



April 8, 2020

Chief Counsel's Office
Attention: Comment Processing,
Office of the Comptroller of the Currency
400 7th Street SW, Suite 3E-218,
Washington, DC 20219

Mr. Robert E. Feldman, Executive Secretary
Attention: Comments RIN 3064-AF22
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

**RE: Opposition to Proposed CRA Regulation Changes, Notice of Proposed Rulemaking
OCC Docket ID OCC-2018-0008; FDIC Docket ID RIN 3064-AF22**

To Whom It May Concern:

I write in opposition to the proposed changes in regulations of the Community Reinvestment Act (CRA), as referenced in the Advanced Notice of Proposed Rulemaking (ANPR).

I am President & Executive Director of Mountain Housing Opportunities, Inc. (MHO), a nonprofit 501(c)(3) housing and community development corporation founded in 1988 and based in Asheville North Carolina. We are a member of the national *NeighborWorks America Network* of high-performing and accountable organizations assisting low and moderate income people with affordable housing and other community development and human service needs.

The mission of MHO is *to build and improve homes, neighborhoods, communities and lives, and to build hope and dignity in the people we serve*. In our thirty-two year history we have built or financed more than 1,600 affordable homes and apartments. We own and lease 1,039 affordable apartments in nine counties of North Carolina, with 307 more apartments currently in construction. Also since 1988, MHO has provided health- and safety-related Emergency Home Repairs to more than 3,500 low income homeowner households, saving homes and lives.

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In our opinion, the most important CRA-related need experienced by low and moderate income people in North Carolina (and we believe across the United States), is to require and incentivize banks to lend development capital for permanently affordable, income restricted homes including apartments. This need includes construction loans as well as permanent financing at favorable rates and terms. Such loans are essential especially to the development of affordable apartments so badly needed in our communities, because the federal Low Income Housing Tax Credit (LIHTC) program does not produce enough investor equity to fully fund the cost of development and construction.

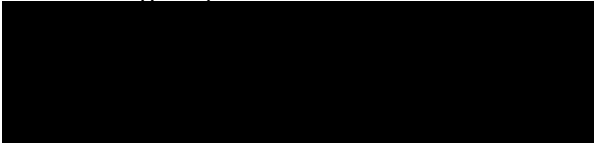
In our home county alone – Buncombe County, North Carolina – more than 7,400 renter households pay more than half of their income for rent, leaving inadequate funds in their household budgets for food, clothing, medical care, child care, transportation and other basic needs. These 7,400 severely rent-burdened households are 19.4% of all renter households in Buncombe County. Similarly, in the eighteen counties of western North Carolina, more than 21,700 renter households pay more than half of their income for rent. These 21,700 severely rent-burdened households are 19.8% of all renter households in the western North Carolina, families and individuals who struggle to afford the basic needs of life while paying more than half of their income in rent.

By far the largest source of financing we have available to address this dire shortage of affordable apartments is the LIHTC program; however, we find it impossible to cover the cost of development and construction without the construction and permanent loans at favorable rates and terms from the financial institutions which you regulate. It is clear that the currently proposed regulations will severely weaken both the requirements, and the incentives, of banks to provide this essential capital.

We believe that the rules proposed in the ANPR are so injurious to the interests of low and moderate income people, that the current ANPR should not be only revised; we believe that the ANPR should be voided altogether so that the bank regulatory agencies, in communication with national organizations of housing and community development providers, can start over with an entirely new draft, to include provisions which will strengthen incentives and requirements for banks to serve and benefit low and moderate income people with the vital housing supply they so direly need.

Thank you for this opportunity to comment. If you have questions or would like additional information, please do not hesitate to contact me by email at scott@mtnhousing.org.

Best regards,



Scott Dedman
President & Executive Director

cc: U.S. Representative Patrick McHenry, U.S. Senator Richard Burr, U.S. Senator Thom Tillis