



THE HOUSING PARTNERSHIP

April 7, 2020

RE: Notice of Proposed Rulemaking, Community Reinvestment Act Regulations

To Whom It May Concern:

The Housing Partnership, is a broad-based, private, non-profit housing development and financial corporation organized to expand affordable and well-maintained housing within stable neighborhoods for low and moderate-income families in the City of Charlotte (Mecklenburg County), North Carolina. We are in opposition to the proposed changes to the Community Reinvestment Act (CRA) as defined by The Office of the Comptroller of the Currency (OCC) and the Federal Deposit Insurance Corporation (FDIC), for the following reasons:

The system that gives credit to banks for having branches in low-and-moderate income (LMI) communities is weakened and would likely lead to massive branch loss in communities that are already underserved. In 2008, we witnessed the downturn of our nation's economy. This allowed for predatory lenders to prey on citizens who desired to be homeowners. We know that outcome as many of the same people were forced into foreclosure. The Mortgage litigations, provided through banks, provided the ability for families to keep their homes while programs such as the Wells Fargo NeighborhoodLIFT program delivered down payment assistance and financial education to homebuyers in collaboration with NeighborWorks® America and local nonprofit organizations. The Housing Partnership was afforded the opportunity to host two NeighborhoodLIFT events.

The proposal would lessen the public accountability of banks by not accurately measuring its responsiveness to local needs. Because of strong relationships with local banks, The Housing Partnership, a member of the NeighborWorks network, has counseled over 28,000 families, created over 4,100 homeowners, completed 3,013 rental homes and invested a cumulative of 4,638 million in affordable housing. This momentum would be significantly reduced if the event banks would be given the opportunity to ignore communities where they have branches and still pass their exams.

It is clear that the proposed rules would weaken CRA. The focus on LMI communities would be lost- the exact intent of CRA when it was signed in 1977. This backtracking would violate the agency's obligation under the statute to ensure that banks are continually serving community needs. The GFDCI and OCC need to discard the proposal, and instead work with the Federal Reserve Board to create an interagency rule that will augment the progress achieved under the CRA instead of reversing it.

Thank you for your time and consideration.

Best regards,



Fred Dodson
Chief Operating Officer, The Housing Partnership

