



May 14, 2013

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
Mail Stop 9W-11
400 7th Street SW
Washington, DC 20219
Docket ID OCC-2013-0003
Regs.comments@occ.treas.gov

Robert deV. Frierson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551
Docket No. OP-1456
Regs.comments@federalreserve.gov

Robert E. Feldman, Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429
comments@fdic.gov

Dear Sirs/Madams,

The Delaware Community Investment Corporation (DCIC) is a nonprofit financial institution that provides loans and equity investments for affordable housing and community development projects located in the State of Delaware. DCIC was established in 1994 by a group of financial institutions as an entity that could facilitate viable Community Reinvestment Act investment opportunities through the creation and management of multi-investor pools. Accordingly, the Community Reinvestment Act is largely responsible for DCIC's tremendous impact in this state. Over our nearly 20 years of operations, DCIC has invested over \$365 million on behalf of our member banks, and created countless opportunities for individuals and families. These CRA investments have created over 5,500 affordable rental units and a variety of other transactions including charter schools, a nonprofit medical center in an underserved community, day care centers and other community facilities.

We strongly support the Community Development (CD) focus in the proposed revisions to the "Interagency Questions and Answers Regarding Community Reinvestment," to increase the flow of private capital to underserved areas, and help restore the important role of CD activities in the overall Community Reinvestment Act (CRA) framework.

- The Agencies' reaffirmation of favorable CRA consideration for bank investments in statewide and regional multi-investor funds will help incentivize private capital to meet

Delaware Community Investment Corporation

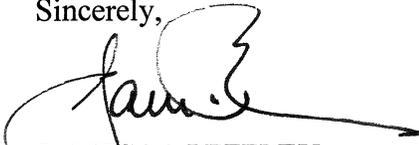
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pressing community development needs. For statewide and regional funds that rely on a number of different depository institutions to invest in CD activities like tax credits, the revisions offer greater assurance that banks will receive full CRA credit for their investments in such funds.

- There is also recognition in your proposals that CD lending and investing by pooled funds that both meet community development needs and also diversify banks' risks, takes time, and the CRA should continue to foster innovative responses to community development needs.
- The efficient deployment of CD lending and investing requires flexibility, and the Agencies explicitly recognize that "at some point the institution's assessment area[s] may receive some benefit." The revisions will help us meet the urgent needs in distressed neighborhoods in our communities, while at the same time making sure we chart a sustainable path forward beyond the current economic conditions.
- "Earmarking" projects financed with pooled funds, and "side letters", create disincentives for banks to participate in multi-investor funds, and undermine the objectives of pooling funds from multiple institutions. Side letters can also restrict the CD funds' ability to cross-subsidize the more complex deals with simple ones. A pro-rata system whereby banks receive CRA credit equal to the share of their investments has worked successfully for years.
- We urge you to finalize the revisions as soon as possible. Given current economic conditions, we respectfully request that you do not delay issuing the final community development Q&As until the full set of revised Q&As is completed.

Thank you.

Sincerely,



JAMES M. PEFFLEY
President