

August 5, 2022

To Whom it may concern:

The Coachella Valley Housing Coalition (CVHC) appreciates the opportunity to comment on the Notice of Proposed Rulemaking (NPR) which seeks to retain key components of the Community Reinvestment Act (CRA).

CVHC is a nonprofit community development corporation that provides affordable housing to low income individuals and families infused with community services programs and other opportunities that enrich, build, and grow their lives. Our service areas include the Riverside, Imperial, and San Bernardino counties. In our forty years of existence, we have developed more than 5,000 units of affordable housing in both single family and multifamily, and provide an array of resident services programs in our multifamily developments. The Community Reinvestment Act has been instrumental in CVHC's ability to establish strong relationships with banking institutions that are critical to our mission. They have provided banking investments, low interest rate predevelopment loans and grants for our resident services programs.

Although the agencies proposed many positive changes to the CRA we feel that they fall short of addressing the inequities that exist in rural and undeserved areas.

Specifically, we would like to see the following issues addressed:

1. **Automatically enrollment of activities undertaken by NeighborWorks chartered Organizations as eligible CRA credits.**
2. **Include Low Income Housing Tax Credits when measuring community impact.**
3. **Community development activities outside of their assessment area.**
4. **Consider race and ethnicity in the banks lending activities to address disparity in lending in communities of color.**

**Automatic Eligibility for NeighborWorks organizations:** CRA credit should be automatically provided to NeighborWorks chartered organizations that performed the same services as CDFIs. These organizations have a mission of promoting community development and provide financial products and services to low -or moderate- income individuals and communities. We also recommend that the same treatment be extended to HUD-designated Community Housing Development Organizations (CHDOs), HUD-approved Housing Counseling Organizations and HUD-approved Nonprofit Organizations.

**Low Income Housing Tax Credit (LIHTC):** Affordable housing is a high priority in our service area and the state of California. We have a high percentage of families paying more than 50% of their income for housing. The LIHTC has been a critical funding source for our development of multifamily affordable housing. We would like to propose that agencies include LIHTC investment when measuring community impact, as allocations of this housing credit prioritizes areas within a state or local jurisdictions that can benefit most primarily from expanding affordable housing opportunities and addressing community needs.

**Community Development Activities and Assessment Areas:** We are encouraged to see that the proposed rules support allowing consideration of community development activities outside the bank's assessment area. We support this effort that would allow banks the flexibility to expand and support affordable housing production and preservation and other community development activities outside their service area. We feel that it would incentivize the banks to invest in rural and underserved areas.

**CRA Exams and Race:** The proposed rule suggests using Home Mortgage Disclosure Act (HMDA) data as a tool to produce tables describing the lending by race, but does not use this data as a contributing factor towards the bank's rating. We recommend that the final CRA rule allow lending examinations by race and ethnicity in geographical areas experiencing discrimination or showing disparities in lending activities to be incorporated into CRA exams. The proposed new rule will be in line with the original purpose of CRA to restabilize capital investment in communities often excluded from banking investment initially caused by racist housing and planning practices.

Please do not hesitate to contact me should you have any questions regarding our comments.

Sincerely,



Pedro S. G. Rodriguez,  
Executive Director  
The Coachella Valley Housing Coalition