

From: [Allison Handler](#)
To: [Comments](#)
Cc: cra@naceda.org
Subject: [EXTERNAL MESSAGE] RIN 3064-AF22
Date: Friday, February 14, 2020 4:29:19 PM
Attachments: [image001.png](#)

Feb. 13, 2020

I'm a strategy consultant working nationally with organizations that provide affordable homes and financial education for folks of modest means.

I'm writing to oppose the proposed changes to the Community Reinvestment Act (CRA)

because they would substantially reduce lending and investment in low- and moderate-income communities – the people my clients serve.

This proposal takes us back to the days of redlining, when banks tried to avoid investment in low-income and minority neighborhoods altogether. CRA was originally enacted to end redlining, with the effect of increasing financial access and opportunity. The first goal of CRA modernization should have been to prioritize the problem CRA was intended to fix. CRA modernization should at least preserve the original intent.

CRA credit is not designed to benefit people who are already ahead: it is designed to help people who are behind. It shouldn't be available for developers to build sports stadiums in Opportunity Zones or develop upper-income housing, or for family farms grossing \$10 million a year. It shouldn't be available in a "significant portion" of a bank's assessment area (somehow, "significant" has been defined as "50%"): it should be available throughout. And it shouldn't discount the community's voice, which is the effect of the proposed "single ratio" approach. Previous public comment periods have clearly pointed out this and other flaws.

Both your process and your technical recommendations are flawed. The OCC and FDIC acting without the participation of the Federal Reserve risks producing three separate sets of CRA regulations that community development organizations would have to learn in order to leverage resources to their communities. That makes everyone's job more complicated and less transparent, and results in confusion. In the end, communities lose.

On behalf of the organizations I work with, who serve low- and moderate-income people and neighborhoods, I ask that you please discard this proposal and start again.

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cc: National Alliance of Community Economic Development Associations (NACEDA)

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