



# Neighborhood Housing Services of Baltimore, Inc.

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April 1, 2020

The Honorable Joseph Otting, Comptroller  
Office of the Comptroller of the Currency  
400 7th Street SW, Suite 3E-218  
Washington, DC 20219

The Honorable Jelena McWilliams, Chair  
Federal Deposit Insurance Corporation  
550 17th Street, NW  
Washington, DC 20429-0002

RE: Docket ID OCC-2018-0008; RIN 1557-AE-34, 3064-AF22; - Reform of the Community Reinvestment Act

Dear Comptroller Otting and Chair McWilliams:

On an annual basis, NHS of Baltimore (NHSB) receives between \$115,000 to \$150,000 from area financial institutions to support our homeownership, financial capability, lending, and neighborhood revitalization activities in Baltimore's low-to-moderate income communities. We receive contributions ranging from \$10,000 to \$25,000 from Bank of America, Capital One, Fulton Mortgage, M&T Bank, PNC, and Wells Fargo, all of which are headquartered elsewhere in the country including in Charlotte, NC; McLean, VA; Lancaster, PA; Buffalo, NY, Pittsburgh, PA; and San Francisco. Two of our previous contributors, BB&T Bank and SunTrust, recently merged to become Truist. Truist has indicated potential financial support although we are unsure if the amount will equal the total of the previous contributions from BB&T and SunTrust. Truist is headquartered in Charlotte, NC.

Additionally, as a charter member of NeighborWorks America, NHSB has received larger competitive grants that have been funded through financial institution CRA commitments and through bank settlements. These grants have ranged from \$20,000 to \$5 million supporting our homeownership education and counseling activities, as well down payment assistance forgivable and deferred loans that help low-to-moderate- income households overcome financial barriers to homeownership.

I am concerned that the proposed CRA Amendments to combine dollar value of lending and community development in order to reach a rating largely based on dividing CRA activity by deposits will encourage banks to seek out the largest deals and discourage the smaller dollar investments that we receive. With all of our major financial institution contributors headquartered outside of Baltimore, I am also concerned that our contributors could cut back their CRA activities in Baltimore if allowed to get credit, as proposed, for CRA activities done elsewhere. The One Ratio will also favor larger and easier transactions likely decreasing smaller local investments. Contributions from banks could be diminished or eliminated because the one ratio approach would allow banks to meet their full CRA obligation through other means without making charitable contributions.

Throughout our 46 year history, NHSB has brought residents, financial institutions, and government partners together to spur investment in Baltimore's low-to-moderate income communities with great results in expanding affordable homeownership and vital neighborhoods. The Community Reinvestment Act (CRA) has led to over \$1 trillion in mortgages, small business loans, and economic development for under-served neighborhoods since 1990. Bank investment, including charitable contributions, is a critical driver of our success in Baltimore.

Sincerely,

Ann Sherrill  
Director of Development

