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(v) The project is located in an area and involves a property eligible for a Brownfield Tax Credit;

(vi) The project is located in an area affected by a military base closing and is a “community in the vicinity of the installation” as defined by the Department of Defense at 32 CFR part 176;

(vii) The project is located in a designated community under the Community Adjustment and Investment Program as defined under 22 U.S.C. 290m-2;

(viii) The project is located in a Federally declared disaster area; or

(ix) The project is located in a state declared disaster area, or other area that qualifies for assistance under another Federal or State targeted economic development program, approved by the Finance Board.

(2) Individual Beneficiaries:

(i) The annual salaries for at least 51% of the permanent full- and part-time jobs, computed on a full-time equivalent basis, created or retained by the project, other than construction jobs, are at or below the targeted income level; or

(ii) At least 51% of the families who otherwise benefit from (other than through employment), or are provided services by, the project have incomes at or below the targeted income level.

(3) Activity Beneficiaries: Projects that qualify as small businesses.

(4) Other Targeted Beneficiaries. A Bank may designate, with the prior approval of the Finance Board, other targeted beneficiaries for its targeted community lending.

(5) Only targeted beneficiaries identified in paragraphs (1)(i) through (1)(iv), and (2)(i) and (2)(ii) of this definition are eligible for CIP advances.

Targeted community lending means providing financing for economic development projects for targeted beneficiaries.

Targeted income level means:

(1) For rural areas, incomes at or below 115 percent of the median income for the area, as adjusted for family size in accordance with the methodology of the applicable area median income standard or, at the option of the Bank, for a family of four;

(2) For urban areas, incomes at or below 100 percent of the median income for the area, as adjusted for family size

in accordance with the methodology of the applicable area median income standard or, at the option of the Bank, for a family of four;

(3) For advances provided under CIP:
(i) For economic development projects, incomes at or below 80 percent of the median income for the area; or

(ii) For housing projects, incomes at or below 115 percent of the median income for the area, both as adjusted for family size in accordance with the methodology of the applicable area median income standard or, at the option of the Bank, for a family of four; or

(4) For advances or grants provided under any other CICA program offered by a Bank, a targeted income level established by the Bank with the prior approval of the Finance Board.

UDF program or *Urban Development Funding program* means an advance or grant program offered by a Bank for targeted community lending in urban areas.

Urban area means:

(1) A unit of general local government with a population of more than 25,000; or

(2) An unincorporated area within an MSA that does not qualify for housing or economic development assistance from the USDA.

USDA means the United States Department of Agriculture.

[63 FR 65546, Nov. 27, 1998, as amended at 65 FR 8264, Feb. 18, 2000; 65 FR 44431, July 18, 2000; 66 FR 50295, Oct. 3, 2001. Redesignated and amended at 67 FR 12852, Mar. 20, 2002]

§ 952.2 Scope.

Section 10(j)(10) of the Act (12 U.S.C. 1430(j)(10)) authorizes the Banks to offer Community Investment Cash Advance (CICA) programs. This part establishes requirements for all CICA programs offered by a Bank, except for a Bank’s Affordable Housing Program (AHP), which is governed specifically by part 951 of this chapter.

[63 FR 65546, Nov. 27, 1998, as amended at 65 FR 8264, Feb. 18, 2000. Redesignated and amended at 67 FR 12852, Mar. 20, 2002]

§ 952.3 Purpose.

The purpose of this part is to identify targeted community lending projects that the Banks may support through

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the establishment of CICA programs under section 10(j)(10) of the Act (12 U.S.C. 1430(j)(10)). Pursuant to this part, a Bank may offer Rural Development Funding (RDF) or Urban Development Funding (UDF) programs, or both, for targeted community lending using the targeted beneficiaries or targeted income levels specified in § 952.1, without prior Finance Board approval. A Bank also may offer other CICA programs for targeted community lending using targeted beneficiaries and targeted income levels other than those specified in § 952.1, established by the Bank with the prior approval of the Finance Board. In addition, a Bank shall offer CICA programs under section 10(i) of the Act (12 U.S.C. 1430(i)) (Community Investment Program (CIP)) and section 10(j) of the Act (12 U.S.C. 1430(j)) (Affordable Housing Program (AHP)). A Bank may provide advances or grants under its CICA programs except for CIP programs, under which a Bank may only provide advances.

[67 FR 12852, Mar. 20, 2002]

§ 952.4 Targeted Community Lending Plan

Each Bank shall develop and adopt an annual Targeted Community Lending Plan pursuant to § 944.6 of this chapter.

[63 FR 65546, Nov. 27, 1998, as amended at 65 FR 8264, Feb. 18, 2000; 65 FR 44431, July 18, 2000]

§ 952.5 Community Investment Cash Advance Programs.

(a) *In general.* (1) Each Bank shall offer an AHP in accordance with part 951 of this chapter.

(2) Each Bank shall offer a CIP to provide financing for housing projects and for eligible targeted community lending at the appropriate targeted income levels.

(3) Each Bank may offer RDF programs or UDF programs, or both, for targeted community lending using the targeted beneficiaries or targeted income levels specified in § 952.1 of this part, without prior Finance Board approval.

(4) Each Bank may offer CICA programs for targeted community lending using targeted beneficiaries and targeted income levels other than those

specified in § 952.1 of this part, established by the Bank with the prior approval of the Finance Board.

(b) *Mixed-use projects.* (1) For projects funded under CICA programs other than CIP, involving a combination of housing projects and economic development projects, only the economic development components of the project must meet the appropriate targeted income level for the respective CICA program.

(2) For projects funded under CIP, both the housing and economic development components of the project must meet the appropriate targeted income levels.

(c) *Refinancing.* CICA funding other than AHP may be used to refinance economic development projects and housing projects, provided that any equity proceeds of the refinancing of rental housing and manufactured housing parks are used to rehabilitate the projects or to preserve affordability for current residents.

(d) *Pricing and Availability of advances—*(1) *Advances to members.* For CICA programs other than AHP and CIP, a Bank shall price advances to members as provided in § 950.5 of this chapter, and may price such advances at rates below the price of advances of similar amounts, maturities and terms made pursuant to section 10(a) of the Act. (12 U.S.C. 1430(a)).

(2) *Pricing of CIP advances.* The price of advances made under CIP shall not exceed the Bank's cost of issuing consolidated obligations of comparable maturity, taking into account reasonable administrative costs.

(3) *Pricing of AHP advances.* A Bank shall price advances made under AHP in accordance with parts 950 and 951 of this chapter.

(4) *Advances to housing associate borrowers.* (i) A Bank may offer advances under CICA programs to housing associate borrowers at the Bank's option, except for AHP and CIP, which are available only to members.

(ii) A Bank shall price advances to housing associate borrowers as provided in § 950.17 of this chapter, and may price such advances at rates below the price of advances of similar amounts, maturities and terms made