Project) played/play a role in the investment entity’s (or the investment entity’s parent organization’s) decision to do other investments similar to (NAME Project)?**
-

D. PROJECT-SPECIFIC, INDIRECT, AND COMMUNITY-LEVEL OUTCOMES

- **Reports/information received by the investment entity on the progress or outcomes of (NAME Project), and source(s) and frequency of such information**
- **Project schedule and financial performance**
- **Project-specific outcomes**
- **Indirect outcomes**
- **Community-level outcomes**
- **(NAME Project’) contribution, if any, to changes in the socio-demographics or economic status of the community (e.g., poverty level or median income; racial/ethnic composition; age and family structure mix; education level; employment, property values)**

New Markets Tax Credit (NMTC) Program Evaluation
Local Official or Other Relevant Community Stakeholder
Case-Style Telephone Discussion Guide
1/19/10

The Community Development Financial Institutions (known as the CDFI Fund) of the U.S. Department of the Treasury is interested in understanding the benefits that its New Markets Tax Credit program may bring to low-income communities. Toward that end, the CDFI Fund has contracted with the Urban Institute, a non-profit policy research organization based in Washington, DC, to conduct an evaluation of the New Markets Tax Credit program.

The evaluation is focused on a national sample of investments or projects in which New Markets Tax Credits are involved, including (NAME PROJECT USING QALICB AND/OR CDE NAME AND OR OTHER IDENTIFYING INFORMATION) in your community. Projects were selected at random from among all NMTC projects for data collection through telephone interviews with key stakeholders. Our objective is to learn about the (NAME PROJECT), including what it resulted in and whether it is consistent with community and economic needs, trends and strategic plans in (NAME COMMUNITY). The evaluation is not an audit or compliance review and will have no impact whatsoever on (NAME PROJECT) or your community.

Your participation in this interview is voluntary but very much appreciated, because it will contribute to a better understanding of how the New Markets Tax Credit program is working.

The information you give us will be combined with information we receive from all others we talk with, and the Urban Institute will not cite or report it in any way that would identify you, your organization, or your community. However, because the information we collect is the property of the CDFI Fund, I need to tell you that we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

To help me accurately report on the information you share, it would help if I could tape record this call; of course, I could turn off the recorder at any point you so desire. I do not have a recorder on now; is it okay with you for me to turn it on?

I very much appreciate your cooperation.

<p>This survey has been approved by the Office of Management and Budget, as required by the Paperwork Reduction Act of 1995, under OMB control number XXXX-XXXX, which expires on XX/XX/XXXX. The time to complete this information collection via telephone interview is estimated to be 30 minutes. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this survey, please write to U.S. Department of the Treasury, Community Development Financial Institutions Fund, XXXXXXXXXX, Washington, DC XXXXX.</p>

A. BACKGROUND

- Respondent's organization (if any) and title
-

B. STRATEGIC PLAN FOR COMMUNITY/ECONOMIC DEVELOPMENT

- Does jurisdiction have a strategic or comprehensive community and/or economic development plan? *[If yes]:*
 - Organizations/stakeholders involved in putting the plan together
 - Major interests, focus, and uses of the plan
 - Does the strategic or comprehensive community and/or economic development plan target *particular types* of:
 - Areas or neighborhoods?
 - Businesses or institutions—such as: low-income, high-poverty neighborhoods?
 - Business owners—such as minority-owned business enterprises, woman-owned business enterprises, disabled veterans, etc.?
 - Businesses—such as incubators or start-ups in neighborhood commercial areas in need of retail revitalization?
 - Industrial or business sectors?
 - Commercial areas, industrial areas, or areas in need of industrial revitalization?
 - Brownfields sites?
 - Role/importance of strategic or comprehensive community and/or economic development plan in deciding which activities (projects) to pursue or where to pursue them
-

C. NAME (Project) AND ITS COMMUNITY CONTEXT

The remainder of this discussion focuses on one particular project within this jurisdiction. It involves the New Markets Tax Credit (NMTC) program. Specifically, the project is (NAME Project)

- Awareness or familiarity with (NAME Project)?
- Broad community context with respect to (NAME Project) (for example, history, circumstances, issues, competing interests, dominant forces, etc.)

- **Governmental role (if any) with respect to economic and community development issues as it pertains to (NAME Project)**
- **Business climate in the community as it pertains to (NAME Project)**
- **Economic development challenges in (NAME Community/relevant neighborhood)**
- **Role of advocacy community (business or residential), e.g., generally active or passive in issues involving community and economic development**

D. EVOLUTION OF (NAME Project)

- **Description of how (NAME Project) got started, who was involved, including involvement and role, if any, of parties outside of the principals to the project/deal**
- **Consistency with (NAME Community's) strategic community/economic development plan; inclusion of (NAME Project) in the plan**
- **Funding or support for (NAME Project) provided by (NAME Community)—including direct funding or tax abatements, concessions, infrastructure support, etc.**
- **Ability to attract private capital for community/economic development projects or activities to the area in which (NAME Project) is located—at the time (NAME project) was initiated.**
- **(NAME local government's) involvement (if any) in (NAME Project)—e.g., initiated or designed, brought together key parties, provided direct financial support, eminent domain or condemnation proceedings, referrals to other agencies or organizations, etc.**

E. ROLE OF NMTCs

- **What likely would have happened if (NAME Project) had not received NMTCs?**

F. PERCEPTIONS OF (NAME Project)

- **Visibility of (NAME Project) within (NAME Community)**
- **Is (NAME Project) considered a major or minor activity within (NAME Community)?**
- **Is (NAME Project) considered to be an asset (viewed positively) or liability (viewed negatively) in (NAME Community)?**

- **Local/regional/national media coverage of (NAME Project)**
-

G. OUTCOMES

- **Tangible benefits (if any) attributable to (NAME Project), e.g.:**
 - Jobs created or retained
 - Businesses started or expanded
 - Infrastructure expanded or improved; beautification occurred
 - Real estate development or rehabilitation
 - Access to retail services expanded
 - Access to social/human services expanded
 - Community facilities developed, expanded or rehabilitated
 - Services initiated, improved or expanded; tax revenues were increased
 - Other benefits occurred (specify)
 - **Negative consequences (if any) associated with (NAME Project)**
 - **Spin-offs/community benefits (if any) attributable to (NAME Project), e.g.,**
 - Improved economic status and quality of life
 - Enhanced local or institutional capacity
 - Leveraged additional investment
-

H. OTHER PERSPECTIVES/CONTACTS

- **Other useful/relevant information about (NAME Project)**
- **Others persons to speak to about (NAME Project)**

Appendix 2:
QALICB Survey

QALICB Representatives

Online-Survey

1/19/10

[FIRST SCREENS]

The Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury has contracted with the Urban Institute, a non-profit research organization based in Washington, DC, to evaluate the New Markets Tax Credit (NMTC) program. As part of the evaluation, the Urban Institute has commissioned Silber and Associates to survey a sample of [firms / organizations] that received [loans / investments] involving New Markets Tax Credits.

Your [firm / organization] received a NMTC [loan / investment] in 200(X) from [CDE] that was financed in part through the New Markets Tax Credit program.

Your participation. Your NMTC [loan / investment] was selected to be surveyed at random from among all such [loans / investments]. The survey takes approximately 30 minutes. Your participation is voluntary but very important and much appreciated. You can contribute to a better understanding of how the New Markets Tax Credit program is working. If you do not believe you are the best person in your [firm / organization] to respond to the questions, however, please inform XX (email and phone) at Silber Associates.

The survey. The survey includes some questions about your [firm / organization], the nature of the [loan / investment], and what the NMTC [loan / investment] resulted in. The survey is neither an audit nor a compliance review related to the NMTC [loan / investment] and will have no bearing on your (NMTC loan / investment) or any future such [loans / investments]. Rather, the survey is an important source of information that will assist us in better understanding how such [loans / investments] are structured and what they produce. To facilitate completion of the survey, it may be helpful to gather any project financial statements or notes associated with this [loan / investment].

Confidentiality. The information you give us will be combined with information we receive from all others we talk with, and the Urban Institute will not cite or report it in any way that would identify you, your organization, or your [loan / investment]. However, because the information we collect is the property of the CDFI Fund, we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

Questions or concerns. If there are technical or other difficulties in responding to this survey, please contact Dr. Bohne Silber at Silber and Associates, xxx. Also, at the Urban Institute, you may contact Nancy Pindus (npindus@urban.org, 202-261-5523) or Martin Abravanel (mabravanel@urban.org, 202-261-5834) if you have general questions about the evaluation or concerns about your [firm's / organization's] inclusion in the survey.

Thank you very much for your time and cooperation.

This survey has been approved by the Office of Management and Budget, as required by the Paperwork Reduction Act of 1995, under OMB control number XXXX-XXXX, which expires on XX/XX/XXXX. The time to complete this information collection is estimated to be 30 minutes, including the time to review instructions, search existing data resources, gather the data needed, and complete and review information collection. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to U.S. Department of the Treasury, Community Development Financial Institutions Fund, XXXXXXXXXX, Washington, DC XXXXX.

A. Organization Information

A1. Is your [firm / organization]...

- a. A for-profit
- b. A non-profit
- c. A Tribal government
- d. Other than the above (including governmental and quasi-governmental organizations)

A2. What is the *principal* activity of your [firm / organization]? That is, what does your [firm / organization] do or make? [Please check only one response.]

- a. Real estate developer
- b. Construction
- c. Manufacturing
- d. Transportation or warehousing
- e. Wholesale trade
- f. Finance and insurance
- g. Scientific and technical
- h. Information technology
- i. Administrative, support, office/business services
- j. Hotel or other accommodation, hospitality
- k. Restaurant or food services
- l. Performing arts, cultural, entertainment, recreation or other amenities
- m. Child care
- n. Educational services
- o. Health care
- p. Human and social services
- q. Agriculture, forestry, fishing and hunting
- r. Mining, utilities, energy
- s. Other (Specify: _____)

A3. Is your [firm / organization] currently operating?

- a. Yes
- b. No

NMTC Evaluation
QALICB Survey

A4. [If (A3) currently operating = No] Why is your [firm / organization] no longer operating?

- a. The [firm / organization] was sold or merged with another [firm / organization]
- b. The [firm / organization] could not financially sustain itself and dissolved/closed.
- c. Other (Specify: _____)

A6. [If entity structure = for-profit] Is your firm owned by people who are racial or ethnic minorities? (greater than 50% ownership stake)

- a. Yes
- b. No

A7. [If entity structure = non-profit, tribal government, or other] Is your organization run and managed by people who are racial or ethnic minorities?

- a. Yes
- b. No

A8. What was your firm's or organization's annual gross revenue or operating budget during the 12 month period prior to [month and year of loan / investment]? Please answer for the parent firm or organization, rather than a special entity established only for this project. If your [firm / organization] does not calculate annual gross revenue, please provide the operating budget.

\$ _____
___ Don't know

A9. For the most recently completed calendar or fiscal year, what was your firm's or organization's annual gross revenue? Please answer for the parent firm or organization, rather than a special entity established only for this project. If your [firm / organization] does not calculate annual gross revenue, please provide the operating budget.

\$ _____
___ Don't know

A10. For the most recently completed calendar or fiscal year, what was the amount of your [firm's / organization's] annual expenses? Please answer for the parent firm or organization, rather than a special entity established only for this project.

\$ _____
___ Don't know

NMTC Evaluation
QALICB Survey

A11. For the most recently completed calendar or fiscal year, what was the amount of your [firm's / organization's] total net assets? Please answer for the parent firm or organization, rather than a special entity established only for this project.

\$ _____
___ Don't know

A12. For the most recently completed calendar or fiscal year, what was the total amount of your [firm's / organization's] outstanding loans? Please include the principal and interest owed on all loans including mortgages, motor vehicle, equipment, capital leases, lines of credit, and credit cards. Please answer for the parent firm or organization, rather than a special entity established only for this project.

\$ _____
___ Don't know

A13. Does your [firm/organization] have any tenant businesses or nonprofits (other than private housing) that pay it rent?

- a. Yes
- b. No
- c. Don't know

A14. [If A14 = A] How many tenant businesses or nonprofits rent space from your [firm / organization]?

B. Project Financing

B1. What was your [firm's / organization's] overall objective when it obtained the New Markets Tax Credit [loan / investment], including the immediate purpose for which the NMTC [loan / investment] was used as well as the broader goal that the NMTC [loan / investment] helped to support, if different. Select all that apply.

B1a.	Business start-up —new business that did not previously exist	Yes / No / DK
B1b.	Expansion —to grow and provide new or more services/products to at the same location	Yes / No / DK
B1c.	Relocation —to move to another physical address; distance is not important, just that fact that the business moved.	Yes / No / DK
B1d.	New property development or purchase —to build or renovate a workspace (offices, factories, warehouses, etc.) not previously owned by the [firm / organization] which is used by your [firm / organization] or sold or leased to others	Yes / No / DK
B1e.	Renovation/rehabilitation of own facilities —to modernize or change the space (facilities) that the [firm / organization] currently occupies	Yes / No / DK
B4f.	Equipment upgrades —to purchase new equipment or change (retrofit) existing equipment associated with operating the business. Equipment t can range from heating, ventilation and air conditioning to walk-in cooler for a restaurant, to special tools needed in particular manufacturing process.	Yes / No / DK
B4g.	Working capital or a line of credit	Yes / No / DK
B4h.	Other Specify _____	Yes / No / DK

B2. Project financing-public and private.

Our records show that the total project or activity amount associated with the NMTC [loan / investment] was [\$ total project amount], while the NMTC [loan / investment] amount was [\$ NMTC loan / investment amount].

Please complete the following inventory of the sources and amounts of financing that comprised this NMTC [loan / investment]. If your [firm / organization] received other loans or investments prior to or subsequent to this financing, and you consider those funds substantially part of the same overall use as the NMTC [loan / investment], please include that financing as well. If you believe our records are not correct with respect to the total amount or the NMTC [loan / investment] amount, please correct them below.

Sources can include: Federal funds such as (a) Rehabilitation Tax Credits (Historic Tax Credits), (b) Community Development Block Grant (CDBG) funds, (c) other federal funding; (d)

NMTC Evaluation
 QALICB Survey

State Funds; (e) Local Funds including tax abatements or concessions, or Private Funds such as (f) private loans from investors, (g) grants from foundations or other sources, or (h) down-payment / equity contributed by your [firm / organization].

Source*	Source of Loan, Grant, or Investment	Description (select all that apply)					Amount (\$)
		Grant	Line of Credit	Term Loan	Debt-like equity	Equity	
1.	New Markets Tax Credits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
2. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
3. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
4. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
5. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
6. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
7. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
8. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
9. (if any)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$
TOTAL:							\$

Please use this space (if needed) for any explanations.

B3. As a result of this project being completed, would you say your firm is more or less profitable than it would have been had it not been done?

- a. Significantly more profitable
- b. Somewhat more profitable
- c. Just as profitable
- d. Somewhat less profitable
- e. Significantly less profitable
- f. Nothing to compare this to—this was the first project
- g. Don't know

B4. Please indicate if your [firm / organization] has taken any of the following steps since getting the NMTC [loan / investment] in [month and year]...[select all that apply]

B4a. Changed loan terms to be more favorable because your [firm / organization] had difficulty paying this loan	Yes	No	Don't Know
B4b. Restructured loan payments, including temporarily or permanently changing interest rate or other work-outs	Yes	No	Don't Know
B4c. Were late making payments	Yes	No	Don't Know

C. Role of NMTCs

C1. At the time your [firm / organization] received the NMTC [loan / investment] in [month and year], how easy was it to attract **private** capital to the neighborhood or area where the NMTC [loan / investment] was used—for each type of business or use listed below? Your general assessment is all we need.

	Type of business or use	It was very easy	It was somewhat easy	It was somewhat difficult	It was very difficult	Don't know
C1a.	Small businesses					
C1b.	Shopping centers					
C1c.	Grocery stores					
C1d.	Restaurants					
C1e.	Office buildings					
C1f.	Charter schools					
C1g.	Community health clinics					
C1h.	A [firm/organization] like yours					

C2. **Before** your [firm / organization] had considered the NMTC [loan / investment] in [month and year], had you previously applied for conventional financing for the same purpose for which you ultimately used the NMTC [loan / investment]?

Conventional financing refers to financing from a for-profit entity—such as a bank, a finance company, or an equity investor—that provides funds for its businesses purposes without a public subsidy, not because it has an economic-development mission.

- a. Yes
- b. No
- c. I don't know

NMTC Evaluation
QALICB Survey

C3-A [If No to C2]: What were the reasons you did not apply for conventional financing?
(Select all that apply)

- a. We did not think conventional financing was generally available
- b. We did not think we qualified for or could get conventional financing; we thought we would be rejected
- c. The conventional financing was not sufficient
- d. The NMTC financing had preferable rates or terms
- e. Other (Specify → _____)

C3-B [If No to C2 and multiple answers on C3-A] Of the reasons you selected, which was the **main** reason you did not apply for conventional financing?

- a. We did not think conventional financing was generally available
- b. We did not think we qualified for or could get conventional financing; we thought we would be rejected
- c. The conventional financing was not sufficient
- d. The NMTC financing had preferable rates or terms
- e. Other (Specify → _____)

C3-C. [If No to C2 and one C3-A response is B, the firm/organization did not think it qualified for conventional financing and/or would be rejected]: What was the **main** reason you believed your [firm / organization] would have been denied conventional financing for this project?

- a. We had insufficient collateral
- b. There was no guarantee available
- c. The loan would be considered too large
- d. The loan would over-concentrate institutional portfolio (the lender already has too many similar loans on its books)
- e. The lending institution doesn't like to make loans of this type
- f. Our credit history
- g. Our poor balance sheet, financial situation
- h. Our ability to repay was questionable
- i. Our firm/organization had not been in business/operation long enough
- j. We had a large amount of outstanding loans
- k. We were overextended—too highly leveraged or too little equity
- l. The location of our project was not desirable
- m. Likely arbitrariness or personality conflict on the part of lenders
- n. Likely prejudice or discrimination on the part of lenders
- o. Other: Specify _____

C4. [If C2 = Yes previously had applied for conventional financing]: At that time, was your [firm / organization] approved or rejected for conventional financing for the same project for which you used the NMTC [loan / investment]?

- a. We were approved
- b. We were rejected
- c. I don't know

NMTC Evaluation
QALICB Survey

C5. [If (C2-A) response is A, approved for conventional financing]: What were the reasons you preferred the NMTC [loan / investment] to the conventional financing? Select all that apply.

C5-A.	Less equity required to be provided to the project with the NMTC financing	Yes	No	Don't know
C5-B.	Less collateral required with the NMTC financing	Yes	No	Don't know
C5-C.	Higher loan to value ratio allowed with the NMTC financing	Yes	No	Don't know
C5-D.	More flexible credit standards with the NMTC financing	Yes	No	Don't know
C5-E.	Lower debt service coverage ratio with the NMTC financing	Yes	No	Don't know
C5-F.	Lower loan loss reserve requirement with the NMTC financing	Yes	No	Don't know
C5-G.	Lower interest rates required with the NMTC financing	Yes	No	Don't know
C5-H.	Longer maturity terms with the NMTC financing	Yes	No	Don't know
C5-I.	More generous equity investment terms with the NMTC financing	Yes	No	Don't know
C5-J.	Lower origination or other fees with the NMTC financing	Yes	No	Don't know
C5-K.	Other → Specify _____	Yes	No	Don't know

C6. [If (C2-A) response is A, approved for conventional financing and multiple C5 YES responses selected]: What was the **main** reason you preferred the NMTC [loan / investment] to the conventional financing? [NOTE: answer choices will be based on yes responses to C5]

- a. Less equity required to be provided to the project with the NMTC financing
- b. Less collateral required with the NMTC financing
- c. Higher loan to value ratio allowed with the NMTC financing
- d. More flexible credit standards with the NMTC financing
- e. Lower debt service coverage ratio with the NMTC financing
- f. Lower loan loss reserve requirement with the NMTC financing
- g. Lower interest rates required with the NMTC financing
- h. Longer maturity terms with the NMTC financing
- i. More generous equity investment terms with the NMTC financing
- j. Lower origination or other fees with the NMTC financing

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C7-A. [If (C4-A) response was B, rejected for conventional financing]: What were the reasons why your [firm / organization] was rejected for conventional financing? Select all that apply.

- a. We had insufficient collateral
- b. There was no guarantee was available
- c. The loan we asked for was too large
- d. The loan would over-concentrate our institutional portfolio (the lender already has too many similar loans on its books)
- e. The lender we went to doesn't like to make loans of this type
- f. Our credit history
- g. Our poor balance sheet and/or financial situation
- h. Our ability to repay was questionable
- i. We had not been in business/operating long enough
- j. We had a large amount of outstanding loans
- k. We were overextended—too highly leveraged, or too little equity
- l. The location of where we wanted to use the loan was not desirable
- m. Arbitrariness and/or personality conflict by the lender
- n. There was prejudice or discrimination against us by the lender
- o. Other: Specify _____
- p. I don't know

C7-B. [If (C4-A) response was B, rejected for conventional financing and multiple C7-A responses selected]: What was the **main** reason why your [firm / organization] was rejected for conventional financing? [NOTE: answer choices will be based on yes responses to C7-A]

- a. We had insufficient collateral
- b. There was no guarantee was available
- c. The loan we asked for was too large
- d. The loan would over-concentrate our institutional portfolio (the lender already has too many similar loans on its books)
- e. The lender we went to doesn't like to make loans of this type
- f. Our credit history
- g. Our poor balance sheet and/or financial situation
- h. Our ability to repay was questionable
- i. We had not been in business/operating long enough
- j. We had a large amount of outstanding loans
- k. We were overextended—too highly leveraged, or too little equity
- l. The location of where we wanted to use the loan was not desirable
- m. Arbitrariness and/or personality conflict by the lender
- n. There was prejudice or discrimination against us by the lender
- o. Other: Specify _____
- p. I don't know

Next, please consider what would likely have happened had your [firm / organization] **not** received the NMTC [loan / investment].

C8. If your [firm / organization] did not get the NMTC [loan / investment] from [CDE] in [month and year], could you have obtained other financing to replace the NMTC [loan / investment] financing?

- a. No, this was the only financing available
- b. Yes, other financing was available to my [firm / organization] at roughly the same rates and terms, and on roughly the same time schedule
- c. Yes, other financing was available to my [firm / organization] at roughly the same rates and terms, but the project would have been substantially delayed
- d. Yes, other financing was available to my [firm / organization] but with less favorable rates or terms
- e. Other: Specify _____
- f. I don't know

C9. [If (C7) response was b, c, or d, other financing was available]: What is the **main** source of financing you could have obtained to replace the NMTC [loan / investment]?

- a. Conventional (private) financing
- b. Grant funding or other fundraising
- c. Local government-related financing
- d. State government-related financing
- e. Federal government-related financing
- f. Other: Specify _____
- g. I don't know

C10. Based on your assessment at the time the project began, rather than your understanding of how the project has performed to date, how likely is it that your project could have proceeded

...

		Very likely to have proceeded	Somewhat likely to have proceeded	Somewhat unlikely to have proceeded	Very unlikely to have proceeded	Don't know
C10A	At about the same location as it did had the NMTC [loan / investment] not been available?					
C10B	Within one year of when it did had the NMTC [loan / investment] not been available?					

NMTC Evaluation
QALICB Survey

C11. Please indicate whether the cost of capital would have been greater if you had not received the NMTC [loan / investment] and had instead received conventional financing. Select all that apply.

C5-A.	More equity required to be provided to the project	Yes	No	Don't know
C5-B.	More collateral required	Yes	No	Don't know
C5-C.	Lower loan to value ratio allowed	Yes	No	Don't know
C5-D.	More flexible credit standards	Yes	No	Don't know
C5-E.	Higher debt service coverage ratio	Yes	No	Don't know
C5-F.	Higher loan loss reserve requirement	Yes	No	Don't know
C5-G.	Higher interest rates required	Yes	No	Don't know
C5-H.	Shorter maturity terms	Yes	No	Don't know
C5-I.	Less generous equity investment terms	Yes	No	Don't know
C5-J.	Higher origination or other fees	Yes	No	Don't know
C5-K.	Other → Specify _____ _____	Yes	No	Don't know

The next questions deal with the effects of your use of the NMTC [loan / investment].

D. Real Estate

D1. Did you use any portion of your NMTC [loan / investment] to build or rehabilitate commercial or residential units?

- a. Yes
- b. No [Skip to section E]
- c. Don't know

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 QALICB Survey

D2. [If (E1) Yes or Don't Know] Please complete each of the questions below with separate figures for any commercial and residential units developed.

		Commercial	Residential
D2a.	Number of units		
D2e.	Number of units expressly for low-income individuals or families rented or sold at below market rates		
D2b.	Number of Separate Tenants		
D2c.	Total square footage		
D2d.	Average asking rent or price per square foot		
D2f.	Number of units currently vacant		
D2g.	Number of square feet currently vacant		

D3. How would you assess the extent and quality of improvement in the exterior appearance, streetscape, or façade of the developed property?

- a. Major improvements
- b. Minor improvements
- c. No improvements
- d. Don't know

D4. How would you assess the extent and quality of improvement in the exterior appearance, streetscape, or façade physical in properties **surrounding** the property you built or rehabilitated?

- a. Major improvements
- b. Minor improvements
- c. No improvements
- d. Don't know

D5. Is the property you built or rehabilitated LEED Certified by the U.S. Green Building Council?

- a. Yes
- b. No
- c. Don't know

E. Access to Services

E1. Did the project that used the NMTC [loan/investment], provide, improve access to, or improve the quality of ...

E1a.	Grocery stores?	Yes	No	Don't know
E1b.	Shopping, restaurants, laundry, or gas stations?	Yes	No	Don't know
E1c.	Public libraries?	Yes	No	Don't know
E1d.	Parking lots or garages?	Yes	No	Don't know
E1e.	Public transportation (bus, rail)?	Yes	No	Don't know
E1f.	Banking, financial services / products?	Yes	No	Don't know
E1g.	Elementary or secondary schools?	Yes	No	Don't know
E1h.	Higher education facilities/opportunities?	Yes	No	Don't know
E1i.	Parks, open spaces, playgrounds, recreation centers?	Yes	No	Don't know
E1j.	Arts and cultural institutions, museums?	Yes	No	Don't know

E2. Did the project that used the NMTC loan/investment provide, improve access to, or improve the quality of ...

E2a.	Health care?	Yes	No	Don't know
E2b.	Employment training centers?	Yes	No	Don't know
E2c.	Childcare centers?	Yes	No	Don't know
E2d.	Any other services? (Specify _____)	Yes	No	Don't know

F. Employment

Next we'd like to ask you about jobs that are associated with your [firm / organization] as they relate to your use of the NMTC [loan / investment] financing. If you don't know exact figures, your best estimates will be fine.

Unless otherwise noted, use the following definitions:

- *Do not include temporary, seasonal, or construction employees in your calculations.*
- *Full-time employees work 35 hours or more per week.*
- *Hours for part-time employees should be combined to the equivalent of full-time employees—i.e., two 17.5 hour per week employees would equal one full-time employee.*

F1. At the time you initiated the NMTC [loan / investment] in [month and year], about how many employees—including owners—worked for your [firm / organization] and any tenants during a typical pay period?

_____ positions at your firm
_____ positions at your tenants
___ Don't know

F2. About how many employees—including owners—work for your [firm / organization] and any tenants during a typical pay period this year?

_____ positions at your firm
_____ positions at your tenants
___ Don't know

F3. Did you expand your [firm's / organization's] number of employees, or did any tenants expand their number of employees, as a result of the NMTC [loan / investment]—that is, once the activity you took on as a result of the NMTC [loan / investment] had time to get up and running?

*Do **not** count any employees you kept on who might otherwise have been let go had the NMTC [loan / investment] activity not taken place.*

- Yes
- No
- Don't know

NMTC Evaluation
QALICB Survey

F4. [If new hires = yes] About how many new positions did you and your tenants create as a direct result of the NMTC [loan / investment] activity?

Permanent positions with your organization _____

Temporary, Seasonal positions with your organization _____

Construction jobs _____

Positions at tenants (please provide your best estimate) _____

___ Don't know

F5. About how many of the new positions that you created as a direct result of the NMTC [loan / investment] do you still employ today?

Permanent positions _____

Temporary, Seasonal positions _____

Construction jobs _____

Positions at tenants (please provide your best estimate) _____

___ Don't know

F6. Did you keep on any positions which might otherwise have been let go had the project funded by the NMTC [loan / investment] not taken place?

- a. Yes
- b. No
- c. Don't know

F7. [If (D6) kept jobs = yes] About how many positions did you keep on as a result of the NMTC [loan / investment]?

Permanent positions _____

Temporary, Seasonal positions _____

Construction jobs _____

Positions at tenants (please provide your best estimate) _____

___ Don't know

NMTC Evaluation
 QALICB Survey

F8. [If (D6) kept jobs = yes] About how many of the positions you kept on as a result of the NMTC [loan / investment] do you still have today?

Permanent positions _____
 Temporary, Seasonal positions _____
 Construction jobs _____
 Positions at tenants (please provide your best estimate) _____
 ___ Don't know

F9. [If jobs created or kept for your business > 0] About what percent of the **permanent** employees holding the newly created **and** kept positions today at your [firm / organization] or your tenants are residents of the neighborhood in which your NMTC [loan / investment] was used?

_____ %
 ___ Don't know

F10. [If jobs created or kept for your business > 0] Roughly how many of these newly created and kept **permanent** positions earn the following wages.

Count each full-time position as 1 and represent part-time positions as fractions of 1.

- Entry level / low-wage _____ %
- Mid-level _____ %
- Management / professional _____ %
- Other _____ %

[If jobs created or kept > 0] Thinking across all the **permanent** positions that were newly created and/or retained by the NMTC [loan / investment] what percentage...

		Percentage	Don't know
F11	Were eligible for health insurance offered by your [firm / organization]?		
F12	Were eligible for paid sick leave?		
F13	Were eligible for a pension or matched savings plan?		

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Next we would like to ask you about business outcomes of your [firm / organization] as a result of the NMTC [loan / investment].

F14. Did your use of the NMTC [loan / investment] help to finance the start-up of any small business or businesses?

- a. Yes
- b. No
- c. Don't know

F15. [If start-up = yes] How many small businesses received start-up financing?

_____businesses
___ Don't know

F16. As a result of your use of the NMTC [loan / investment], did your [firm / organization] or your tenants pay more in taxes to the city or county where you used the use of the NMTC [loan / investment]?

- a. Yes
- b. No
- c. Don't know

F17. [If (F32) response is a, Yes]: What is your best estimate of the increased amount your [firm/organization] and your tenants pay in taxes to the city or county where the project is located as a result of your use of the NMTC [loan / investment]? That is, how much **more** in dollars do you pay now annually?

\$ _____ Additional sales tax
\$ _____ Additional payroll tax
\$ _____ Additional individual income tax
\$ _____ Additional corporate tax
\$ _____ Additional property tax
\$ _____ Additional other taxes (specify)
_____ Don't know

G. Indirect Outcomes

Please assess whether the use your [firm / organization] made of the NMTC [loan / investment] also resulted in any of the following effects on the area surrounding where it was used—effects that were **not** directly part of your use of the NMTC [loan / investment].

		Strong evidence of a positive effect	Possible, but not strong evidence of a positive effect	No evidence of any type of effect	Possible, but not strong evidence of a negative effect	Strong evidence of a negative effect	Don't know
G1	New businesses have been created in the surrounding area as a result of our NMTC [loan / investment]						
G2	Businesses in the surrounding area have expanded as a result of our NMTC [loan / investment] (employment or revenues)						
G3	Property values have increased in the surrounding area as a result of our NMTC [loan / investment]						
G4	Green development has been built in the surrounding area as a result of our NMTC [loan / investment]						
G5	Human and social services have expanded or improved in the surrounding area as a result of our NMTC [loan / investment]						
G6	Amenities or community facilities have expanded or improved in the surrounding area as a result of our NMTC [loan / investment]						
G7	Infrastructure has improved in the surrounding area as a result of our NMTC [loan / investment]						

NMTC Evaluation
 QALICB Survey

G8	The surrounding area has been beautified as a result of our NMTC [loan / investment]						
G9	Tax revenues have increased for the local jurisdiction as a result of our NMTC [loan / investment]						
G10	There have been other effects resulting from our NMTC [loan / investment] (Specify _____)						

G11. Are there other important positive effects of your [firm / organization's] use of the NMTC [loan / investment] that have not been addresses in this survey?

- a. Yes
- b. No
- c. Don't know

G12. [If (G11) response is a, yes]: Please describe these effects.

G13. Did the use your [firm / organization] made of the NMTC [loan / investment] result in any adverse effects on the area surrounding where it was used (e.g.. other business were closed, residents were displaced, etc.)?

- a Yes
- b No
- c Don't know

G14. [If (G13) response is yes]: What are they?

THANK YOU

Appendix 3:

Local Community/Economic Development Officials' Survey

New Markets Tax Credit (NMTC) Program Evaluation

Survey of Local Community/Economic Development Agency Officials

1/19/10

The Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury has contracted with the Urban Institute, a non-profit research organization based in Washington DC, to study federal government economic development initiatives targeted to low-income areas. As part of this effort, the Urban Institute commissioned Silber and Associates to survey a small sample of community and economic development officials across the country. Your agency or organization was selected to participate in the survey because we value your input.

The survey. The survey includes general questions about your community's use of federal government programs for economic development purposes. It should only take about 15 minutes to complete.

Your participation. Your participation in the survey is voluntary but very important and much appreciated. It will help the CDFI fund better understand community use of federal economic development programs. If you do not believe you are the best person to respond to the questions, please inform XX (email and phone) at Silber Associates.

Confidentiality. The information you give us will be combined with information we receive from all others we talk with, and the Urban Institute will not cite or report it in any way that would identify you or your organization or community. However, because the information we collect is the property of the CDFI Fund, we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

Questions or concerns. If you have technical or other difficulties in responding to this survey, please contact Dr. Bohne Silber at Silber and Associates, xxx. Also, you may contact Nancy Pindus (npindus@urban.org; 202-261-5523 or Martin Abravanel mabravanel@urban.org; 202-261-5834) at the Urban Institute if you have general questions about this survey or concerns about your or your agency's/organization's inclusion.

Thank you very much for your time and cooperation.

This survey has been approved by the Office of Management and Budget, as required by the Paperwork Reduction Act of 1995, under OMB control number XXXX-XXXX, which expires on XX/XX/XXXX. The time to complete this information collection is estimated to be 15 minutes, including the time to review instructions, search existing data resources, gather the needed data, and complete the survey. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to U.S. Department of the Treasury, Community Development Financial Institutions Fund, XXXXXXXXX, Washington, DC XXXXX.

Please check the appropriate box for each question.

Community and economic development aims to improve resident social and economic well being and quality of life, revitalize and sustain neighborhood and community assets, and promote community viability by, among other means, upgrading the environs, creating or retaining jobs, supporting the tax base, and encouraging citizen empowerment and participation.

1. Does your jurisdiction currently have a formal community or economic development **comprehensive/strategic plan**—either prepared by a government agency, an independent entity, or both?
 - Yes, solely prepared by local government
 - Yes, solely prepared by an independent entity or private group
 - Yes, prepared jointly by local government and independent entity/
private group
 - Yes, prepared by some other entity (specify)
 - No formal comprehensive/strategic plan
 - Don't know

2. (If you answered "Yes" to Question 1): How important or unimportant would you say your jurisdiction's community or economic development comprehensive/strategic plan is when it comes to deciding such things as which community or economic development activities to pursue, where to pursue them, etc.?
 - It is essential
 - It is very important but not essential
 - It is somewhat important
 - It is not very important
 - Don't Know
 - Did not answer "Yes" to Question 1

The remaining questions focus more specifically on **economic** development—generally defined as public or private sector activities intended to attract, retain or expand industrial, commercial or service enterprises in a location, encourage growth, and create or retain jobs.

3. Since the year 2000, has your jurisdiction obtained any funds **from Federal government program sources** to provide economic development assistance for various activities—including activities run by government agencies or private businesses or organizations? Please consider funds that went from the Federal government to either local government **or** directly to businesses or organizations.

- Yes
 No
 DON'T KNOW

<p>4. Since the year 2000, has your jurisdiction obtained any funds from State government program sources—including revenue or development bonds—to provide economic development assistance for various activities undertaken either by local government agencies or private businesses or organizations. Please consider funds that went to either local government or directly to businesses or organizations.</p>			
	Yes	No	Don't Know
<p>a. For activities undertaken by local government agencies</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>b. For activities undertaken by private businesses or organizations</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Since the year 2000, has your jurisdiction provided any economic development funds for various activities **using local government** revenues or revenue bond financing that did **not** originate with Federal or State government programs?

- Yes
 No
 DON'T KNOW

6. Since the year 2000, has **your jurisdiction** provided any other type of support for economic development purposes—such as tax abatements, concessions, infrastructure support, etc.?

- Yes, a lot of such support
- Yes, a little such support
- No
- DON'T KNOW

7. To the best of your knowledge, since the year 2000 have any of the government programs listed below been used specifically for economic development purposes in your jurisdiction?	Yes	No	Don't know
a. The Community Development Block Grant (CDBG) program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. HUD's Section 108 Loan Guarantee, Economic Development Initiative (EDI), or Brownfields Economic Development Initiative (BEDI) programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. HUD's HOME Investment Partnership or HOPE VI programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. The Empowerment Zone/Enterprise Communities, Neighborhood Revitalization Zone, HUB zone, Renewal Communities, or Gulf Opportunity Zone programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. The Economic Development Administration's (EDA's) grant or Revolving Loan Fund programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. The Rehabilitation (or Historic) Tax Credit program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. The New Markets Tax Credit Program	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. SBA's loan guarantee or investment programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. USDA's loan and grant programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Other. Please specify:_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Other. Please specify:_____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. <i>[If you answered “Yes” to any of the programs in Question 7]:</i> Have any of these government programs been used for the following kinds of economic development activities in your jurisdiction?	Yes	No	Don't know
a. Loans to or investments in for-profit businesses	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Loans or grants to, or investments in, non-profit organizations for economic development purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Development or improvement of public infrastructure related to retail, commercial or industrial areas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Development of publicly owned facilities—such as convention centers, libraries, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Façade improvement or beautification programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Development or rehabilitation of community, public or nonprofit facilities—including for cultural, educational, or social service provision purposes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Development or rehabilitation of affordable housing or housing related facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Provision of technical assistance and training for business owners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Provision of job training and other workforce development activities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Other. Please specify: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. <i>[If you answered “Yes” to Question 8a. (any government programs have been used for loans to or investments in businesses in your jurisdiction)]:</i> Have such loans or investments involved:	Yes	No	Don't know
a. Micro-enterprises—which generally have fewer than 5 employees, one of whom is the owner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Small retail, commercial or industrial establishments—which generally have fewer than 25 employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Larger retail, commercial or industrial enterprises	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

“Targeting” refers to efforts to direct some or all economic development activities to particular types of: persons; areas or neighborhoods; or businesses or institutions.

10. In your jurisdiction since the year 2000, have there been any economic development projects or activities involving government programs that have been specifically targeted for the types of persons, areas, or entities listed below?	Yes	No	Don't know
a. For low-income, high-poverty neighborhoods?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. For certain types of business enterprises—such as those owned by minorities, women, disabled veterans, etc.?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. For certain types of businesses—such as incubators or start-ups?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. For neighborhood commercial areas in need of retail revitalization?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. For specific industrial types of business sectors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. For commercial areas?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. For industrial areas?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. For areas in need of industrial revitalization?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. For Brownfields sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

To this point we have been asking about **government** programs related to economic development. Now we would like to focus on attracting **private capital** (loans or investments) to your jurisdiction for economic development purposes. By private capital we mean loans or investments from a for-profit entity—such as a bank, finance company, or equity investor—that provides funds for its business purposes (not because it has an economic development mission), **without a public subsidy**.

11. **Since the year 2000 but before the current economic downturn in 2008**, would you say it was relatively easy or difficult to attract private capital for economic development projects or activities to your jurisdiction—considering your jurisdiction as a whole?

- It has been very easy
- It has been somewhat easy
- It has been somewhat difficult
- It has been very difficult
- DON'T KNOW

12. **Since the economic downturn in 2008**, has it been relatively easy or difficult to attract private capital for economic development projects or activities to your jurisdiction—considering your jurisdiction as a whole?

- It has been very easy
- It has been somewhat easy
- It has been somewhat difficult
- It has been very difficult
- DON'T KNOW

The above questions ask about attracting private capital to your jurisdiction as a whole. Now we would like to focus on **particular areas or neighborhoods** within your jurisdiction.

13. **Since the year 2000 but before the current economic downturn in 2008**, have there been **specific areas or neighborhoods** within your jurisdiction where it has been **especially difficult to attract private capital** for economic development?

- Yes, there are many such areas/neighborhoods
- Yes, there are several such areas/neighborhoods
- Yes, there is one particular area/neighborhood
- No
- DON'T KNOW

14. Are you aware of any **government program(s) that can help to attract *private capital*** to areas or neighborhoods where it is especially difficult to attract private capital for economic development?

- Yes
- No
- DON'T KNOW

15. *[If you answered "Yes" to Question 14]:* **Since the year 2000**, has your jurisdiction **used** any government program(s) to attempt to attract *private capital* to such areas or neighborhoods?

- Yes
- No
- DON'T KNOW
- Did not answer "Yes" to Question 14

16. Are you familiar with the Federal government's New Markets Tax Credit (NMTC) program?

- Yes, I am very familiar with it
- Yes, I am somewhat familiar with it
- No, I am not familiar with it
- I DON'T KNOW

17. Do you know of others in your jurisdiction who are familiar with the New Markets Tax Credit (NMTC) program?

- Yes
- No
- DON'T KNOW

*[If you answered "No" to Question 16 **and** Question 17 –that is, neither you nor others in your jurisdiction are familiar with the New Markets Tax Credit program, please skip to Question 30.]*

18. Do you know of **any use of the NMTC program in your jurisdiction**, regardless of whether your agency or organization was involved in such use?

- Yes
- No
- DON'T KNOW

19. *[If you answered “Yes” to Question 18]:* **About how many** New Markets Tax Credit projects or activities have occurred in your jurisdiction—regardless of whether your agency or organization was involved in such projects?

- One
- Two
- Three
- Four
- Five to ten
- More than ten
- DON'T KNOW

20. *[If you answered “Yes” to Question 19]:* Has your agency/organization/office, or have other economic development agencies/organizations/offices in your jurisdiction, been directly involved with any use of New Markets Tax Credits?

- Yes, definitely
- Yes, probably
- No
- DON'T KNOW

21. *[If you answered to “Yes, definitely” or “Yes, probably” to Question 20]:* How involved has your agency/organization/office, or other local economic development agencies/ organizations/offices, been in local New Markets Tax Credit project(s)?

- Very involved
- Somewhat involved
- Not involved
- It depends—involved in some, not in others
- DON'T KNOW
- Answered “No” or “DON'T KNOW” to Question 20

<p>22. <i>[If you answered "Very involved" or "Somewhat involved" to Question 21]:</i> Did your agency/organization/office, or any other economic development agency/organization/office, do any of the following things with respect to use of New Markets Tax Credits in your jurisdiction? (Please place a "√" to the left of each thing an agency/organization/office did.)</p>	
<input type="checkbox"/>	a. We/they initiated or designed one or more project/activity
<input type="checkbox"/>	b. We/they actively encouraged and/or facilitated one or more project/activity
<input type="checkbox"/>	c. We/they brought together key parties for one or more project/activity
<input type="checkbox"/>	d. We/they provided direct financial support to one or more project/activity— including using local revenues, CDBG or other local government program resources
<input type="checkbox"/>	e. We/they provided other types of support to one or more project/activity— such as infrastructure improvements, tax abatements, waivers, etc.
<input type="checkbox"/>	f. We/they were involved in eminent domain or condemnation proceedings related to one or more project/activity
<input type="checkbox"/>	g. We/they provided referrals to other agencies, organizations or offices for one or more project/activity
<input type="checkbox"/>	h. We/they were not actively involved but (passively) approved of one or more project/activity
<input type="checkbox"/>	i. We/they opposed one or more project/activity
<input type="checkbox"/>	j. Other(s). Please specify: _____

23. *[If your jurisdiction has a comprehensive/strategic economic or community development plan, as discussed in Question 1]:* Has use of New Markets Tax Credits—regardless of whether your agency/organization was involved—generally been consistent or inconsistent with your jurisdiction’s comprehensive/strategic community or economic development plan?

- Very consistent
- Somewhat consistent
- It depends—some uses consistent and others inconsistent
- Somewhat inconsistent
- Very inconsistent
- DON’T KNOW
- We have no comprehensive/strategic economic or community development plan

24. Are you in a position to judge whether use of New Markets Tax Credits has provided any tangible benefits to your jurisdiction?

- Yes
- No
- DON’T KNOW

25. *[If you answered “Yes” to Question 24]:* How beneficial would you say New Markets Tax Credits have been to your jurisdiction?

- Very beneficial
- Somewhat beneficial
- Not very beneficial
- It depends—some uses have been beneficial and others have not
- DON’T KNOW
- Did not answer “Yes” to Question 24

26. *[If you answered “Very beneficial,” “Somewhat beneficial,” “Not very beneficial,” or “It depends, to question 25”]:* Why do you say that?

27. Are you aware of any negative consequences associated with use of New Markets Tax Credits in your jurisdiction?

- Yes, I’m aware of many negative consequences
- Yes, I’m aware of some negative consequences
- No, I’m not aware of any negative consequences (skip to Question 30)
- DON’T KNOW (skip to Question 30)

28. *If you answered “Yes” to Question 26]:* What negative consequences have been associated with the use of New Markets Tax Credits in your jurisdiction?

29. <i>[If you answered “Yes” to question 26]:</i> To the best of your knowledge, have any of the following benefits occurred as a direct result of use of New Markets Tax Credits in your jurisdiction?	Yes	No	Don't know
a. Jobs were created or retained	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Businesses were started or expanded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Infrastructure was expanded or improved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Beautification occurred	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Real estate development or rehabilitation occurred	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Access to retail services were expanded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Access to social/human services was expanded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Community facilities were developed, expanded or rehabilitated	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Services were initiated, improved or expanded	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Tax revenues were increased	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Other benefits occurred. Please specify: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

30. [If you answered "Yes" to any of the benefits listed in Question 28]: As best you can judge, could these benefits have been achieved without the use of New Markets Tax Credits?

- Yes, these benefits could **definitely** have been achieved without use of New Markets Tax Credits
- Yes, these benefits could **possibly** have been achieved without use of New Markets Tax Credits
- No, it is unlikely these benefits could have been achieved without use of New Markets Tax Credits
- It depends
- DON'T KNOW
- Did not answer "Yes" to any of the benefits listed in Question 28

31. [If you answered "Yes," "No", or "It depends" to question 30]: Please explain your answer?

32. In conditions like the current economic downturn, would you say the New Markets Tax Credit program is more useful, less useful, or neither more nor less useful than other Federal government community and economic development programs with which you are familiar?

- The New Markets Tax Credit program is more useful than other Federal programs
- The New Markets Tax Credit program is less useful than other Federal programs
- The New Markets Tax Credit program is neither more nor less useful than other Federal programs
- It depends. Please explain: _____
- DON'T KNOW

33. [If you answered "more useful," "less useful," or "neither more nor less useful" to Question 30]: Why do you say this?

34. Which of the following best describes your agency, organization or office?
(Please check all that apply.)

- A community development, or combined community and economic development, agency/office—part of local government
- A separate economic development department, agency/office—part of local government
- An independent (quasi-government) economic development or redevelopment authority
- A private, nonprofit organization or consortium
- A private, for-profit business or consortium
- Some other type of agency, office, organization or business (specify)
- Other (specify) _____

35. How long have you been involved in economic or community development work in your current jurisdiction?

- Less than 1 year
- 1-3 years
- 4-6 years
- 7-9 years
- 10 years or more

36. What is your title/position:

- Agency/organization Director
- Agency/organization Deputy Director
- Other agency/organization senior official
- Other agency/organization staff member
- Other: _____

Appendix 4:
Federal Register Notice

DEPARTMENT OF THE TREASURY
Community Development Financial Institutions Fund (CDFI)

AGENCY INFORMATION COLLECTION ACTIVITIES: Proposed Collection; Comment Request—Evaluation of the New Markets Tax Credit (NMTC) Program

AGENCY: Community Development Financial Institutions Fund (CDFI), Department of the Treasury

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice invites the general public and other public agencies to comment on proposed information collections.

This notice announces the CDFI Fund's intent to request approval from the Office of Management and Budget (OMB) for new information collection activities associated with an independent, multi-year evaluation of the New Markets Tax Credit (NMTC) program. It includes a one-time information collection effort involving participants and stakeholders in the program, which is intended to describe and assess program activities as well as identify project-specific and community level outputs and outcomes. The data collection will provide critical information for the evaluation. Clearance is requested for the following new data collection activities: (1) case-style data collection related to approximately 80 randomly sampled NMTC projects that will consist of semi-structured telephone interviews with persons associated with those projects—i.e., approximately 80 representatives of Community Development Entities (CDEs), 80 representatives of Qualified Active Low Income Businesses (QALICBs), 80 investors, and 80 other key project stakeholders; (2) a web-based, predominately closed-ended survey of representatives of approximately 380 QALICBs; and (3) a web-based, predominantly closed-ended survey of approximately 380 local community/economic development officials.

DATES: Written comments must be received on or before _____.

ADDRESSES: Direct all comments to Greg Bischak, Program Manager for Financial Strategies and Research, Community Development Financial Institutions Fund, U.S. Department of the Treasury, 601 13th Street, NW., Suite 200 South, Washington, DC 20005, by e-mail to cdfihelp@cdfi.treas.gov, or by facsimile to (202) 622-7754. Please note this is not a toll free number.

All written comments will be open for public inspection and may be obtained from the CDFI Fund's Web site at <http://www.cdfifund.gov>. The comments should be available on _____.

All responses to this notice will be summarized and included in the request for OMB approval. All comments will be a matter of public record.

SUPPLEMENTARY INFORMATION: Comments are invited on the following:

- Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;
- The accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

- Ways to enhance the quality, utility, and clarity of the information to be collected; and
- Ways to minimize the burden of the collection of information on those who are to respond, including use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Title of Information Collection Activity: Evaluation of the New Markets Tax Credit (NMTC) Program

OMB Number: Not Yet Assigned.

Form Number: N/A

Expiration Date: To be determined.

Type of Request: New collection of information.

Abstract: The NMTC program was established by the Community Renewal Tax Relief Act of 2000 to encourage private capital investment in low-income communities that are, or are perceived to be, high investment risks. It permits individual and corporate taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by CDEs to provide investments in Qualified Active Low-Income Community Businesses (QALICBs), which include both operating businesses and real estate developments. The federal tax credits are allocated competitively by the CDFI Fund to CDEs. CDEs, in turn, select the projects in which to invest.

There is considerable flexibility and, consequently, variability with respect to the types of projects that can be supported by NMTC-stimulated investments. They can include for-profit and non-profit businesses involving a range of commercial, industrial, retail, manufacturing, mixed-uses, and facilities such as for childcare, health or charter schools.

The evaluation involves multiple research methods to produce valid evidence for describing and assessing program activities and outcomes. The focus is on the program's primary objective of attracting capital to low-income, economically distressed communities so as to further their economic and community development. The evaluation is intended to inform an array of important policy questions, including: how and in what manner the program is affecting the flow of new private capital to low-income communities; where, in what timeframe, and how that capital is invested to achieve community and economic development objectives; and the quantity, nature, and quality of the benefits to low-income communities and persons that can potentially be attributed to the NMTC program.

The evaluation includes: (a) a review of the relevant economic development, performance measurement, and tax credit literature; (b) interviews with key NMTC stakeholders; (c) an analysis of NMTC administrative data; (d) the development of a typology of NMTC projects; and (e) an examination of secondary public and private data. To address the key evaluation issues noted above, new data must be gathered about NMTC projects beyond what is already being collected by the CDFI Fund. Clearance is requested for the following new data collection efforts:

- Case-style data collection related to approximately 80 randomly sampled NMTC projects that will consist of semi-structured telephone interviews with approximately 80 CDEs, 80 QALICBs, 80 investors, and 80 other key project stakeholders;
- A web-based, predominately closed-ended survey of representatives of approximately 380 QALICBs, and;
- A web-based, predominantly closed-ended survey of approximately 380 local community/economic development officials.

Toward this end, clearance is requested for four topical discussion guides, a data sheet for CDEs, a data sheet for QALICBs, and two survey instruments.

Respondents: Respondents are CDEs that received allocation of New Markets Tax Credits and used these credits to finance qualified investments, QALICBs that received equity or debt investments using NMTCs, investors in projects that include NMTCs, local community and economic development officials or other stakeholders in NMTC projects, such as accountants, attorneys, or local organizations involved in the projects.

Estimated Number of Respondents: The total number of respondents is estimated to be 890.

Number of Responses per Respondent: In general, it is expected that each CDE will respond only once. Some CDE representatives may be requested to respond more than once because they may have provided allocations for more than one project in the sample selected.

Estimated Time per Response: All burden estimates include respondents' time to prepare for and complete surveys, information sheets (where applicable) and interviews. Estimated times are as follows: QALICB survey: 30 minutes; Local Community/Economic Development Officials' Survey: 20 minutes; CDE and QALICB Telephone Interviews: 60 minutes; Investor and Local Stakeholder Interviews: 45 minutes; and; CDE and QALICB Data Sheet: 30 minutes.

Estimated Total Annual Burden on Respondents: Total of 494 hours.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of this information collection should be directed to Greg Bischak at (202) 622-8669.

Appendix 5:
Introductory Letters

Sample introductory letter from CDFI Fund to Respondents for Case-Style Interviews:

CDFI FUND LETTERHEAD

DATE

Dear XXX:

The Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury is committed to assessing how well the New Markets Tax Credit (NMTC) program is working. To learn more, we have contracted with the Urban Institute, a non-profit policy research organization based in Washington, DC, to conduct an independent evaluation. This will help the Fund better understand: the types of projects financed; the types of tax credit allocatees and investors participating; and the variations in financial packages and terms, geographic locations, and project outcomes.

As part of this assessment, the Urban Institute will: conduct a web-based survey of a sample of Qualified Active Low Income Businesses (QALICBs); conduct a web-based survey of local community/economic development officials in communities that have NMTC projects; and, for a smaller sample of NMTC projects, conduct telephone interviews with three to four stakeholders. Stakeholders will include Community Development Entities (CDEs), QALICBs, investors, and local community/economic development officials or other persons who are knowledgeable about NMTC projects.

You are being contacted to participate in a telephone interview and will be asked specifically about [*name of applicable project*], which has been selected for this part of the evaluation. This project was selected at random from among all NMTC projects. It is the CDFI Fund's intention to use the information collected only in aggregate form and only for research purposes, unless we are required by law to release more detailed information. All requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

While your participation in this study is voluntary, I encourage you to participate; through your participation, you will help the CDFI Fund learn more about this important program.

I personally am very excited about the Urban Institute's selection as the contractor for the evaluation. It has a longstanding and excellent reputation. Staff leading the evaluation—Nancy Pindus and Martin Abravanel—bring a wealth of knowledge and top-notch analytical skills. Silber & Associates, an independent survey research firm, will be working with the Urban Institute to administer this survey. I am confident that you will enjoy working with them as much as we at the CDFI Fund do.

The attached letter from the Urban Institute provides detailed information on the study. Should you have any concerns about participating, please do not hesitate to call Greg Bischak, the CDFI Fund's Manager for Financial Strategies and Research, at (202) 622-8669 or bischakg@cdfi.treas.gov.

Sincerely,

Donna J. Gambrell,
Director

Sample introductory letter from CDFI Fund to QALICBs for survey:

CDFI FUND LETTERHEAD

DATE

Dear XXX:

The Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury is committed to assessing how well the New Markets Tax Credit (NMTC) program is working. To learn more, we have contracted with the Urban Institute, a non-profit policy research organization based in Washington, DC, to conduct an independent evaluation. This will help the Fund better understand: the types of projects financed; the types of tax credit allocatees and investors participating; and the variations in financial packages and terms, geographic locations, and project outcomes.

As part of the evaluation, the Urban Institute will conduct a web-based survey of a sample of *[firms / organizations]* that received *[loans / investments]* involving NMTCs. Your *[NMTC loan / investment]* was selected to be surveyed at random from among all such *[loans/investments]*. While your participation in this study is voluntary, I encourage you to participate; through your participation, you will help the CDFI Fund learn more about this important program.

It is the CDFI Fund's intention to use the information collected only in aggregate form and only for research purposes, unless we are required by law to release more detailed information. All requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

I personally am very excited about the Urban Institute's selection as the contractor for the evaluation. It has a longstanding and excellent reputation. Staff leading the evaluation—Nancy Pindus and Martin Abravanel—bring a wealth of knowledge and top-notch analytical skills. Silber & Associates, an independent survey research firm, will be working with the Urban Institute to administer this survey.

The attached letter from the Urban Institute provides detailed information on the survey. Should you have any concerns about the evaluation, please do not hesitate to call Greg Bischak, the CDFI Fund's Manager for Financial Strategies and Research, at (202) 622-8669 or bischakg@cdfi.treas.gov.

Sincerely,

Donna J. Gambrell,
Director

Sample introductory letter from CDFI Fund to Local CD/ED Officials:

CDFI FUND LETTERHEAD

DATE

Dear XXX:

The Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury has contracted with the Urban Institute, a non-profit policy research organization based in Washington, DC, to conduct a survey of local community and economic development officials. This survey will help the Fund better understand the role of local government and community organizations in the projects initiated by Community Development Financial institutions and Community Development Entities (CDEs) certified by the CDFI Fund.

Your community has been selected at random from among the many communities in the country that have such projects. While your participation in this study is voluntary, I encourage you to participate; through your participation, you will help the CDFI Fund learn more about how its programs fit into local community and economic development plans and initiatives.

It is the CDFI Fund's intention to use the information collected only in aggregate form and only for research purposes, unless we are required by law to release more detailed information. All requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

The Urban Institute has a longstanding and excellent reputation. Silber & Associates, an independent survey research firm, will be working with the Urban Institute to administer this survey.

The attached letter from the Urban Institute provides detailed information on the survey. Should you have any concerns about participating, please do not hesitate to call Greg Bischak, the CDFI Fund's Manager for Financial Strategies and Research, at (202) 622-8669 or bischakg@cdfi.treas.gov.

Sincerely,

Donna J. Gambrell,
Director

Sample letter from Urban Institute to CDEs for Case Style Interviews

DATE

CDE NAME
ADDRESS

Dear XXX:

The enclosed letter from Donna J. Gambrell, Director of the Community Development Financial Institutions (CDFI) Fund of the U.S. Department of the Treasury, indicates that the Fund contracted with the Urban Institute, a non-profit policy research organization based in Washington, DC, to evaluate how well the New Markets Tax Credit (NMTC) program is working. This letter requests your participation in the evaluation.

Urban Institute researchers will be conducting (a) a survey of a sample of Qualified Active Low-Income Community Businesses (QALICBs); (b) a survey of local community/economic development officials; and (c) for a smaller sample of NMTC projects, telephone interviews with CDEs and two to three other project stakeholders including the QALICB, an investor, and a community/economic development official or other project stakeholder. The project **(INSERT Project ID # from CIIS, location, brief description)**, which your organization financed through its NMTC allocation, has been selected for the series of telephone interviews. *(This sentence will be modified if this CDE has more than one project in the sample.)*

The interviews will focus on how projects are structured and what they produce, including questions about the project's characteristics, funding, and outcomes. This is neither a regulatory review nor an audit of your organization or of the project but, rather, a source of additional information that will assist us in better understanding the NMTC program.

The information you give us will be combined with information we receive from all others who respond, and we will not cite or report it in any way that would identify you, your organization, or your project. However, because the information we collect is the property of the CDFI Fund, we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

The telephone interview will last approximately one hour. In addition, you will be asked to complete an information sheet on the project prior to the interview, which should take about 15 minutes. An Urban Institute researcher will call you in the next two weeks to schedule a time that is convenient for you. During this initial call, the researcher will also ask you for the QALICB's contact information, as well as confirm which investors or other stakeholders the researcher will contact. If you do not believe you are the best person in your organization to respond to the interview questions, please inform Nancy Pindus (npindus@urban.org or 202-261-5523) or Martin Abravanel (mabravanel@urban.org or 202-261-5834) at the Urban Institute.

Your participation in this interview is voluntary but very much appreciated. Your experiences will contribute to a better understanding of how the New Markets Tax Credit Program is working.

Sincerely,

Nancy Pindus
Martin Abravanel

Sample Urban Institute Letter to QALICBs for Survey

DATE

QALICB
ADDRESS

Dear XXX:

The Community Development Financial Institutions, or CDFI, Fund of the U.S. Department of the Treasury is interested in understanding the benefits that the New Markets Tax Credit (NMTC) program brings to communities. To learn more, the CDFI Fund has contracted with the Urban Institute, a non-profit policy research organization based in Washington, DC, to conduct an evaluation of the NMTC Program. The purpose of this letter is to request your participation in the evaluation.

As part of the evaluation, the Urban Institute has commissioned Silber & Associates to survey a sample of *[firms / organizations]* that received *[loans / investments]* involving New Markets Tax Credits. Your *[firm / organization]* received a *[NMTC loan / investment]* in 200(X) from *[CDE]* that was financed in part through the New Markets Tax Credit program. Your *[NMTC loan / investment]* was selected to be surveyed at random from among all such *[loans / investments]*. The survey is web-based and takes approximately 30 minutes. You will be receiving a letter from Silber & Associates with log-in information and instructions for accessing and completing the survey. Your participation is voluntary but very important and much appreciated. You can contribute to a better understanding of how the New Markets Tax Credit program is working.

The survey includes some questions about your *[firm / organization]*, the nature of the *[loan / investment]*, and what the *[NMTC loan / investment]* resulted in. It is neither an audit nor a compliance review related to the *[NMTC loan / investment,]* and will have no bearing on your *[NMTC loan / investment]* or any future such *[loans / investments]*. Rather, the survey is an important source of information that will assist us in better understanding how such *[loans / investments]* are structured and what they produce.

The information you give us will be combined with information we receive from all others who respond, and we will not cite or report it in any way that would identify you, your organization, or your project. However, because the information we collect is the property of the CDFI Fund, we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

If you do not believe you are the best person in your *[firm / organization]* to respond to the questions, please inform Nancy Pindus (npindus@urban.org or 202-261-5523) or Martin Abravanel (mabravan@urban.org or 202-261-5834) at the Urban Institute. If there are technical or other difficulties in responding to this survey, please contact Dr. Bohne Silber at Silber & Associates at (410) 531-2121 or (888) SILBER1.

The attached letter from Donna Gambrell, Director of the CDFI Fund provides additional information about this study. Thank you very much for your time and cooperation.

Sincerely,

Nancy Pindus
Martin Abravanel

Sample Urban Institute Letter to Community/Economic Development Officials for Survey

DATE

Local CD/ED Agency Official
ADDRESS

Dear XXX:

The U.S. Department of the Treasury has contracted with the Urban Institute, a non-profit research organization based in Washington DC, to study federal government economic development initiatives targeted to low-income areas. As part of this effort, the Urban Institute commissioned Silber & Associates to survey a sample of community and economic development officials across the country. Your agency or organization was selected to participate in the survey.

The survey includes general questions about your community's use of federal government programs for economic development purposes. It is web-based and takes only about 20 minutes to complete. You will be receiving a letter from Silber & Associates with log-in information and instructions for accessing and completing the survey. If you have technical or other difficulties in responding to this survey, please contact Dr. Bohne Silber at (410) 531-2121 or (888) SILBER1.

The information you give us will be combined with information we receive from all others who respond, and we will not cite or report it in any way that would identify you or your organization. However, because the information we collect is the property of the CDFI Fund, we cannot promise you confidentiality. We have been informed by the Fund, nevertheless, that it is their intention to use the information only in aggregate form and only for research purposes. Likewise, all requests for information from the public (through the Freedom of Information Act [FOIA] or otherwise) will be examined by the CDFI Fund on a case-by-case basis to ensure that, where possible, personally identified information is protected from release.

Your participation in the survey is voluntary but very important and much appreciated. It will help the CDFI fund to better understand community use of Federal economic development programs. If you do not believe you are the best person to respond to the questions, please inform Nancy Pindus (npindus@urban.org or 202-261-5523) or Marty Abravanel (mabravan@urban.org or 202-261-5834) at the Urban Institute.

The attached letter from Donna Gambrell, Director of the CDFI Fund provides additional information about this study.

Thank you very much for your time and cooperation.

Sincerely,

Nancy Pindus
Martin Abravanel