



August 5, 2022

James P. Sheesley
Assistant Executive Secretary
Federal Deposit Insurance Corporation
550 17th Street NW, Washington, DC 20429.

VIA EMAIL TO: comments@fdic.gov

Attention: Comments RIN 3064-AF81

Dear Mr. Sheesly,

Thank you for the opportunity to submit a comment letter regarding the importance of industrial banks in the banking system and their importance regarding the Community Reinvestment Act.

The Utah Center for Neighborhood Stabilization (“UCNS”) is an umbrella organization for several affiliates that primarily finance affordable housing and small businesses in the State of Utah. Our beginning was in the formation of the Utah Center for Affordable Housing (“UCAH”) in 2009 to address a specific need from the great recession and foreclosure crisis that preceded it. Since the formation of UCAH, we have formed additional business units including Housing Plus, a nonprofit organization focused on multifamily development and financing; USBGI, a disregarded entity of UCNS, which administers a \$30 million loan guarantee program as part of the State Small Business Credit Initiative (“SSBCI”), a small business financing program implemented from the American Rescue Plan Act of 2021.

In 2015, UCNS responded to a need within our community to establish the Utah Equitable Transit-Oriented Development (“TOD” or “UETOD”) fund, a disregarded entity of UCNS, focused on the financing of affordable housing. As we surveyed lenders willing to work with us, UBS, an industrial bank, offered their capital and services and joined the Fund in May 2016. UBS staff provided lending expertise in the loan fund to leverage state and federal dollars while the fund provided developers access to the acquisition, predevelopment, and construction dollars for multifamily housing that benefits low- and moderate-income households throughout Utah.

The Fund was established for a total of \$35 million of which \$7 million are federal and state dollars and \$28 million are from financial institutions, of which UBS participates in the UETOD with a commitment of \$4 million for acquisition and predevelopment financing and \$3 million for construction financing. Since the formation of the Fund, another industrial bank, Celtic Bank, has provided a commitment of \$3 million for construction financing. To date, the Fund has closed 16 loans since inception totaling \$32.8 million. The fund has financed 1,782 units of housing.



We are grateful for the industrial banks that operate in the State of Utah. As a nonprofit focused on the financing of affordable housing, we rely on partnerships with industrial banks to leverage our loan programs to meet our mission, which is aligned with the Community Reinvestment Act. Of the \$35MM TOD fund mentioned earlier, two of our five banking partners are industrial banks that provide total commitments of \$10MM (29%) to our loan fund, serve on our loan committee, and provide additional funding to our organization through community grants. We are grateful for the presence of industrial banks in the State of Utah and the impact they are making through fulfilling their CRA commitments in our communities.

With kind regards,



Daniel J. Adams



Daniel J. Adams, Executive Director
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