

From: James Paley [REDACTED]
Sent: Friday, April 03, 2020 10:23 AM
To: Comments
Subject: [EXTERNAL MESSAGE] CRA Comments Regarding: RIN 3064-AF22

To Whom It May Concern:

As someone who has worked in the community development field for the past 40 years, I am deeply disturbed by some of the proposed revisions to the Community Reinvestment Act. While I believe that any legislation should be subject to periodic review and revision, I feel that some of the proposed changes to the law are not in the best interests of community development activities and that they are in not in keeping with the spirit from which the Community Reinvestment Act evolved.

For example, economic development activities and comprehensive community revitalization activities are very important to our neighborhoods and generally require the involvement of a lending institution. We like to consider the banks with which we have relationships to be our partners, and I feel strongly that they should be encouraged to be involved in community development activities such as comprehensive neighborhood revitalization programs and affordable housing developments wherever and whenever possible. They should be both acknowledged and rewarded for engaging in these kinds of proactive activities. We have come to expect that lending institutions that have a presence in our neighborhoods will not just accept customers' deposits, but will reciprocate by becoming involved in the revitalization of the neighborhoods in which they have a presence.

There should not be a single metric for evaluating a bank's performance and responsiveness to community needs. There are both subjective and objective criteria that need to be evaluated in measuring a lending institution's involvement in serving the needs of underserved communities. Also, community-based organizations should have a meaningful opportunity to comment on the involvement of lenders in the community development activities undertaken by these organizations. These community development corporations can contribute to an accurate assessment of the lenders based on first-hand experiences of how actively involved the lending institution is in community development activities.

The Community Reinvestment Act, as it currently stands, with all of its shortcomings, has come to be accepted and even embraced by lending institutions all across the country. Lenders have been encouraged to participate in community development activities in the neighborhoods in which they are located since 1977 when the Community Reinvestment Act was first signed into law. Banks have adhered to the requirements in order to obtain outstanding CRA ratings. They have demonstrated successfully that private reinvestment in our cities and underserved rural areas makes sense, particularly in the neighborhoods where our organization is working.

On behalf of Neighborhood Housing Services of New Haven, I implore you not to strip the Community Reinvestment Act of its essential components and to strengthen the requirements that banks and other lending institutions adhere to the concept of expanding their community reinvestment and community development activities and involvement.

Thank you very much for your attention to this important matter and for preserving the integrity of the Community Reinvestment Act.

Sincerely,



James A. Paley, Ph.D.
Executive Director

James A. Paley, Ph.D.
Executive Director
203-562-0598 x214



333 Sherman Ave. New Haven, CT 06511
www.nhsfnewhaven.org

NHS New Haven is an Affirmative Action / Equal Opportunity Employer