

## XI. Community Reinvestment Act – Community Contacts

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- Foundations; and
- Hospitals or hospital extension programs.

The types of information available from these sources are many and varied. Specific community projects by universities or hospitals may be involved.

*Secondary information available* includes:

- Demographic and economic data;
- Independent research studies or reports on community development topics;
- Studies and data collection on development and economic trends or opportunities in the area; and
- Automated “Conplans” may also be available.

### Conducting the Interview

Having determined the groups and/or individuals to be contacted and the information to be solicited from each interview, the examiner must then plan the structure and content of questions prior to the interview. This section provides a sample list of questions that the examiner may wish to consider. The examiner should select and tailor questions from the list of sample questions that would be the most effective for each specific contact.

The questions highlight the type of information that the examiner is seeking through the community contact process. They are meant to serve as a guide to assist the examiner in planning the substance and structure of the interview. Obviously, not all questions will be appropriate to each specific contact. The list is not all inclusive; particular questions may generate significant discussions and examiners are expected to probe and conduct follow-up questions appropriately. Examiners are encouraged to review the entire list before structuring their interview. As examiners gain experience, they are encouraged to engage in discussion with the community contact and not undertake a “question and answer” format.

### Background Information on Community Contact

#### Obtain Background Information

General:

1. The examiner should ascertain the organization’s area of expertise and the role that it plays in the community. The following questions apply.
  - What geographic areas does the organization serve?
  - How old is the organization? How was it started? How much involvement by local residents and/or low-income residents was there initially?
  - Who does the organization represent? Roughly what percentage of your client base is very low- (defined as

25-50% of median area income), low-, moderate- or middle-income?

- What is the mission and the primary goals of this organization? What are the goals for this year?
- Is there a Board of Directors? What is the representation on the Board? Are there low-income neighborhood residents on the Board? Are banks/lenders or other financial institutions on the Board?
- What projects or programs are you currently working on? Aside from programs are there other means in which the mission is carried out?
- How many “clients” does this organization serve on a monthly or annual basis? If the organization is involved in development, how many real estate projects have been completed in the organization’s history? How many are on-going?
- If direct loans have been provided through any programs, what type of loans are they? What segments of the community have benefited from these loans (low-, very low-, moderate-income, elderly, etc.)? What is the number and dollar volume of loans generated?
- What are the amounts and sources of the organization’s funding? How is the funding disbursed (for example, what activities does it fund and how much of the budget is devoted to each activity)?
- Could you list the organization’s major accomplishments in the past 5 years? Is there such a list that you may have for purposes of your funders or funding proposals that I may have a copy of?
- What are some of the limits the organization is facing in serving its community? In what areas is it currently encountering opportunity?
- Is the organization interested in expanding its program or project areas at this time? In what area? Is there a time-line in place to implement these activities or expected to be in place?

*Specific to economic development agencies (including utility companies):*

- Are there empowerment zones (EZs), enterprise communities (ECs), or Foreign Trade Zones (FTZs) in your area? Where? What types of monetary incentives are offered?
- What are examples of small business, small farm, and community-based development that the agency has been involved in? Has activity been concentrated in a few areas? Which ones?
- Does the economic development agency also coordinate the housing program and monies for this jurisdiction? If not, is economic development coordinated with housing officials? What priority is accorded to affordable

housing? What priorities, if any, are accorded to specific population segments (e.g., elderly, special assistance, female heads of households, homeless, other)?

- Are the economic development strategies or the availability of the programs communicated to local residents in any way? How?

*NOTE to Examiner: Did you find that local residents or community representatives were able to articulate strategies or various programs?*

- Does the agency have working relationships established with community organizations at the neighborhood level? Who? What are the names of the individuals that the agency has worked with? If so, what is the extent of the partnership that has been established?

*Specific to local government:*

- What is the structure of the local government? Is there an economic development department? Is this separate from housing development?
- Which department has responsibility for economic development policy?
- Does the local government have programs that target affordable housing, small business development and/or community development projects? How much funding do they have?
- Has the local government identified priorities for its housing and economic development funds? Has the government determined what impact this will have for the population (for example, for the elderly, low-income families, individuals with special needs, the homeless)? To the agency's knowledge, what has been the impact of its funds in the last several years?
- How much money has been allocated for affordable housing, elderly needs, special needs, etc.? What is the time frame for the disbursement of funds, particularly Community Development Block Grant (CDBG) funds?

*Specific to real estate brokers:*

- Do you have brokers who specialize in low- or moderate-income housing (single or multifamily)?

### Obtaining a Community Profile

One of the primary objectives of the contact process is to update the community profile.

### Update the Community Profile

1. The examiner is expected to obtain and update information on current economic conditions and trends, current demographic characteristics and existing credit needs. The following questions apply.

*General:*

- What is the current demographic makeup of the community? What were the most significant demographic changes in the past five to ten years, if any (for example, migration patterns, racial composition)?
- Which neighborhoods are in transition, if any? Has gentrification or the displacement of low- or moderate-income individuals become an issue in certain neighborhoods? In which neighborhoods? Is the potential displacement of individuals being managed in some process, for example, a relocation package? If so, how and who is involved?
- What major employers have either entered or left the community in the last few years? Has this impacted certain categories of the labor market and not others? If so, who was positively impacted? Negatively? How?
- Who or what organizations are the driving forces in the community (examples include churches, government, community groups, etc.)?
- What priorities have you identified for this area?
- Have you conducted any studies (for example, neighborhood surveys or feasibility studies) that may provide insight into local credit, service or community development needs? What were the results? (Obtain a copy, if available.) How was the study used and what was the distribution (any banks included)?
- Do zoning restrictions play a role in the availability of affordable housing units? How? Which neighborhoods are most impacted?
- Are absentee landlords a problem? For whom? In which neighborhoods?
- In your opinion, what credit needs have not been adequately satisfied by area financial institutions? (Give example: small business loans, home improvement loans, installment loans, etc.)
- To what extent are financial services available in the assessment area(s)? What is the availability of ATMs or branches in this neighborhood?
- Are there many women- or minority-owned businesses in the area? If so, are they concentrated in any geographic location or occupational field?

*Specific to community-based organizations:*

- Does this community have a significant number of people that would be "uncounted" in official Census figures? If so, why? Does your organization give estimates of the uncounted or real population?
- What are the primary and secondary issues that low-income people in this area are concerned with in the short term? Long term?
- What are the most pressing concerns (for example, adequate housing, access to retail goods, adequate