

BCCI

The Border Community Capital Initiative

A collaborative effort among three federal agencies

- Department of Housing and Urban Development (HUD)
- Department of the Treasury - Community Development Financial Institutions Fund (CDFI Fund) and
- Department of Agriculture - Rural Development (USDA-RD)

GOALS OF THE BCCI

Increase access to capital for affordable housing, business lending and community facilities in the chronically underserved and undercapitalized U.S./Mexico border region

Provide direct investment and technical assistance to community development lending and investing institutions that focus on affordable housing, small business and community facilities to benefit the residents of colonias

Roles of the federal partners

HUD will:

- Make grants available to community development lenders and investors serving colonias and colonias residents, pursuant to a Notice of Fund Availability
- Evaluate the outcomes of the Border Initiative in relation to other HUD grant-making approaches

Roles of the federal partners

CDFI will:

- Provide scholarships for Border Initiative grantees, allowing staff to attend CDFI Fund sponsored training workshops
- Provide Border Initiative grantees with technical assistance opportunities
- Sponsor webinars specific to the needs of Border Initiative grantees

Roles of the federal partners

USDA-RD will:

- Where appropriate and permitted under program regulations, make efforts to award points in relevant program areas for Border Initiative grantees
- Engage other entities of USDA to assess capacity of Border Initiative grantees to help deliver programs supporting production agriculture businesses and business activities promoting fresh food access and distribution in the border region, and other policy priorities

TARGET MARKET

Applicants can serve one of three populations:

1. Geographic areas defined as colonias
2. Current low-income residents of colonias
3. Businesses owned by or serving low-income colonias residents, or community facilities serving colonias communities or low-income colonias residents

** This means that the activity does not necessarily have to take place in the geographic boundaries of a colonia*

What is a colonia?

As defined in the Cranston-Gonzalez National Affordable Housing Act of 1990, a colonia is a community that:

1. Is within 150 miles of the United States-Mexico border in Arizona, California, New Mexico or Texas,
2. Was in existence before November 28, 1990, and
3. Is not located in a metropolitan statistical areas with populations exceeding one million

** A colonia is designated by a state on the basis of objective criteria including the lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, and sanitary housing*

ELIGIBLE ACTIVITIES

- Loans and investments in affordable housing, small businesses, and/or community facilities
- Securing additional capital for lending/investing in affordable housing, small businesses, and/or community facilities
- Market surveys, portfolio assessments, business planning, and similar activities directly related to the goals of the BCCI
- Preparation of documents necessary for the implementation of affordable housing, small businesses, and/or community facilities lending and investing
- Establishing or expanding of lines of credit, revolving loan funds, microenterprise loan funds, and small business incubators
- Establishment of funding mechanisms for direct financial assistance to homebuyers or developers for sale or rental housing, business owners, and/or organizations providing community facilities
- Homeownership counseling conducted in association with affordable housing lending or investing activities
- Technical assistance for small business and/or community facilities borrowers, conducted in association with lending or investing activities
- Conducting conferences or meetings to inform residents of programs, rights, and responsibilities associated with lending and investing activities
- Other activities consistent with the BCCI goals and target markets

How Much is Available?

The maximum amount of funds available for Category I - Single Applicant grants is \$1,000,000

- The maximum grant award amount for this category will be \$200,000

The maximum amount of funds available for Category II - Consortium grants is \$1,000,000

- The maximum grant award amount for this category will be \$1,000,000

What is a Consortium?

Two or more eligible entities, i.e., local rural nonprofits and/or federally recognized Indian tribes, that enter into an agreement to submit a single application for funding

- In its application, a consortium must designate a lead applicant, which will have responsibility for submitting the application to HUD, and if selected, execute the grant agreement and assume fiscal responsibility for the grant on behalf of the consortium
- All consortium members must execute an agreement to apply as a consortium and the consortium agreement must be submitted with the application

ELIGIBLE APPLICANTS

Eligible applicants for the BCCI are:

- 1) local rural nonprofits and**
 - 2) federally recognized Indian tribes**
- Applicants must have a demonstrated experience in lending or investing for affordable housing, small business development, and/or community facilities

** Such applicants may be certified CDFIs, but CDFI certification is not required*

Other Useful Information

- Application deadline is August 26, 2013
- Awards will be available for a period of up 36 months from the date of execution of the grant agreement
- There is no match required in either category, although applicants will receive points for leveraging funds, depending on the amount
- Administrative costs are limited to no more than ten (10) percent of the total BCCI grant
- For application scoring criteria, please review the Notice of Funding Availability (NOFA) on Grants.gov
- For more information about this award, please visit our webpage at:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/economicdevelopment/programs/rhed/bcci