

MODIFICATION EXEMPTIONS

Application No.	Docket No.	Applicant	Modification of exemption	Nature of exemption thereof
6530-M	.....	Air Products and Chemicals, Inc., Allentown, PA.	6530	To modify the exemption to authorize the transportation of a Division 2.2 material in a DOT Specification 3A, 3AA, 3AX, or 3AAX steel cylinder.
7946-M	.....	Imaging & Sensing Technology Corporation, Horseheads, NY.	7946	To modify the exemption to authorize a volume increase beyond 45 cubic inches with a corresponding decrease in pressure (charge) of the non-DOT specification, non-refillable packaging described as a radiation detector assembly.
7954-M	.....	Air Products and Chemicals, Inc., Allentown, PA.	7954	To modify the exemption to authorize an update of the pressure relief device, manifolding and pressure requirements for the transportation of Division 2.2 and 2.3 materials in DOT Specification cylinders.
8228-M	.....	U.S. Department of Justice (FBI), Quantico, VA.	8228	To modify the exemption to authorize the transportation of small quantities of unapproved explosive substances or articles to local government laboratories.
11054-M	.....	Welker Engineering Company, Sugar Land, TX.	11054	To modify the exemption to increase the rated working pressure from 1800psi to 2160psi and the hydrostatic test pressure to 3600psi for the CP-5 non-DOT specification cylinder.
11329-M	.....	DEGESCH AMERICA, INC., Weyers Cave, VA.	11329	To modify the exemption to authorize two additional outer packagings for the transportation of Division 4.3 and 6.1 materials.
11624-M	.....	Envirotech Systems, Inc., Lynnwood, WA.	11624	To modify the exemption to authorize the transportation of waste materials from conditionally exempt small quantity generators and categorically exempt household hazardous waste generators that do not meet the definition of "hazardous waste".
12613-M	RSPA-01-8702	NOVA Chemicals Corporation, Red Deer, AB.	12613	To modify the exemption to authorize the transportation of an additional Class 3 material in a DOT Specification 112J340W tank car.
12988-M	RSPA-02-12215.	Air Products and Chemicals, Inc., Allentown, PA.	12988	To modify the exemption to authorize a design change of the non-DOT specification cylinder.
12938-M	RSPA-02-11912.	Northrop Grumman Space Technology (Former Grantee: TRW, Inc.), Redondo Beach, CA.	12938	To modify the exemption to authorize the transportation of a Division 2.1 and additional Division 2.2 material in non-DOT specification containers and DOT Specification cylinders installed in the EOS-PM (AQUA) Satellite or attached to the EOS Satellite Transporter.
13207-M	RSPA-03-15068.	BEI Hawaii, Honolulu, HI	13207	To modify the exemption to authorize the use of two additional IM 101 tanks for the transportation of a Class 8 material.
13246-M	RSPA-03-15625.	McLane Company, Inc., Temple, TX.	13246	To modify the exemption to authorize the use of additional plastic outer packagings for the transportation of a Division 2.1 material.

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DEPARTMENT OF THE TREASURY

Community Development Financial Institutions Fund

Funding Opportunity Title: Notice of Funds Availability (NOFA) Inviting Applications for the FY 2004 Funding Round of the Financial Assistance Component of the Community Development Financial Institutions Program

Announcement Type: Initial announcement of funding opportunity.

Catalog of Federal Domestic Assistance (CFDA) Number: 21.020.

Dates: Applications must be received by 5 p.m. ET on April 28, 2004 (see

Section IV.D), and must meet all eligibility and other requirements and deadlines, as applicable, set forth in this NOFA.

Executive Summary: This NOFA is issued in connection with the FY 2004 funding round of the Financial Assistance (FA) Component of the Community Development Financial Institutions (CDFI) Program. Through the FA Component, the Community Development Financial Institutions Fund (the Fund) provides FA awards and technical assistance (TA) grants to CDFIs that have comprehensive business plans for creating demonstrable community development impact through the deployment of capital within their respective target markets for community development purposes. Through this NOFA, the Fund makes funding available through three categories: (i) Category I/Small and

Emerging CDFI Assistance (SECA); (ii) Category II/Core & Sustainable CDFIs Assistance (Core); and (iii) Category III/Financial Leverage and Market Expansion Assistance (FLOW).

I. Funding Opportunity Description

Through this NOFA, the Fund intends to target its resources by providing (i) FA awards to CDFIs that will use FA award proceeds to achieve the Programmatic Priorities, in the rank order set forth below, and (ii) TA grants to build awardee capacity to serve Target Markets.

A. Programmatic Priorities: Please note that Programmatic Priorities 1-4 are listed in order of priority for awards; the related activities are not in listed in priority order. Applicants may apply and be considered for funding for more than one type of Programmatic Priority and activity.

Programmatic priority	Activities
Priority 1	<ul style="list-style-type: none"> • Affordable Housing in Housing Hot Zones and/or for Other Targeted Populations. • Economic Development (other than Community Organization Support) in Economic Development Hot Zones and/or for Other Targeted Populations. • Community Development Financial Services in Economic Development Hot Zones and/or Housing Hot Zones.
Priority 2	<ul style="list-style-type: none"> • Affordable Housing in Economic Development Hot Zones and/or other Investment Areas, and/or for Low-Income Targeted Populations. • Economic Development (other than Community Organization Support) in other Investment Areas and/or for Low-Income Targeted Populations. • Community Development Financial Services for Low-Income Targeted Populations and/or Other Targeted Populations.
Priority 3	<ul style="list-style-type: none"> • Community Development Financial Services in Investment Areas (other than Hot Zones). • Community Organization Support.
Priority 4	<ul style="list-style-type: none"> • Other activities as requested by the applicant and deemed appropriate by the Fund.

B. *CDFI Program Regulations:* The interim rule governing the CDFI Program can be found at 12 CFR part 1805 and provides guidance on evaluation criteria and other requirements of the CDFI Program. The Fund expects to issue a revised interim rule in the very near future. The Fund encourages applicants to review the interim rule and its revision, when published.

C. *Definitions:* All defined terms in this NOFA shall have the meanings ascribed to them in the interim rule. For purposes of this NOFA, certain terms in the Programmatic Priority chart above are defined as following:

(i) *Affordable Housing* includes activities that: (A) Promote the supply of housing through the provision of pre-development financing, construction and rehabilitation financing, and related Development Services, and/or (B) increase homeownership through the provision of first mortgage financing, subordinated mortgages (for home purchase and rehabilitation), and related Development Services.

(ii) *Community Development Financial Services* include Financial Services, financial education and other Development Services, appropriate consumer loans, and re-financing of predatory loans.

(iii) *Community Facilities:* see 12 CFR 1805.104(j).

(iv) *Community Organization Support* includes: Financial Products (see 12 CFR 1805.104(t)) related to the acquisition, construction, development, or rehabilitation of Community Facilities; business loans to non-profit organizations; and related Development Services, to non-profit organizations.

(v) *Development Services:* see 12 CFR 1805.104(r).

(vi) *Economic Development* includes: Activities that support the creation and retention of jobs and the growth of businesses through (i) loans, Equity Investments and other similar financing to for-profit small businesses,

microenterprises, and commercial real estate other than Community Facilities, (ii) related Development Services, and (iii) Community Organization Support.

(vii) *Financial Services:* see 12 CFR 1805.104(u).

(viii) *Hot Zones* (and the Fund's methodology for Hot Zone designation) are subsets of Investment Areas and are identified at the Fund's Web site at <http://www.cdfifundhelp.gov>. For purposes of this NOFA, Hot Zones include *Economic Development Hot Zones, Housing Hot Zones*, and a combination thereof.

(ix) *Investment Areas:* see 12 CFR 1805.104(cc).

(x) *Low-Income Targeted Populations:* see 12 CFR 1805.104(dd) and (ii).

(xi) *Other Targeted Populations* include identifiable groups of individuals in the applicant's service area for which there exists a strong basis in evidence that they lack access to loans, Equity Investments and/or Financial Services (for further description, see Eligibility section, below).

II. Award Information

A. *Award Information:* Subject to funding availability, the Fund expects that it may award approximately \$45 million in appropriated funds under this NOFA. The Fund reserves the right to award in excess of \$45 million in appropriated funds under this NOFA provided that the funds are available and the Fund deems it appropriate. Under this NOFA, the Fund anticipates making awards (i) up to and including \$300,000 per award for Category I/SECA CDFIs; (ii) up to and including \$1,000,000 per award for Category II/ Core CDFIs; and (iii) up to and including \$2,000,000 per award for Category III/FLOW CDFIs. The Fund, in its sole discretion, reserves the right to award amounts in excess of or less than the anticipated maximum award amount if the Fund deems it appropriate. Further, the Fund reserves

the right to fund, in whole or in part, any, all, or none of the applications submitted in response to this NOFA. The Fund reserves the right to re-allocate funds from the amount that is anticipated to be available under this NOFA to other Fund programs.

B. *Types of Awards:* An applicant may submit an application either for FA only, or for FA and a TA grant, under this NOFA. While the FA Component offers TA grants in conjunction with FA awards, entities seeking TA grants only should apply for funds through the Technical Assistance Component of the CDFI Program. The FY 2003 NOFA for the Technical Assistance Component was published in the **Federal Register** on February 4, 2003 (68 FR 5735).

1. *FA Awards:* (a) *Types of FA awards:* FA may be provided by the Fund through an equity investment (including, in the case of certain Insured Credit Unions, secondary capital accounts), a grant, loan, deposit, credit union shares, or any combination thereof. The Fund reserves the right, in its sole discretion: (i) To provide FA in a form and amount other than that which is requested by an applicant; (ii) to offer TA for specified purposes, even if the applicant has not requested TA; and/or (iii) to condition the awarding of FA on the applicant agreeing to use TA for specified purposes.

(b) For any Category I/SECA applicant that does not meet certain minimum evaluation criteria and thus is ineligible for a FA award, the Fund may offer, in its sole discretion, the opportunity for the applicant to submit certain additional documentation demonstrating the need for a TA-only award from the TA Component, which the Fund may provide in amounts and for uses the Fund deems appropriate, subject to funding availability.

2. *TA Grants:* TA awards are in the form of grants. The Fund reserves the right, in its sole discretion, to provide a TA grant for uses and amounts other than that which are requested by an

applicant. Applicants for TA grants under this NOFA shall describe the type(s) of TA requested, when the TA will be acquired, the provider(s) of the TA, the cost of the TA, and a narrative description of how the TA will enhance their capacity to provide greater community development impact. Capacity enhancements may address a range of activities including, but not limited to, improvement of underwriting and portfolio management, development of outreach and training strategies to enhance product delivery, and tools that allow the applicant to assess the impact of its activities in its community.

Eligible types of TA grant uses include, but are not limited to, the following: (i) Acquiring consulting services; (ii) paying staff salary for the limited purposes of completing tasks and/or fulfilling functions that are otherwise eligible TA grant uses under this NOFA; (iii) acquiring/enhancing technology items, including computer hardware, software and Internet

connectivity; and (iv) acquiring training for staff or management.

The Fund will not consider requests for TA grants under this NOFA for expenses that, in the determination of the Fund, are deemed to be ongoing operating expenses rather than non-recurring expenses. The Fund will consider requests for use of TA to pay for staff salary only when the applicant demonstrates, to the Fund's satisfaction, that: (i) The staff salary relates directly to building the applicant's capacity to serve its target market; (ii) the proposed staff time to be paid for by the TA grant will be used for a non-recurring activity that will build the applicant's capacity to achieve its objectives as set forth in its Comprehensive Business Plan; (iii) the proposed capacity-building activity would otherwise be contracted to a consultant or not be undertaken; and (iv) the staff person assigned to the proposed task has the competence to successfully complete the activity. Further guidance on the limited uses of TA grants for staff salary expenditures is

available on the Fund's Web site at <http://www.cdfifund.gov>.

C. Notice of Award; Assistance Agreement: Each awardee under this NOFA must sign a Notice of Award (for further information, see Section VI.A, below) and an Assistance Agreement (see Section VI.B, below) prior to disbursement by the Fund of award proceeds. The Notice of Award and the Assistance Agreement contain the terms and conditions of the award.

III. Eligibility Information

A. Eligible Applicants: The interim rule specifies the eligibility requirements that each applicant must meet in order to be eligible to apply for assistance under this NOFA. The following sets forth additional detail and certain additional dates that relate to the submission of applications under this NOFA:

1. *Applicant Categories:* The FA Component is designed to address the capitalization and liquidity needs of three types of CDFIs:

Applicant category	Criteria	What can it apply for?
Category I: Small and Emerging CDFIs Assistance (SECA).	A Category I/SECA applicant is a CDFI that: Has total assets as of December 31, 2003 as follows: <ul style="list-style-type: none"> • Insured Depository Institutions and Depository Institution Holding Companies: up to \$100 million • Insured Credit Unions: up to \$10 million • Venture capital funds: up to \$10 million • Other CDFIs: up to \$5 million OR Did not begin operations prior to April 15, 2001 AND Prior to the date of application under this NOFA, has not been selected to receive any award(s) under the CDFI Program that total in the aggregate an amount greater than \$300,000	A Category I/SECA applicant may request up to and including \$300,000 in FA or FA/TA.
Category II: Core & Sustainable CDFIs Assistance (Core).	A Category II/Core applicant is a CDFI that has total assets as of December 31, 2003 as follows: <ul style="list-style-type: none"> • Insured Depository Institutions and Depository Institution Holding Companies: up to \$500 million • Insured Credit Unions: up to \$25 million • Other CDFIs: up to \$25 million 	A Category II/Core applicant may request up to and including \$1 million in FA or FA/TA.
Category III: Financial Leverage and Market Expansion Assistance (FLOW).	A Category III/FLOW applicant is a CDFI that has total assets as of December 31, 2003 as follows: <ul style="list-style-type: none"> • Insured Depository Institutions and Depository Institution Holding Companies: \$500 million and greater • Insured Credit Unions: \$25 million and greater • Other CDFIs: \$25 million and greater 	A Category III/FLOW applicant may request up to and including \$2 million in FA or FA/TA.

An applicant of any size or age can apply for a higher amount of funding by applying in a higher-numbered

Category. Applicants will be evaluated and ranked with all other applicants; however, in an effort to achieve an

awardee pool that reflects a blend of emerging and mature CDFIs of varying asset sizes, the Fund will evaluate

Category I/SECA applicants using more flexible review standards.

2. *CDFI Certification*: For purposes of NOFA, an application for an award will not be considered unless:

(a) The applicant is already certified as a CDFI, with a certification expiration date on or after December 31, 2004. Please note: The Fund provided a number of CDFIs with certifications expiring in 2003 and 2004 with notification that their certification had been extended. The Fund will consider the extended certification date (the later date) to determine whether those CDFIs meet this eligibility requirement; or

(b) The Fund receives from an applicant a complete CDFI certification application no later than March 31, 2004, evidencing that the applicant can be certified as a CDFI. Applicants may obtain CDFI certification applications through the Fund's Web site at <http://www.cdfifund.gov>. Applications for certification must be submitted as instructed in the application form.

3. *Prior Awardees*: Applicants must be aware that success in a prior round of any of the Fund's programs is not indicative of success under this NOFA. Previous awardees are eligible to apply under this NOFA, except as follows:

(a) Any entity that has received a Notice of Award from the Fund for a prior funding round of the CDFI Program, Native American CDFI Technical Assistance (NACTA) Program, or Native American CDFI Development (NACD) Program funding round, but that has not submitted a CDFI certification application nor been certified as a CDFI, is not eligible to receive funding under this NOFA (see CDFI Certification section, above).

(b) The Fund is generally prohibited from obligating more than \$5 million in assistance, in the aggregate, to any one organization and its Subsidiaries and Affiliates during any three-year period. For the purposes of this NOFA, the three-year period extends back from the date of obligation under the NOFA. The Fund will deem the date of the Fund's obligation of assistance to an organization as evidenced by the date that the Fund has signed the Notice of Award issued to an awardee.

(c) The Fund will not consider an application submitted by an applicant that is a prior Fund awardee under any Fund program if the applicant is not current on its reporting requirements, set forth in the previously executed assistance or award agreement(s), as of the application deadline of this NOFA. Further, an entity is not eligible to apply for an award pursuant to this NOFA if another entity that Controls the applicant, is Controlled by the applicant

or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee under any Fund program and is not current on its reporting requirements, set forth in the previously executed assistance or award agreement(s), as of the application deadline of this NOFA.

(d) The Fund will not consider an application submitted by an applicant that is a previous Fund awardee under any Fund program if the applicant has received (or receives at any time prior to entering into an assistance agreement under this NOFA) written notification from the Fund that it is in default of a previously executed assistance agreement(s) and/or it has been barred from applying to the Fund for this funding round. Additionally, prior awardees whose awards terminated in default status during the period from October 1, 2002 through September 30, 2003, will be found to be ineligible under this NOFA. Prior awardees whose awards terminated in default status prior October 1, 2002 may be eligible under this NOFA if other eligibility requirements are met. Further, an entity is not eligible to apply for an award pursuant to this NOFA if another entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee under any Fund program, has received (or receives at any time prior to entering into an assistance agreement under this NOFA) written notification from the Fund that it is in default of a previously executed assistance agreement(s) and/or it has been barred from applying to the Fund for this funding round, and/or has an award(s) that terminated in default status during the period from October 1, 2002 through September 30, 2003.

(e) The Fund will not consider an application submitted by an applicant that is a prior Fund awardee under any Fund program if the applicant has a balance of undisbursed funds (defined below) under said prior award(s), as of the application deadline of this NOFA. Further, an entity is not eligible to apply for an award pursuant to this NOFA if another entity that Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee under any Fund program, and has a balance of undisbursed funds under said prior award(s), as of the application deadline of this NOFA. For the purposes of this section, "undisbursed funds" is defined as: (i) In the case of prior Bank Enterprise Award (BEA) Program award(s), any balance of award funds

equal to or greater than five percent of the total prior BEA Program award(s) that remains undisbursed more than three (3) years after the date that the Fund signed an award agreement with the awardee, and (ii) in the case of prior CDFI Program or other Fund program award(s), any balance of award funds equal to or greater than five percent of the total prior award(s) that remains undisbursed more than two (2) years after the effective date of an assistance agreement with the Fund. In the case where another entity Controls the applicant, is Controlled by the applicant or shares common management officials with the applicant (as determined by the Fund), is a prior Fund awardee under any Fund program, and has a balance of undisbursed funds under said prior award(s), as of the application deadline of this NOFA, the Fund will include the combined awards of the applicant and its affiliates when calculating the amount of undisbursed funds.

(f) Accordingly, applicants that are prior awardees under any Fund program are advised to: (i) Comply with requirements specified in award and/or assistance agreement(s), and (ii) contact the Fund to ensure that all necessary actions are underway for the disbursement of any outstanding balance of a prior award(s). All outstanding reports, compliance or disbursement questions should be directed to the Grants Management and Compliance Manager by e-mail at gmc@cdfi.treas.gov; by telephone at (202) 622-8226; by facsimile at (202) 622-6453; or by mail to CDFI Fund, 601 13th Street, NW., Suite 200 South, Washington, DC 20005. The Fund will respond to applicants' reporting, compliance or disbursement questions between the hours of 9 a.m. and 5 p.m. ET, starting the date of the publication of this NOFA through April 26, 2004 (2 days before the application deadline). The Fund will not respond to applicants' reporting, compliance or disbursement phone calls or e-mail inquiries that are received after 5 p.m. on April 26, 2004 until after the funding application deadline of April 28, 2004.

4. *Eligibility Appeals*. Any applicant that is found to be ineligible for funding through this NOFA on the grounds of late reports or undisbursed balances, and that believes that such factual determination was made in error, may appeal said decision by notifying the Fund's Grants Management and Compliance Manager in writing or by e-mail (at appeals@cdfi.treas.gov, Attention: GMC Manager). Such appeals must be received by the Fund within five business days of the date of the declination letter and must provide

documented evidence to contradict the Fund's finding. Only one such appeal per applicant may be made.

5. *Limitation on FA Awards:* An applicant may receive only one FA award through either the FA Component or the Native American CDFI Assistance (NACA) Program. A FA Component applicant, its subsidiaries or affiliates also may apply for and receive: (i) A tax credit allocation through the New Markets Tax Credit (NMTC) Program, but only to the extent that the activities approved for FA Component awards are different from those activities for which the applicant receives a NMTC Program allocation; (ii) an award through the BEA Program (subject to certain limitations; refer to the revised interim rule at 12 CFR 1805.102); and (iii) an award through the TA Component of the CDFI Program, the NACTA Program and/or the NACD Program, but only to the extent that the activities approved for a FA award are different from those for which the applicant receives a TA, NACTA and/or NACD award.

6. *Other Targeted Populations:* Other Targeted Populations are defined as identifiable groups of individuals in the applicant's service area for which there exists a strong basis in evidence that they lack access to loans, Equity Investments and/or Financial Services. The Fund has determined that there is strong basis in evidence that the following groups of individuals lack access to loans, Equity Investments and/or Financial Services on a national level: Blacks or African Americans, Native Americans or American Indians, and Hispanics or Latinos. In addition, for purposes of this NOFA, the Fund has determined that there is a strong basis in evidence that Alaska Natives residing in Alaska, and Native Hawaiians or Other Pacific Islanders residing in Hawaii or other Pacific Islands, lack adequate access to loans, Equity Investments or Financial Services. An applicant designating any of the above-cited Other Targeted Populations is not required to provide additional narrative explaining the Other Targeted Population's lack of adequate access to loans, Equity Investments or Financial Services. Additionally, the Fund recognizes that there may be other such groups for which there is strong basis in evidence that they lack access to loans, Equity Investments and/or Financial Services. Such groups may be identified, and evidence of such lack of access may be provided, in the Market Need section of the application associated with this NOFA, and the application for CDFI certification (if not identified in the Target Market of a currently certified CDFI).

For purposes of this NOFA, the Fund will use the following definitions, set forth in the Office of Management and Budget (OMB) Notice, Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity (October 30, 1997):

(a) American Indian, Native American or Alaska Native: A person having origins in any of the original peoples of North and South America (including Central America) and who maintains tribal affiliation or community attachment;

(b) Black or African American: A person having origins in any of the black racial groups of Africa (terms such as "Haitian" or "Negro" can be used in addition to "Black or African American");

(c) Hispanic or Latino: A person of Cuban, Mexican, or Puerto Rican, South or Central American or other Spanish culture or origin, regardless of race (the term "Spanish origin" can be used in addition to "Hispanic or Latino"); and

(d) Native Hawaiian or Other Pacific Islander: a person having origins in any of the original peoples of Hawaii, Guam, Samoa or other Pacific Islands.

For further detail, please visit the Fund's Web site at <http://www.cdfifund.gov>, under Certification/ Supplemental Information.

B. *Matching Funds:* 1. *Matching Funds Requirements in General:* Applicants responding to this NOFA must obtain non-Federal matching funds from sources other than the Federal government on the basis of not less than one dollar for each dollar of FA provided by the Fund (matching funds are not required for TA grants). Matching funds must be at least comparable in form and value to the FA provided by the Fund (for example, if an applicant seeks a FA grant from the Fund, the applicant must obtain matching funds through grant(s) from non-Federal sources that are at least equal to the amount requested from the Fund). Funds used by an applicant as matching funds for a prior award under the CDFI Program or under another Federal grant or award program cannot be used to satisfy the matching funds requirement of this NOFA. If an applicant seeks to use as matching funds monies received from an organization that was a prior awardee under the CDFI Program, the Fund will deem such funds to be Federal funds, unless the funding entity establishes to the reasonable satisfaction of the Fund, that such funds do not consist, in whole or in part, of CDFI Program funds or other Federal funds. An applicant using matching funds from an affiliated entity must be able to demonstrate that the

affiliated entity received funds in the same amount and in the same form from an eligible, non-affiliated source within the eligible matching funds window, described below.

2. *Matching Funds Requirements Per Category:* Due to funding constraints and the desire to quickly deploy Fund dollars, the Fund will not consider for FA funding any applicant that does not demonstrate any matching funds committed or in-hand as of the application deadline under this NOFA. Specifically, FA applicants must meet the following matching funds requirements:

(a) *Category I/SECA applicants:* The Fund expects Category I/SECA applicants to demonstrate no less than 30 percent of matching funds requested as in-hand or firmly committed as of the application deadline. Matching funds in-hand (received) or firm commitments for matching funds made, on or after January 1, 2002, and on or before April 30, 2005, will be considered when determining matching funds eligibility. The Fund reserves the right to rescind all or a portion of a FA award and re-allocate the rescinded award amount to other qualified applicant(s), if an applicant fails to obtain in-hand the required matching funds by April 30, 2005 (with required documentation of such receipt received by the Fund not later than May 13, 2005), or to grant an extension of such matching funds deadline for specific applicants selected to receive FA, if the Fund deems it appropriate. For any applicant that demonstrates that it has less than 100 percent of matching funds in-hand or firmly committed as of the application deadline, the Fund will evaluate the applicant's ability to raise the remaining matching funds by April 30, 2005.

(b) *Category II/Core and Category III/ FLOW applicants:* The Fund expects that FA award amounts will not exceed 100 percent of matching funds demonstrated in the application as in-hand or firmly committed as of the application deadline. Matching funds in-hand (received) or firm commitments for matching funds made, on or after January 1, 2002, and on or before April 30, 2005, will be considered when determining matching funds eligibility. The Fund reserves the right to rescind all or a portion of a FA award and re-allocate the rescinded award amount to other qualified applicant(s), if an applicant fails to obtain in-hand the required matching funds by April 30, 2005 (with required documentation of such receipt received by the Fund not later than May 13, 2005), or to grant an extension of such matching funds deadline for specific applicants selected

to receive FA, if the Fund deems it appropriate.

3. For purposes of this NOFA, "matching funds in-hand" means that the applicant has actually received the matching funds and has documentation (such as a copy of a check) to evidence such receipt; "firm commitment for matching funds" means that the applicant has entered into or received a legally binding commitment from the matching funds source that the matching funds have been committed to be disbursed to the applicant and the applicant has documentation (such as a copy of a loan agreement, promissory note or grant agreement) to evidence such firm commitment.

4. Please note that the revised interim rule allows an insured credit union to use retained earnings to serve as matching funds for a FA grant in an amount equal to: (i) The increase in retained earnings that have occurred over the applicant's most recent fiscal year; (ii) the annual average of such increases that have occurred over the applicant's three most recent fiscal years; or (iii) the entire retained earnings that have been accumulated since the inception of the applicant or such other financial measure as may be specified by the Fund. For purposes of this NOFA, if option (iii) is used, the applicant must increase its member and/ or non-member shares or total loans outstanding by an amount that is equal to the amount of retained earnings that is committed as matching funds. This amount must be raised by April 30, 2005.

IV. Application and Submission Information

A. Address to Request Application Package: Applicants may submit applications under this NOFA either electronically or in paper form. Shortly following the publication of this NOFA, the Fund will make available the FY 2004 electronic application on its Web site at <http://www.cdfifund.gov>. Paper applications may be obtained through the Fund in the manner described in Section IV.C.2, below.

B. Content Application Submission: Detailed application content requirements are found in the application related to this NOFA. Applicants must submit all materials described in and required by the application. Electronic applications must be submitted solely by using the format made available at the Fund's Web site. Additional information, including instructions relating to the submission of signature forms and supporting information, is set forth in further detail in the electronic

application. Please note that, pursuant to OMB guidance (68 FR 38402), each applicant must provide, as part of its application submission, a Dun and Bradstreet Data Universal Numbering System (DUNS) number. In addition, each application must include a valid and current Employer Identification Number, issued by the Internal Revenue Service. Incomplete applications will be rejected and returned to the sender.

C. Form of Application Submission: Applicants may submit applications under this NOFA either electronically or in paper form. In order to expedite application review, the Fund expects applicants to submit applications electronically (via an Internet-based application) in accordance with the instructions provided on the Fund's Web site. Submission of an electronic application will facilitate the processing and review of applications and the selection of awardees. Applications sent by facsimile or by e-mail will not be accepted.

1. *Electronic Applications:* Electronic applications must be submitted solely by using the format made available at the Fund's Web site. Applicants need access to Internet Explorer 5.5 or higher or Netscape Navigator 6.0 or higher and at least a 56Kbps Internet connection in order to meet the electronic application submission requirements. Additional information, including instructions relating to the submission of signature forms and supporting information, is set forth in further detail in the electronic application.

2. *Paper Applications:* If an applicant is unable to submit an electronic application, it must submit to the Fund a request for a paper application and the request must be received by the Fund by March 31, 2004. The request must contain the applicant's name; the name and phone number of a contact person; a mailing address (a street address for courier or overnight service deliveries); and an explanation of why the applicant cannot complete the electronic application. The request for a paper application should be directed to the Fund's Program Operations Manager and must be sent by e-mail to paper_request@cdfi.treas.gov or by facsimile to (202) 622-6453.

D. Application Submission Dates and Times: 1. *Application Deadlines:* The deadline for receipt of applications is 5 p.m. ET on April 28, 2004. Applications and other required documents and other attachments received after these dates and times will be rejected and returned to the sender. Please note that the document submission deadlines in this NOFA and/or the funding application are strictly enforced. The Fund will not

grant exceptions or waivers for late delivery of documents including, but not limited to, late delivery that is caused by third parties such as the U.S. mail, couriers or overnight delivery services.

a. *Paper applications* must be received in their entirety by this time and date, including an original signature page, a letter or other documentation from the Internal Revenue Service confirming the applicant's Employer Identification Number (EIN), and all other required paper attachments.

b. *Electronic applications* must be received by this date and time. In addition, applicants that submit electronic applications must separately (by mail or other courier/delivery service) submit an original signature page, a letter or other documentation from the Internal Revenue Service confirming the applicant's Employer Identification Number (EIN), and all other required paper attachments not later than 5 p.m. ET on May 5, 2004. See application instructions, provided in the electronic application, for further detail. Applications and other required documents and other attachments received after these dates and times will be rejected and returned to the sender.

E. Intergovernmental Review: Not applicable.

F. Funding Restrictions: For allowable uses of FA award proceeds, please see the interim rule, 12 CFR 1805.301. Please see Section I.A, above, for the Programmatic Priorities of this NOFA.

G. Other Submission Requirements:

1. *Addresses:* Paper applications must be sent to: CDFI Fund Grants Management and Compliance Manager, FA Component, Bureau of Public Debt, 200 Third Street, Room 10, Parkersburg, WV 26101. The telephone number to be used in conjunction with overnight delivery or mailings to this address is (304) 480-5450. Applications and attachments will not be accepted at the Fund's offices in Washington, DC. Applications and attachments received in the Fund's offices will be rejected and returned to the sender. Electronic applications must be submitted solely by using the Fund's website and must be sent in accordance with the submission instructions provided in the electronic application form.

V. Application Review Information

A. Criteria: The Fund will evaluate each application, assigning points and numeric scores with respect to the following three criteria categories:

1. *Market Need and Community Development Performance* (comprising 50 percent of possible points), including an evaluation of:

(a) *Market need*: the applicant's understanding of its market context and its current and prospective customers, the extent of economic distress within the designated Investment Area(s) (including Hot Zones) or the extent of need within the designated Targeted Population(s), the extent of need for Equity Investments, loans, Development Services, and Financial Services within the designated Target Market, and the extent of demand within the Target Market for the applicant's products and services;

(b) *Programmatic Priorities*: the extent to which the applicant demonstrates that it will target its activities to the Fund's Programmatic Priorities. Pursuant to the ranking of Programmatic Priorities, highly qualified applicants, meaning those with passing scores in the other sections of the application, that propose to conduct Priority 1 activities, will receive higher scores in the Market Need and Community Development Performance section than comparable applicants that propose to conduct Priority 2 activities; those that propose to conduct Priority 2 activities will receive higher scores than those that propose to conduct Priority 3 activities; and those that propose to conduct Priority 3 activities will receive higher scores than those that propose to conduct Priority 4 activities;

(c) *Community development performance/impact*: (i) The applicant's track record and the likelihood of its projections for community development impact, including the extent to which the applicant will concentrate its activities on serving its Target Market, and the extent to which the activities proposed in the Comprehensive Business Plan will expand economic opportunities or promote community development within the designated Target Market (including achieving the Fund's Programmatic Priorities); (ii) product design and strategy, including an assessment of the applicant's products and services, marketing and outreach efforts, and delivery strategy (including the applicant's track record in community development and serving the target market); (iii) the extent to which the applicant will provide products that meet key community development needs (such as low-down-payment mortgage products for Low-Income homebuyers and provision of financial services to individuals previously lacking such services); (iv) likely effectiveness of the proposed use of Fund dollars; and (v) the degree to which the applicant's strategy is aligned to Federal community development initiatives (for example, Empowerment Zones) particularly targeted to benefit

Low-Income people or underserved communities.

(d) *Additional considerations*:

(i) Category III/FLOW applicants will be evaluated on their plans to leverage greater private sector resources directly or indirectly in support of their lending and investing activities (such as through funding a loan loss reserve or credit enhancement), or into their Target Markets, or develop and effectively provide innovative financial products and services that address the capital needs of markets that are particularly underserved by traditional financial services institutions.

(ii) In the case of an applicant that has previously received funding from the Fund through the BEA Program, CDFI Program, the NACD Program or the NACTA Program, the Fund will consider the extent and effectiveness to which the applicant has used previous assistance from the Fund and the community development impact that will be created with new Fund assistance over and above benefits created by previous Fund assistance.

(iii) The Fund will take into consideration the Community Reinvestment Act (CRA) rating of any applicant that is an Insured Depository Institution or Depository Institution Holding Company. The Fund will not approve a Financial Assistance award to any applicant that does not currently have at least a "Satisfactory" CRA rating.

2. *Management and Underwriting* (comprising 25 percent of possible points), including an evaluation of:

(a) *Portfolio quality*: the applicant's underwriting and portfolio quality;

(b) *Management controls*: including risk mitigation strategies; and

(c) *Management team*: the capacity, skills and experience of the applicant's management team as appropriate to deliver the proposed products and services and manage compliance with the Fund's reporting requirements.

3. *Financial Health and Viability* (comprising 25 percent of possible points), including an evaluation of:

(a) *Financial track record*: The applicant's liquidity and other elements of financial strength, including earnings, capital adequacy, and deployment of resources;

(b) *Financial projections*: the applicant's projected financial health, including its ability to raise operating support from sources other than the Fund and its capitalization strategy; and

(c) *Safety and Soundness*: The Fund will not approve FA to any Insured Credit Union (other than a State-insured credit union) or Insured Depository Institution applicant that has a CAMEL

rating that is higher than a "3" or for which its Appropriate Federal Banking Agency indicates it has safety and soundness concerns, unless the Appropriate Federal Banking Agency asserts, in writing, that (i) an upgrade to a CAMEL 3 rating or better (or other improvement in status) is imminent and (ii) such upgrade is expected to occur not later than September 30, 2004 or within such other time frame deemed acceptable by the Fund.

B. *Review and Selection Process*: All applications will be reviewed for eligibility and completeness. To be complete, the application must contain, at a minimum, all information described as required in the application form. An incomplete application will be rejected as incomplete and returned to the sender.

If determined to be eligible and complete, the Fund will conduct the substantive review of each application in accordance with the criteria and procedures described in the CDFI Program regulations, this NOFA and the application. First, the Fund will determine whether the applicant has a need for capital (for Financial Products, reserves, Development Services, or Financial Services), based on the applicant's projections of capital available and activities projected. Applicants not projecting a need for capital will not be considered for FA. Next, the Fund will determine whether the applicant has matching funds in-hand and/or firmly committed. If there are no matching funds documented as in-hand or firmly committed, the applicant will not be considered for FA.

In the case of an applicant that has previously received funding from the Fund through any Fund program, the Fund will consider and will deduct points for: (i) The applicant's noncompliance with any active award or award that terminated in calendar year 2003, in meeting its performance goals, financial soundness covenants (if applicable), reporting deadlines and other requirements set forth in the assistance or award agreement(s) with the Fund during the applicant's two complete fiscal years prior to the application deadline of this NOFA (generally FY 2002 and 2003); and (ii) the applicant's failure to make timely loan payments to the Fund during the applicant's two complete fiscal years prior to the application deadline of this NOFA. Additionally, the Fund may take into account performance on any prior assistance agreement as part of the overall assessment of the applicant's ability to carry out its Comprehensive Business Plan. All outstanding reports or compliance questions should be

directed to the Grants Management and Compliance Manager by e-mail at gmc@cdfi.treas.gov; by telephone at (202) 622-8226; by facsimile at (202) 622-6453; or by mail to CDFI Fund, 601 13th Street, NW., Suite 200 South, Washington, DC 20005. The Fund will respond to reporting or compliance questions between the hours of 9 a.m. and 5 p.m. ET, starting the date of the publication of this NOFA through April 26, 2004 (2 days before the application deadline). The Fund will not respond to reporting or compliance phone calls or e-mail inquiries that are received after 5 p.m. on April 26, 2004 until after the funding application deadline of April 28, 2004.

The Fund shall consider the institutional and geographic diversity of applicants in making its funding determinations.

Fund reviewers will evaluate and score each application and make recommendations for funding to the Fund's selecting official. As part of the substantive review process, applicants may receive a telephone interview or an on-site visit by Fund reviewers for the purpose of obtaining clarifying or confirming application information. During the review process, the applicant may be required to submit additional information about its application in order to assist the Fund in its final evaluation process. Such requests must be responded to within the time parameters set by the Fund.

The Fund's selecting official will make a final funding determination based on the applicant's file, reviewer scores and recommendations, and the amount of funds available. In the case of Insured CDFIs, the selecting official will take into consideration the views of the Appropriate Federal Banking Agencies; in the case of State-insured credit unions, the Fund may consult with the appropriate State banking agencies (or comparable entity). Each applicant will be informed of the Fund's award decision either through a Notice of Award if selected for an award (see Notice of Award section, below) or a declination letter, if not selected for an award, which may be for reasons of application incompleteness, ineligibility or substantive issues. All applicants that are not selected for awards based on substantive issues will be given the opportunity to obtain feedback on the strengths and weaknesses of their applications. This feedback will be provided in a format and within a timeframe to be determined by the Fund, based on available resources.

The Fund reserves the right to change its eligibility and evaluation criteria and procedures, if the Fund deems it

appropriate; if said changes materially affect the Fund's award decisions, the Fund will provide information regarding the changes through the Fund's website.

VI. Award Administration Information

A. Notice of Award: The Fund will signify its selection of an applicant as an awardee by delivering a signed Notice of Award to the applicant. The Notice of Award will contain the general terms and conditions underlying the Fund's provision of assistance including, but not limited to, the requirement that an awardee and the Fund enter into an Assistance Agreement. The applicant must execute the Notice of Award and return it to the Fund. By executing a Notice of Award, the awardee agrees that, if prior to entering into an Assistance Agreement with the Fund, information comes to the attention of the Fund that either adversely affects the awardee's eligibility for an award, or adversely affects the Fund's evaluation of the awardee's application, or indicates fraud or mismanagement on the part of the awardee, the Fund may, in its discretion and without advance notice to the awardee, terminate the Notice of Award or take such other actions as it deems appropriate. Moreover, by executing a Notice of Award, an awardee agrees that, if prior to entering into an Assistance Agreement with the Fund, the Fund determines that the awardee is in default of any previous Assistance Agreement entered into with the Fund, the Fund may, in its discretion and without advance notice to the awardee, either terminate the Notice of Award or take such other actions as it deems appropriate. The Fund reserves the right, in its sole discretion, to rescind its award if the awardee fails to return the Notice of Award, signed by the authorized representative of the awardee, along with any other requested documentation, within the deadline set by the Fund.

B. Assistance Agreement: Each applicant that is selected to receive an award under this NOFA must enter into an Assistance Agreement with the Fund prior to disbursement of award proceeds. The Assistance Agreement will set forth certain required terms and conditions of the award, which will include, but not be limited to, (i) the amount of the award; (ii) the type of award; (iii) the approved uses of the award; (iv) the approved Target Market to which the funded activity must be targeted; (v) performance goals and measures; and (vi) reporting requirements for all awardees. Assistance Agreements under this

NOFA will generally have three-year performance periods.

The Fund reserves the right, in its sole discretion, to rescind its award if the awardee fails to return the Assistance Agreement, signed by the authorized representative of the awardee, and/or provide the Fund with any other requested documentation, within the deadlines set by the Fund.

In addition to entering into an Assistance Agreement, each awardee that receives an award either (i) in the form of a loan, Equity Investment, credit union shares/deposits, or secondary capital, in any amount, or (ii) a FA grant in an amount greater than \$500,000, must furnish to the Fund an opinion from its legal counsel, the content of which will be specified in the Assistance Agreement, to include, among other matters, an opinion that the awardee: (A) Is duly formed and in good standing in the jurisdiction in which it was formed and/or operates; (B) has the authority to enter into the Assistance Agreement and undertake the activities that are specified therein; and (C) has no pending or threatened litigation that would materially affect its ability to enter into and carry out the activities specified in the Assistance Agreement. All other awardees must provide the Fund with a good standing certificate (or equivalent documentation) from their state (or jurisdiction) of incorporation.

C. Administrative and Policy Requirements: (a) *Performance Rating:* *PLUM:* In order to better manage its portfolio of awards, the Fund is developing a performance rating system, called PLUM, which will rate each CDFI according to its overall financial strength and potential for creating community development impact. Initially, PLUM will serve as the Fund's internal portfolio risk rating tool. PLUM will cover four areas: Performance effectiveness/community development impact; Leverage, liquidity and solvency; Underwriting (including portfolio quality); and Management. The Fund currently is conducting the analyses needed to identify appropriate peer groups and target ranges for each indicator. In order that additional data can be collected for the Fund's analyses, indicators within the above four areas have been incorporated into the FY 2004 Financial Assistance Component application. Each CDFI will have access to its own PLUM rating.

(b) *Fees:* The Fund reserves the right, in accordance with applicable Federal law and if authorized, to charge award reservation and/or compliance monitoring fees to all entities receiving CDFI Program awards. Prior to imposing

any such fee, the Fund will publish additional information concerning the nature and amount of the fee.

D. Reporting: (a) *Reporting Requirements:* The Fund will collect information, on at least an annual basis, from all CDFI Program awardees including, but not limited to, an Annual Report that comprises the following components: (i) Financial Report; (ii) Performance Goals Report/Annual Survey; (iii) Financial Status Report (for TA awardees); (iv) Uses of Financial Assistance and Matching Funds Report; and (v) Explanation of Noncompliance (as applicable). Awardees are responsible for the timely and complete submission of the Annual Report, even if all or a portion of the documents actually are completed by another entity or signatory to the Assistance Agreement. If such other entities or signatories are required to provide Annual Surveys or Financial Reports, or other documentation that the Fund may require, the awardee is responsible for ensuring that the information is submitted timely and complete. The Fund reserves the right to contact such additional signatories to the Assistance Agreement and require that additional information and documentation be provided. The Fund will use such information to monitor each awardee's compliance with the requirements set forth in the Assistance Agreement and to assess the impact of the CDFI Program. The Performance Goals Report/Annual Survey must be submitted through the Fund's new web-based data collection system, the Community Investment Impact System (CIIS). All other components of the Annual Report may be submitted to the Fund in paper form. CIIS is currently under development and is expected to be operational in April 2004. The Fund reserves the right, in its sole discretion, to modify these reporting requirements if it determines it to be appropriate and necessary; however, such reporting requirements will be modified only after notice to awardees.

(b) *Accounting:* The Fund will require each awardee that receives FA and TA under this NOFA to account for and track the use of said FA and TA awards. This means that for every dollar of FA and TA received from the Fund, the awardee will be required to inform the Fund of its uses. This may require awardees to establish separate administrative and accounting controls, subject to the applicable OMB Circulars. OMB Circular A-110 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations) states that, as

applicable, recipients of Federal funds "must be able to account for the receipt, obligation, and expenditure of funds." Further, OMB Circular A-110 states that "Recipients shall maintain advances of Federal funds in interest bearing accounts unless (1), (2), or (3) apply:

(1) The recipient receives less than \$120,000 in Federal awards per year;

(2) The best reasonably available interest bearing account would not be expected to earn interest in excess of \$250 per year on Federal cash advances;

or

(3) The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources." The Fund will provide guidance to awardees outlining the format and content of the information to be provided on an annual basis, outlining and describing how the funds were used.

VII. Agency Contacts

The Fund will respond to questions and provide support concerning this NOFA and the funding application between the hours of 9 a.m. and 5 p.m. ET, starting the date of the publication of this NOFA through April 26, 2004 (2 days before the application deadline). The Fund will not respond to questions or provide support concerning the application that are received after 5 p.m. ET on April 26, 2004, until after the funding application deadline of April 28, 2004.

A. Information Technology Support: Technical support can be obtained by calling (202) 622-2455 or by e-mail at ithelpdesk@cdfi.treas.gov. People who have visual or mobility impairments that prevent them from creating Hot Zone or Investment Area maps using the Fund's website should call (202) 622-2455 for assistance. These are not toll free numbers.

B. Programmatic Support: If you have any questions about the programmatic requirements of this NOFA, contact the Fund's Program Operations Manager by e-mail at cdfihelp@cdfi.treas.gov, by telephone at 202/622-6355, by facsimile at (202) 622-7754, or by mail at CDFI Fund, 601 13th Street, NW., Suite 200 South, Washington, DC 20005. These are not toll-free numbers.

C. Administrative Support: If you have any questions regarding the administrative requirements of this NOFA, contact the Fund's Grants Management and Compliance Manager by e-mail at cdfihelp@cdfi.treas.gov, by telephone at (202) 622-8226, by facsimile at (202) 622-6453, or by mail at CDFI Fund, 601 13th Street, NW.,

Suite 200 South, Washington, DC 20005. These are not toll free numbers.

VIII. Information Sessions and Outreach

In connection with the Fiscal Year 2004 funding rounds of its programs, the Fund may conduct Information Sessions to disseminate information to organizations contemplating applying to, and other organizations interested in learning about, the Fund's programs. For further information on the Fund's Information Sessions, dates and locations, or to register online to attend an Information Session, please visit the Fund's Web site at <http://www.cdfifund.gov> or call the Fund at (202) 622-9046.

Authority: 12 U.S.C. 4703, 4703 note, 4704, 4706, 4707, 4717; 12 CFR part 1805.

Dated: February 23, 2004.

Tony T. Brown,

Director, Community Development Financial Institutions Fund.

[FR Doc. 04-4301 Filed 2-25-04; 8:45 am]

BILLING CODE 4810-70-U

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 970

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13(44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 970, Application To Use LIFO Inventory Method.

DATES: Written comments should be received on or before April 26, 2004 to be assured of consideration.

ADDRESSES: Direct all written comments to Glenn Kirkland Internal Revenue Service, room 6411, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to Larnice Mack at Internal Revenue Service, room 6407, 1111 Constitution Avenue NW.,