

# Community Development Advance



# Agenda

- What is the CDA Program?
- CDA Extra Eligibility
- CDA Eligibility
- Three-Month Look-Back
- Reporting
- Resources

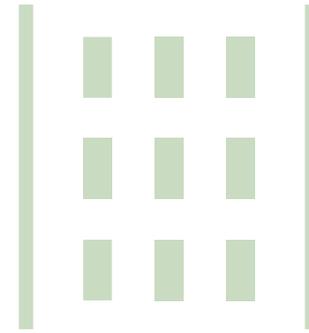
# CDA Program

The Federal Home Loan Bank of Boston's Community Development Advance (CDA) Program is governed by the Community Investment Cash Advance (CICA) regulation 12 CFR 1292.5.

The CDA Program offers two advance products available continuously to all members, CDA Extra and CDA. These advances, simply put, are loans from the Bank to member financial institutions to fund their housing and economic development initiatives.

- All advances under the CDA Program require an application and approval prior to funding.

# CDA Program



## CDA Extra

- Deeply discounted advance
- Housing serving households @ 115% AMI
- Economic development/mixed-use @ 80% AMI

## CDA

- Discounted advance
- Economic development/mixed-use
  - Urban @ 100% AMI
  - Rural @ 115% AMI

# CDA Program Success



Established in 1990

\$22.9 billion Disbursed

127,011 Housing Units

1,880 Economic Development Initiatives

# Program Benefits



Compete on term



Lock in spread and term



Mitigate interest-rate risk



Provide lower cost funding to community



Potential to qualify for CRA credit

# Rates

Long-Term Short-Term Amortizing

Long-Term Classic Advance Rates

Effective 3:22 PM | March 01, 2024

- CDA is a discounted advance
- CDA Extra is a deeper discounted advance
- Available as Classic (bullet), Amortizing, and Member-Option advances
- CDA/CDA Extra available in terms from one-year to 20-year maturity/ 30-year amortization

TERM	REG.	CDA	CDA EXTRA	NEF
1 YEAR	5.07	5.02	5.00	5.05
2 YEAR	4.71	4.62	4.59	4.69
3 YEAR	4.50	4.42	4.38	4.48
5 YEAR	4.39	4.30	4.24	4.37
7 YEAR	4.58	4.49	4.42	4.56
10 YEAR	4.72	4.63	4.52	4.70
15 YEAR	5.01	4.92	4.81	4.99
20 YEAR	5.16	5.07	4.97	5.14

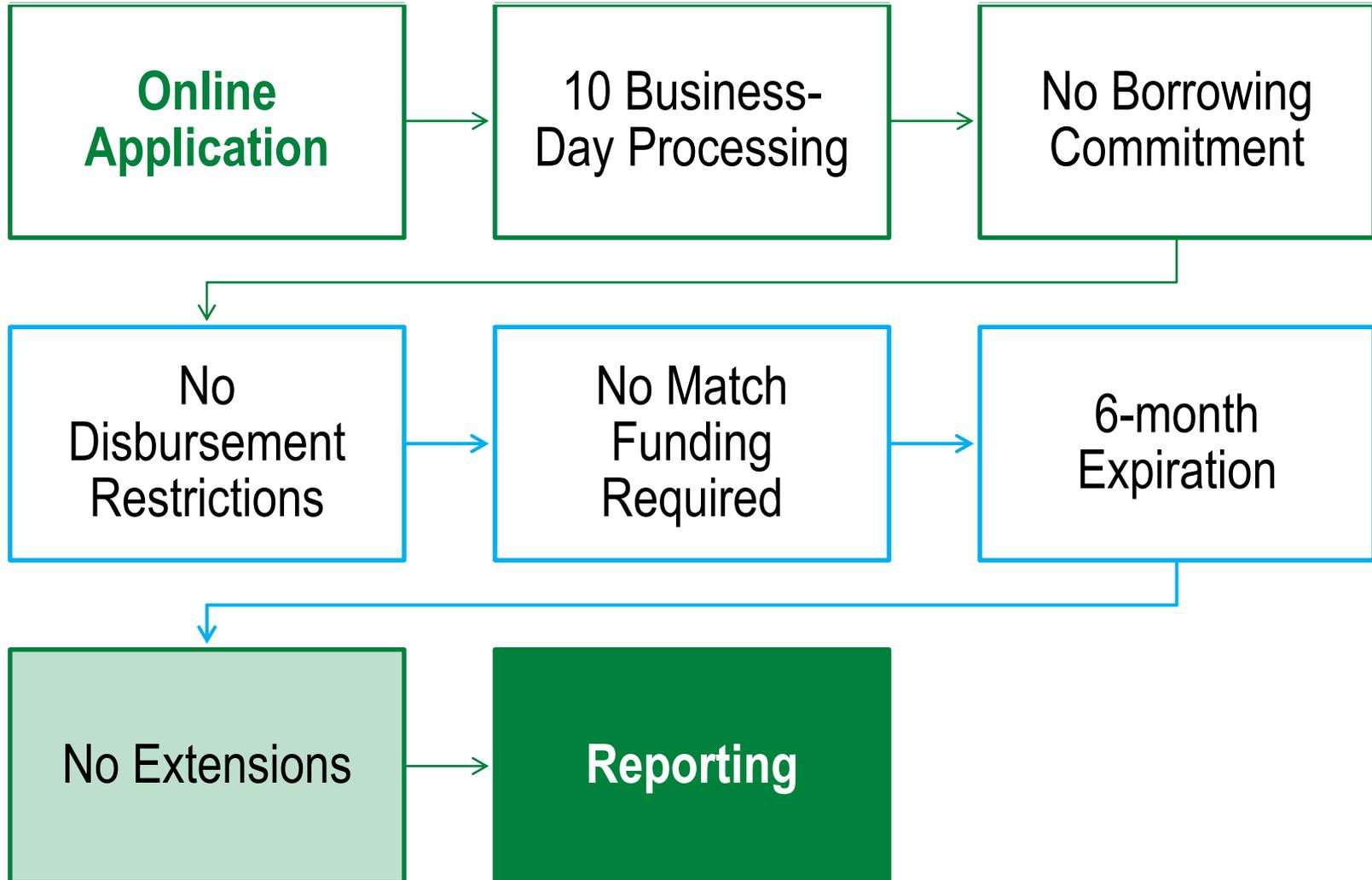
**For Current Rates:** <https://www.fhlbboston.com/fhlbank-boston/rates#/long-term>

# Member Limits

## CDA Program Annual Disbursement Limits



# The Application Process



# Accessing the Online Application

- First-time users need to register for login credentials
  - Passwords emailed directly to user
  - Your organization's admin approves user accounts
- Existing usernames with passwords are valid

**DO NOT  
SHARE  
ACCOUNTS!**

**Community Lending Login**

Username:

Password:  (case-sensitive)

If you are a first-time user, [click here](#) to create an account.

If you are a consultant or a sponsor, login first to add a new relationship to your existing account.

If you forgot your password, [click here](#) to reset it.

If you forgot your username, [click here](#) to retrieve it.



# How to Apply

## Submit application in 7 easy steps:

1. Log in at: <https://housing.fhlbboston.com/>
2. Select “**Community Lending Programs**” from the Welcome page
3. Choose your program (CDA Extra/CDA)
4. Enter application data
5. Upload required documentation (if applicable)
6. Validate Data
7. Sign/Submit

# CDA Extra Application Options

Apply for 1 of 5 CDA Extra – Housing/Economic Development application options

## Program Related

- Mortgage Financing Program

## Project/Loan Specific

- Single/Multifamily
- Economic Dev
- Mixed-Use

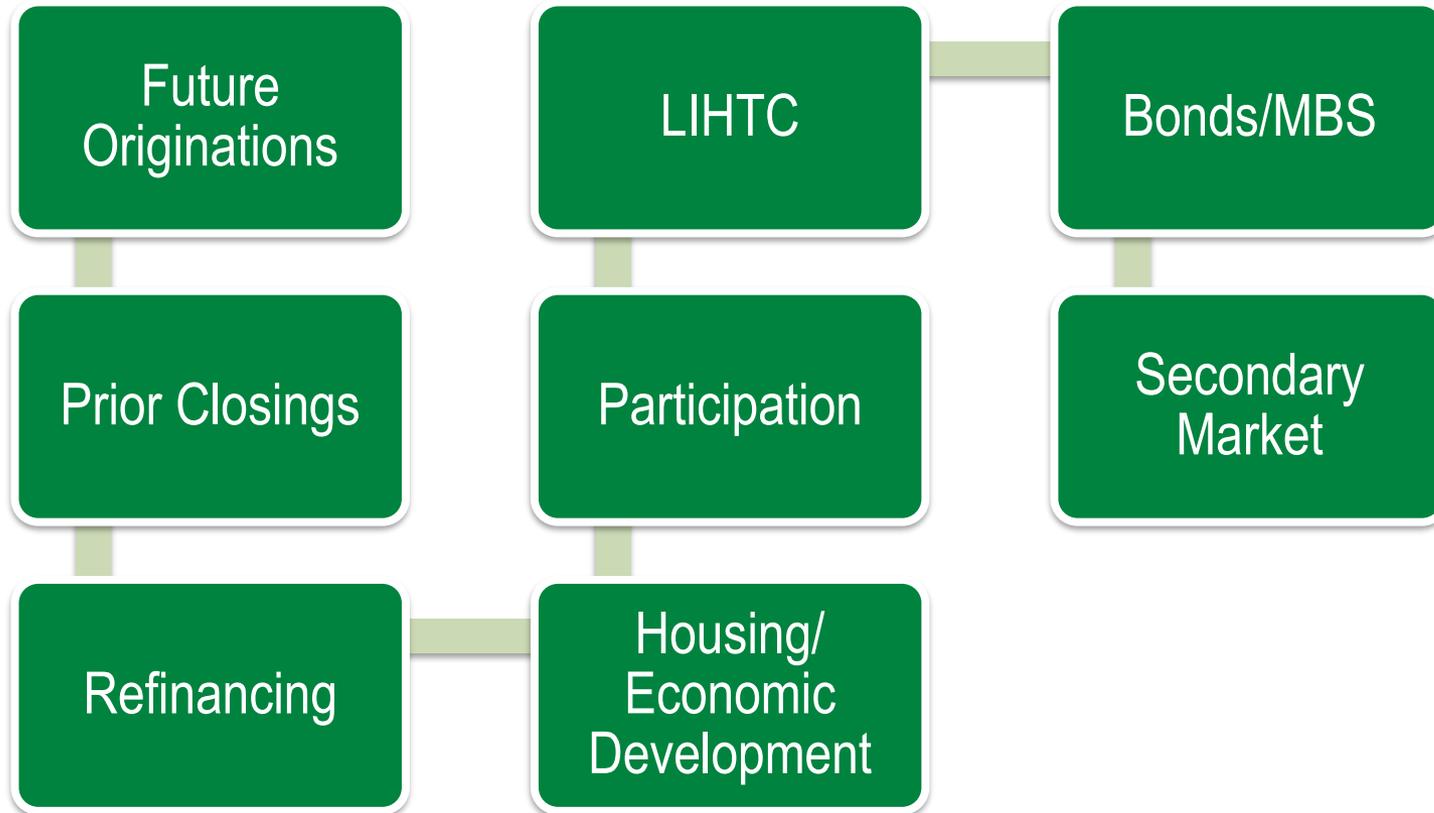
## Multiple

- 3-Month Look-Back



# CDA Extra Uses

Members may use CDA Extra to fund:



**NOTE:** Funding supporting the construction, refinance, or development of dispensary business or a member facility (such as headquarters/branches) are **NOT** eligible for CDA Extra/CDA.

# CDA Extra - Housing



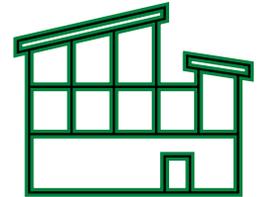
**To qualify**, the initiative must be a **residential initiative** serving households based on the following:

- **Income Eligibility:** Housing initiatives serving families/ households with incomes at or below **115%** of area median income for a family of four based on the income guidelines as published annually by HUD\*; or
- Manufactured housing parks located in a census tract with a median income at or below **80%** of area median income based on the income guidelines as published by HUD.

**\*Reporting Required**

# CDA Extra – Economic Development

To **qualify**, the initiative must be a **nonresidential** initiative serving households based on the following:



- **Income Eligibility:** Economic development initiatives benefitting families/households with incomes at or below **80%** of area median income based on the income guidelines as published by HUD. CDA Extra can be used to support:
  - Commercial initiatives
  - Industrial/manufacturing initiatives
  - Public facility initiatives
  - Social service initiatives
  - Public/private infrastructure projects

# CDA Extra – Economic Development

## Economic Development Eligibility

### Individual Beneficiaries

- Creates or retains jobs for at least 51% of income-eligible workers\*
- Benefits 51% of income-eligible families

### Geographic Beneficiaries

- Initiatives serving households at or below 80% of AMI

### Located in:

- Income-eligible census tract
- Champion Community
- Empowerment Zone
- Enterprise Community

**\*Reporting Required**

# CDA Extra – Mixed-Use

**To qualify**, the application must support a mixed-use initiative comprised of nonresidential and residential space:



- **Eligibility:** Initiative must satisfy the targeted income requirements for at least ONE of the eligibility criteria listed under Housing Initiatives **AND** Economic Development Initiatives.

# CDA Application Options

Apply for 1 of 4 CDA – Economic Development application options

## Program Related

- Economic Development Program

## Project/Loan Specific

- Economic Development
- Mixed-Use

## Multiple

- 3-Month Look-Back





# CDA Eligible Uses

## Members may use CDA to fund:

- Future originations;
- Originations up to three months prior;
- Loan refinancing;
- Entities that make loans for eligible economic development initiatives; or
- Participation interest in a loan consortium.

**NOTE:** Funding supporting the construction, refinance, or development of dispensary business or a member facility (such as headquarters/ branches) are **NOT** eligible for CDA Extra/CDA.

# CDA



**To qualify**, the initiative must be a nonresidential, or mixed-use initiative serving households based on the following:

- **Income Eligibility:** Economic development initiatives benefitting families/households with incomes at or below:
  - 115% of AMI for a rural initiative or
  - 100% of AMI for an urban initiative

## **CDA can be used to support:**

- Commercial initiatives
- Industrial/manufacturing initiatives
- Public facility initiatives
- Social service initiatives
- Public/private infrastructure projects

# CDA – Economic Development

## Individual Beneficiaries\*

- Creates or retains jobs for at least 51% of income-eligible workers
- Benefits 51% of income-eligible families

## Activity Beneficiary

- Initiative qualifies as a Small Business (based on SBA standards – 13 CFR Part 121)



## Geographic Beneficiaries

- Urban initiatives serving households at or below 100% of AMI
- Rural initiatives serving households at or below 115% of AMI

## Located in:

- Income-eligible census tract
- Champion Community
- Empowerment Zone
- Enterprise Community
- CAIP area
- Brownfield
- Indian area
- Area affected by military base closing
- Federal- or state-declared disaster area

**\*Reporting Required**

# CDA – Mixed-Use

To **qualify**, the application must support a mixed-use initiative comprised of nonresidential and residential space:



- **Mixed-Use Eligibility:** Initiatives must meet at least ONE of the eligibility criteria for economic development. There are no eligibility requirements for the housing portion of a mixed-use initiative.

# Economic Development/Mixed-Use – Location Eligibility

Using [www.FFIEC.gov](http://www.FFIEC.gov)

- “Geocoding/Mapping System”
- Enter Target Address
- Review “Tract Median Family Income %” for eligibility indicator
- **CDA Extra** = at or below 80%
- **CDA** = at or below 115% AMI for rural or 100% AMI for urban

# Economic Development/Mixed-Use - Beneficiary Eligibility

Using [www.FFIEC.gov](http://www.FFIEC.gov)

- “Geocoding/Mapping System”
- Enter Target Address
- Review “Median Family Income” indicator for eligibility
- **CDA Extra** = annual income must be at or below 80% of AMI
- **CDA** = annual income must be at or below 115% /rural or 100%/urban of AMI

# Three-Month Look-back

Used to fund two or more loans originated up to three months before submitting application



CDA Extra or CDA



1 Application per type



Excel Spreadsheet

# CDA Reporting

Members have two options for providing required beneficiary data:

1. Provide beneficiary report data with application submission or
2. Provide beneficiary report data within 30 days of each disbursement linked to the approved application.

**Note:** Report data is subject to final approval by FHLBank Boston staff. Any member with outstanding CDA Extra or CDA reports will be subject to compliance review prior to submitting any subsequent applications.



# CDA Programs Reporting

## Reporting Documentation Requirements

- After each disbursement, member will receive an email requesting the required eligibility data to correspond with the funds disbursed.
- Documentation must be consistent with the eligibility parameters of the approved application.
- Reporting data must be submitted through FHLBank Boston's online submission system.
- Submission of multiple loans must be submitted using the Excel spreadsheet provided as part of the report submission process.



# Wrap Up — Key Points

- CDA Extra and CDA are discounted advances
- Supports both residential and nonresidential initiatives
- Annual combined \$50 million member advance limit
- Compete on term and potential CRA consideration
- 10 business-day processing
- Documentation must align with desired program eligibility
- Approval available for six months



# Community Lending Programs



## Community Development Advances (CDA)

Discounted advances to members to fund affordable housing, economic development and mixed-use initiatives

Affordable Housing Program - AHP

Equity Builder Program - EBP

Housing Our Workforce- HOW

Lift Up Homeownership - LUH

Jobs for New England - JNE

New England Fund - NEF

# Resources

To learn more about the CDA Extra or CDA programs, take advantage of these additional resources:

## CDA – Overview

<https://www.fhlbboston.com/fhlbank-boston/cda-overview#/>

- CDA Fact Sheet
- CDA Extra Fact Sheet

## HUD Income Guidelines

<http://www.huduser.org/portal/datasets/il.html>

## Income Eligibility (FFIEC)

<http://www.ffiec.gov/>

## Rural Eligibility

<http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?NavKey=home@1>

## Empowerment/Enterprise Communities

<https://hudgis-hud.opendata.arcgis.com/datasets/1101a6c1e2364302b70485ca99fc7e69/explore>

# Who to Contact for More Information



## Housing & Community Investment

**Paulette Vass**, Community Development Advance Manager 617-292-9792

### Additional Contacts

**Ken Willis**, Senior Vice President/Director 617-292-9631

**Livia Bourque**, AVP, HCI Operations Manager 617-292-9607

**Theo Noell**, Affordable Housing Program and Outreach Manager 617-292-9668

**Kaitlyn Mulhern**, Homeownership Set-Aside Programs Manager 617-292-9606

**Jack Newton**, HCI Analyst 617-425-9561

**Kevin Ryan**, Senior HCI Analyst 617-292-9646

**Isabel Tapogna**, HCI Analyst 617-425-9582

### Community Investment Managers

**Kathleen Amonte** (CT & RI) 617-425-9413

**Tobi Goldberg** (ME & Eastern MA) 617-292-9653

**Michael Pingpank** (NH; VT; Central & Western MA & Outside New England) 617-425-9564

<https://www.fhlbboston.com/fhlbank-boston/>

**1-800-357-3452, #5**

# Who to Contact for More Information

## Sales & Business Development

**Ana Dyer**, Senior Vice President/Member Services 617-292-9762

**Matt Stewart**, Vice President/Director of Sales 617-425-9528

**Stephen Costa**, Vice President, Relationship Manager 617-425-9573

**Shaun Quirk**, AVP, Relationship Manager 617-425-9447

**Savvas Kalaitzidis**, Relationship Manager 617-292-9627

**Member Funding Desk** 800-357-3452 [option 1]

<https://www.fhlbboston.com/fhlbank-boston/> 800-357-3452 [option 2]

# Questions

