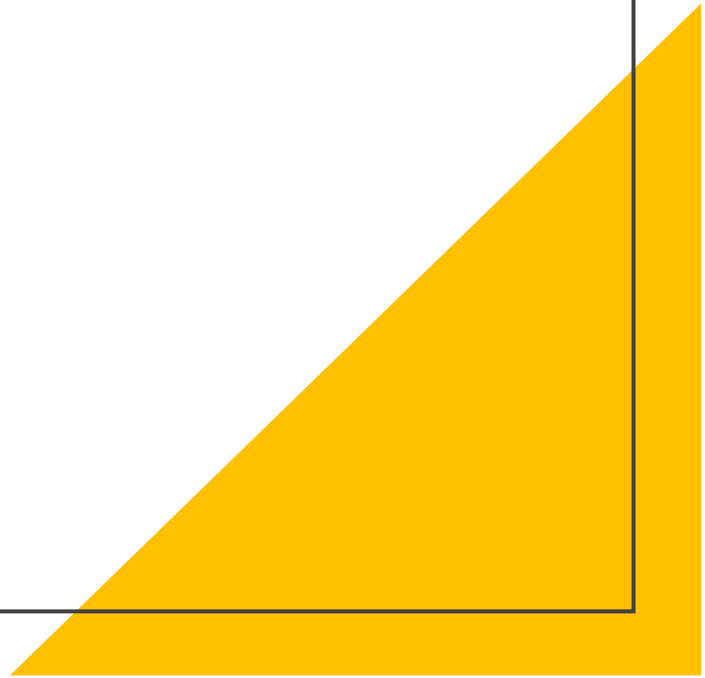


The California Investment and Innovation Fund

California's First CDFI Grant Program



Overview

- CII Fund is the result of 2+ years of advocacy by CCCI and its members
- Fund was created as part of this year's state budget
- Provides \$50 million in grant funding over multiple years
- Introduced as SB 625 (Caballero & Limón) and later incorporated into Budget Trailer Bill, SB 193
- Housed at the Office of the State Treasurer

What is the CII Fund?

Provides grants to federally certified CDFIs *“to enhance the capacity of community development financial institutions to provide technical assistance and capital access to economically disadvantaged communities in this state.”*

How will funding be distributed?

- Multiple rounds of funding, not to exceed \$15M a year
- First grants will be issued no later than February 1, 2024
- All eligible CDFIs who apply will receive funding
- Amount of funding for each grantee may be adjusted based on total loans closed in preceding year

Who is eligible?

CDFIs that meet all of the following are eligible to apply for funding:

- Federally certified by U.S. Treasury with a net worth of at least \$25,000 and at least 5 loans in the year prior to application
- Meet one of the following:
 - Have a principal office in California; or
 - At least 25% of the CDFI's loan portfolio is to projects or persons located in CA; or
 - Provide at least \$10M in financing assistance within the state during the prior 3 years.

What are eligible uses of the fund?

The fund is very flexible, allowing grants to be used for the following purposes:

- Increase net assets for leverage
- Lending capital for all product types – commercial and consumer
- Consumer banking services
- Operations and funding of services including technology, technical assistance, training and *“other activities that benefit low-income neighborhoods, undercapitalized business owners, and other socially and economically disadvantaged individuals.”*

What reporting is required?

- Grantees must describe their overall activities during the reporting period, including how the grant contributed to those activities
- Provide annual financial statements and retain appropriate records of compliance
- Aligns with the time period for annual reporting to the Federal CDFI Fund
- Requires, to the extent permitted by law, that businesses directly served by the grantee with grant funds to self-identify their gender, race, and ethnicity. Grantees shall annually report to the authority the information provided to them by the businesses.

More Info?

For more info:

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